

**Eleventh sitting**

Monday, 11 June 2012, 10.05 a.m.

*President: Mr Alburquerque de Castro*

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

*Original Spanish: The PRESIDENT*

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

*Original Turkish: Mr ÇELİK (Minister of Labour and Social Security, Turkey)*

First of all, I would like to congratulate the President on his election. I also would like to express my gratitude to Mr Somavia for his inspiring work to date, and to congratulate the Director-General-elect of the ILO, Mr Guy Ryder.

I would like to state my full agreement with the idea that social justice should be stressed in conjunction with robust economic growth, as highlighted in the Director-General's Report entitled *A new era of social justice*. As it was also clearly demonstrated in the appendix of the Report, I hope that the shortcomings that have been in place and the blockade which has been ruthlessly imposed on the occupied Arab territories for many years will come to an end, and that we will be able to enter a new era of peace, which will also have a positive impact on labour life.

The global economic crisis has caused not only the problem of unemployment, but also many other problems, such as the unfair distribution of income and social uprisings. The political will can only be acknowledged by the public insofar as it can offer solutions to these challenges. At the centre of all those solutions lies the creation of new jobs.

In his recent book entitled *The coming jobs war*, Jim Clifton talks about the importance of employment for governments, claiming that the next 30 years will be shaped not by political or military power, but by creating quality jobs and increasing production. We believe that, in this context, more emphasis should be put on the ministries of labour and employment in the coming period.

Thanks to the macroeconomic policies and reforms which our Government has been pursuing, Turkey has demonstrated great success in the face of the global financial crisis and, as a result of this endeavour, the unemployment rate declined to 9.1 per cent in February 2012, which is even lower than the pre-crisis figures. With that performance, Turkey ranked among the top G20 countries which managed to rapidly mitigate unemployment rates in

the aftermath of the downturn. Meanwhile, the Turkish economy recorded a post-crisis growth rate of 9 per cent in 2010 and 8.5 per cent in 2011, becoming the fastest-growing economy among OECD countries and the second among G20 countries. I would like to state, in particular, that we have accomplished employment-oriented growth in Turkey, which is indicated as being of key importance for exiting the crisis.

In addition to this remarkable success, we managed to obtain a significant decline in informal employment rates. We enabled those who became unemployed during the crisis to effectively receive unemployment benefits. We also provided vocational training courses to 300,000 unemployed people annually within the framework of active labour market policies. We provided universal health insurance coverage for all.

I would also like to briefly talk about the issue of youth employment, which is one of the agenda items of this year's International Labour Conference, because we know that young people are the ones who are the most severely affected by the global crisis.

The unemployment rate in Turkey, as I have mentioned, has been steadily declining since the first quarter of 2009. However, the youth unemployment rate, at 18.3 per cent in February 2012, is still higher than the general unemployment rate. We have intensified our efforts towards the target by lowering this rate through our National Youth Employment Action Plan, which we prepared in cooperation with international organizations. With this new initiative, we will introduce job and career consultants and thus aim to have a total of 4,000 consultants by the end of the year.

I would also like to briefly talk about the recent developments in labour life, social dialogue and new acts put in place by our Government since last year. Public servants acquired the right to collective bargaining as a result of a constitutional amendment, and the draft act on collective labour relations and an autonomous draft act on occupational health and safety were referred to the relevant committees of the Parliament, and are now in the General Assembly of the Parliament.

Last September we hosted the XIXth World Congress on Health and Safety at Work with the ILO and the International Social Security Association (ISSA), attended by 32 ministers and 5,000 professionals from across the world. We are also now working on our Vision 2023, which will coincide with the centenary of the Republic of Turkey. Our

ultimate target is to cut the unemployment rate to 5 per cent by 2023. In this context, I would like to extend my greetings to you all and I wish you a fruitful 101st Session of the Conference.

---

*Original Farsi: Ms AFZALI (Minister of Labour, Social Affairs, Martyrs and Disabled, Afghanistan)*

---

Please allow me, on behalf of the Afghan delegation, to congratulate the President on his election to preside over the Conference. Following his wise guidance, we are confident that we can achieve the objectives of the Conference.

I would like to take this opportunity to assure you that Afghanistan firmly stands behind its commitment to implement the ILO Conventions. In order to better implement the Conventions that we have ratified and to pave the way for ratifying the Forced Labour Convention, 1930 (No. 29), the Labour Inspection Convention, 1947 (No. 81), the Employment Policy Convention, 1964 (No. 122), and the Private Employment Agencies Convention, 1997 (No. 181), we are currently working on the revision of our Labour Law and other relevant legislative instruments. We look forward to ratifying the abovementioned four Conventions as soon as possible.

As a result of the past three decades of imposed war, as you may know, Afghanistan has lagged behind the caravan of the economic and technological development of the world and become the most vulnerable country in the world.

Currently, Afghanistan is at a critical turning point in its history, and much remains to be done to put it firmly on the road to recovery and economic development. Its people cannot wait for peace to make way for stability to rebuild their country.

Moreover, Afghanistan, as a developing country with new ideas for establishing a prosperous and glorious society free from terrorist threats, needs the cooperation and support of the international community to rebuild its industry, agriculture and commerce sectors. It also needs technical cooperation to enhance its capacities for accepting its responsibilities for all its affairs after the international forces leave the country in the year 2014. I believe that now is the time for action, but we can only achieve our objectives if we have the full cooperation of the ILO and other international bodies.

Unemployment, especially youth unemployment, is a predominant problem in today's world and it requires serious attention at the national and international level. Should we neglect or fail to address this problem, the adverse consequences will be insecurity and instability in many countries of the world.

The high unemployment rate, particularly youth unemployment, in Afghanistan has become a very big challenge. Misusing these conditions, the enemies of peace and security in Afghanistan employ youth for detrimental activities. Approximately 70 per cent of the population of Afghanistan is under the age of 24, which represents the extent of this problem in the country. I strongly believe not only that jobs precede stability, but that employment opportunities have an undeniable impact on recovery and sustainable peace.

The Government of the Islamic Republic of Afghanistan strives to lower the unemployment rate by facilitating technical and vocational training programmes; designing and implementing macroeconomic policies, with special consideration of na-

tional and regional labour market policies; enhancing entrepreneurship; and considering other relevant factors having a direct impact on unemployment in general, and youth unemployment in particular.

So far, we have trained approximately 120,000 people in different trades based on labour market demand, and it is envisaged, by the end of 2014, to train 100,000 more in different trades as per labour market demand. To help jobseekers find employment, the establishment of employment service centres is at the top of our working agenda, and we hope to implement it with the cooperation of the ILO.

Many Afghans currently work overseas, particularly in Middle Eastern countries, and although they make up a small proportion of the labour force, their remittances make an important contribution to their families and the national economy. Many of them return with enhanced skills gained during their employment and participate in the national and international labour market with higher capabilities. However, migration also comes with all its risks: financial risks, scams and exploitative working conditions that violate human rights. We seek ILO support to foster out-migration while at the same time curtailing the risks associated with migration, and wish to implement supportive programmes so as to optimize the benefits for all.

To design informed labour-related policies and programmes, we need to know the details of our national labour force. Therefore, the first national labour force and establishment survey is planned for implementation in 2012–13, with the technical help of the ILO.

In the area of social security, to ensure transparency of pension dues and to make the pension payment process easier, the Ministry of Labour, Social Affairs, Martyrs and Disabled, in collaboration with the World Bank, is implementing the pension reform project and a safety net pilot project in a few districts.

The implementation of the Decent Work Country Programme for Afghanistan for five years, with the technical support of the ILO, is a great anticipation for decent employment opportunities in the country. The Decent Work Country Programme consists of three key priorities: promotion of productive employment; promotion and application of international labour standards; and strong and standard employers' and workers' organizations contributing to national policy formulation processes and better industrial relations. It also specifically concerns dialogue and the area of industrial relations.

In closing, I would like to extend my sincere appreciation to the ILO for its ongoing cooperation and wish the ILO much success in all its endeavours.

---

Mr TAN (*Government, Singapore*)

---

Let me first congratulate the President on his election to lead the 101st Session of the International Labour Conference. This year's theme, "Building a future with decent work", is a good reminder to all countries that creating meaningful employment is key to a sustainable cycle of economic growth, increasing standards of living and promoting social and political stability. Having a competitive workforce and an open and conducive business environment is a key reason that enabled Singapore to recover quickly from the last global recession and

achieve a low resident unemployment rate of 2.9 per cent in 2011.

In the short to medium term, the global economic outlook is likely to remain sluggish, with uncertainty in the eurozone, a jobless recovery in the United States and an economic slowdown in China and India. Like that of many other countries, our economy is intrinsically tied to the global economy, and against this backdrop our growth forecast for 2012 is a moderate 1 to 3 per cent. In the longer term, Singapore and other countries that are facing low fertility rates will also have to grapple with an ageing workforce and slower labour force growth.

To ensure that Singapore can enjoy inclusive growth for all while ensuring decent wages for decent work, we have adopted two key, strategic thrusts to prepare for the future: first, for productivity growth to be the key driver of growth in the decade ahead; and second, ensuring that growth is inclusive.

The Singapore Government has set the target of achieving productivity growth of 2 to 3 per cent per annum over this decade. This is really about making each company and worker more productive and hence more competitive. To achieve this goal, we have put in place various grants and incentives to help companies improve their productivity. We are also investing heavily in continuing education and training to help our workers enhance their skills and be more productive.

To make sure our growth is inclusive, we have focused on low-wage and older workers. In 2007, the Government introduced a key pillar in our social security landscape: the Workfare Income Supplement Scheme, which provides support for low-wage workers. Workfare encourages low-wage workers to work and supplements their income and retirement savings. Workfare also encourages low-wage workers to enhance their skills and employability so that they can enjoy sustainable wage increases.

In terms of enhancing employment opportunities and retirement adequacy for older workers, the Retirement and Re-employment Act was enacted in January 2012, allowing workers to continue working beyond their retirement age so that they can earn a regular income and build up their retirement adequacy. It also provides employers with the flexibility to continue to tap the contribution of their experienced and older employees. To further encourage companies to continue to hire older Singaporean workers, the Special Employment Credit was introduced in 2011 and further enhanced in 2012, to provide employers with payouts for continued support to higher-level, older Singaporean workers. We will continue to work with our social partners to improve productivity so that all Singaporeans, especially our low-wage workers, can look forward to better jobs and higher incomes.

Occupational safety and health is also important in the area of work. Since the reform of the framework for workplace safety and health in 2005, Singapore has made significant progress on this front as a result of regulatory reforms, through the enactment of the Workplace Safety and Health Act, and greater industry ownership of workplace safety and health outcomes in areas such as industry capability-building and setting standards. This has effectively brought down our fatality rates significantly, from 4.9 fatalities per 100,000 workers in 2004 to 2.3 fatalities per 100,000 workers in 2011. This is a result of our numerous efforts to put in place a stra-

tegic framework and plan to continuously promote and raise occupational safety and health standards in Singapore. The plan was developed together with our tripartite partners and industry stakeholders. It sets out our national vision and guides our tripartite efforts to ensure a safe and healthy workplace for everyone.

Today, Singapore is pleased to announce its ratification of the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187). This ratification will cement our commitment to continually improving occupational safety and health outcomes for all workplaces and encourage further work to achieve our national workplace safety and health vision.

On the ASEAN front, we appreciate the ILO's support in raising occupational safety and health standards in ASEAN. We will continue to work closely with the ILO in collaborative projects with our fellow ASEAN member States and raise regional occupational safety and health performance. I wish the 101st Session of the International Labour Conference and all its participants great success in their deliberations.

---

*Original Slovak: Mr RICHTER (Minister of Labour, Social Affairs and Family, Slovakia)*

---

The International Labour Conference and its unique tripartite format can truly be considered "the world parliament of labour". The Conference in which we are meeting today allows Government representatives, representatives of employers and representatives of workers to negotiate, seek and adopt joint measures aimed at the achievement of social justice and decent work.

According to its policy statement, the Slovakian Government intends to be the Government of certainties for citizens and to create the necessary conditions to improve quality of life.

The basis of government activities in terms of a permanent social dialogue is to eliminate the effects of the crisis and secure the unity of economic, social, political and environmental developments in Slovakia.

A key task of the Government is to develop and strengthen social dialogue at all levels. The Act on Tripartite Consultations at the national level enables social dialogue at the highest level and has proven to be working well in practice. The Economic and Social Council of the Slovak Republic is a consultative and concertation body of the Government and social partners.

To ensure the sustainable development of Slovak society and the corresponding increase in quality of life, the rules of social dialogue will be adapted in order to operate at the regional and sectoral levels, and in particular, at the level of companies and organizations.

In order to improve the quality of the legislative process, representatives of the social partners will be added to the Legislative Council of the Government.

The Government will make the greatest possible effort to ensure that the fundamental measures it adopts are supported by the majority of the population. The involvement of the social partners is crucial to this process. This will require an effective social dialogue. Social dialogue requires that more employees are covered by collective agreements. We have therefore decided to amend the Act on Collective Bargaining in order to eliminate obstruc-

tions to establishing and extending higher level collective agreements to other employers, which will also help to prevent, among other things, social dumping.

The Government considers the minimum wage to be an extraordinarily important instrument for increasing motivation to work amongst marginalized groups. Therefore, as the state of public finance permits, the Government is considering a modification of the minimum wage valorisation system to be linked with the average wage and minimum cost of living after prior consultations with the social partners.

Labour law legislation of the Slovak Republic is based on the Constitution of the Slovak Republic and the relevant labour standards of the International Labour Organization. Balanced relations between employee and employer create the conditions necessary for creating sustainable growth in the quality of life. The Government is preparing a Labour Code amendment after a qualified negotiation with the social partners.

Another government measure that will assist to promote social dialogue by opening the Government to all levels of Slovak society is the creation of a new Council for Solidarity and Development at the government level, in which social dialogue partners have their representatives. Reductions in unemployment should be carried out through economic policy based on long-term integrated policies for job creation. To achieve this objective, the Government intends to develop eight separate programmes on job creation. The development and fulfilment of these programmes will become the main agenda of the newly formed Council of Solidarity and Development. For example, a programme concerning the employment of young people will be developed. It will have to train young people for smooth entry into the labour market and ensure a better match between the needs of the present day economy and the skills and abilities of graduates. These programmes will draw on financing from EU structural funds.

If necessary, the Government of the Slovak Republic, together with the social partners, is prepared to request special assistance from the International Labour Office, particularly in connection with the amendment of the Labour Code and the Collective Bargaining Act, as well as pension reform.

---

Ms SHULER (*Worker, United States*)

It is an honour to be here on behalf of the AFL-CIO. I would like to give special thanks to the vision and energy of Director-General, Juan Somavia, in raising the profile of the ILO and making it a key institution in responding to the global jobs crisis. We welcome the election of Guy Ryder and look forward to working with him to ensure that the ILO continues to play a strong role in setting and maintaining high labour standards worldwide.

We are now at a dangerous moment. The jobs crisis threatens workers of all ages and across all regions of the world. Although governments should rethink and change current macroeconomic policies to create jobs, we see a lot of the same business as usual cutting jobs and workers' incomes.

More is at stake here than unjust economics. The vicious cycle of austerity and recession is creating a climate of social divisiveness and politics of hatred that is spiralling out of control.

From Spain to Greece to Mexico to the United States, we hear the voices of young people and older workers responding to the crisis with protests and with their votes. The voices of the *indignados* in Spain and the Occupy movements should wake us up to the need for economic policies that lead to more equitable and sustainable models of growth.

Young workers are coming of age and there are few good jobs available for them. You know that the numbers on youth unemployment are dismal – you have been talking about them throughout the Conference. A total of 74.8 million young people between the ages of 15 and 24 were unemployed in 2011, an increase of more than 4 million since 2007. It is shameful! Globally, young people are nearly three times as likely as adults to be unemployed. We cannot allow a future generation of workers to be scared by the lack of employment opportunities. We should be coming together – governments, employers, workers – to bring creative solutions for our countries' young people. It sounds like the youth employment conclusions over the weekend were a good start. So now, let us act on them.

The ILO plays a unique role in ensuring the integration of employment and social policies, with macroeconomic policy strategies. Tackling the current youth jobs crisis requires bold solutions. Of course we must foster a global and sustainable recovery but if we do not consider the social dimension of this crisis, if we do not listen to the voices of the protest movements and young people themselves, we will continue to make the same mistakes.

If the jobs of the future are to be good jobs, we must restore balance by ensuring workers in all countries enjoy the fundamental rights of freedom of association, freedom to form unions of their choosing, and freedom to bargain collectively.

As the unemployment situation has worsened, so have the attacks on workers. In Colombia, 29 trade unionists were murdered last year and we have seen egregious campaigns of violence against working people in Mexico, Guatemala, Georgia and Swaziland, to name a few. Workers have lost collective bargaining rights in Greece, Spain and the United States.

At this year's session of the Conference we have let these workers down. The Committee on the Application of Standards is one of the most effective human rights mechanisms in the international system. Sadly, the Employers' refusal to hear important cases of workers' rights violations has undermined the tripartite mechanism that has, for over 80 years, made this body credible and effective. Can we not do better? Can we not do better for the workers who are depending on us?

I think we can. We need to return to the roots of the ILO, policies and programmes promoting decent work for all that we jointly shape, respect for the rule of law, universal and lasting peace that can be accomplished only if it is based on social justice.

What we have is a wake-up call. It is time for us to respond. It is up to all of us to lay the foundation for more just and equal societies where the benefits of globalization are shared, not just by a few, but by all.

---

Ms BJURSTRØM (*Minister of Labour, Norway*)

Norway strongly supports the ILO in its efforts to promote decent work as a basis for global governance, countering the economic crisis, and as a strat-

egy for economic recovery. We commend the ILO for the high profile and result it has achieved in international fora. We firmly believe in strengthening international rights-based institutions.

Norway has a long tradition of tripartism. We see a great need to strengthen the work of the ILO in this field. Today, the countries that have not ratified the two Conventions on freedom of association and collective bargaining contain more than half of the world's population. This is a sad reality that we have to try to change. Freedom of association and collective bargaining are two of the necessary democratization processes and social dialogue is one of the most effective tools in creating the acceptance of decisions.

Ratification of the ILO Conventions is thus key. Hence, we would encourage all Members to speed up the ratifications! However, ratifications alone will not suffice. Fundamental rights also have to be respected. National policies, implementation strategies and strong political determination for a fair globalization need to follow.

The ILO Declaration on Social Justice for a Fair Globalization reminds us that coherence in global governance – putting social justice on a par with economic efficiency and growth – is absolutely necessary. This is as relevant today, in the midst of a crisis, as it was in 2008, when the Declaration was signed. We therefore encourage the ILO's cooperation with the multilateral world, especially the IMF, the World Bank and the OECD. We fully agree, as set out in the Report of the Director-General of 2011, that we have to create a new growth path that includes social justice.

Efforts to improve the situation for one of the vulnerable groups in the labour market, such as young people, must continue to be strengthened and not undermined during the ongoing economic crisis. In many countries, the financial and economic crisis has been followed by stronger tendencies to a two-tier labour market. Our Norwegian experience has been different. Norway has managed to combine high levels of labour market participation with relatively small income differentials, and without a two-tier labour market. The model has endured over decades.

The Report of the Director-General, *A new era of social justice*, shows that fundamental rights are not stumbling blocks for growth and recovery. Jobs and fundamental rights at work are the only basis on which to promote economic recovery and to build sustainable growth and development.

---

*Original Portuguese: Mr SANTOS PEREIRA (Minister of Economy and Employment, Portugal)*

---

The International Labour Organization was created at a time when efforts to bring about peace and reconstruction in a world devastated by war allowed us to understand that universal and lasting peace could only be achieved on the basis of social justice and economic development.

Social justice is a permanent objective, as is tripartism, one of the fundamental pillars of the structure and functioning of the ILO that distinguishes it from the other international organizations, enabling it to face, yesterday as today, the challenges of an increasingly globalized world with the utmost legitimacy.

In this framework it is important to underline the importance of the fundamental principles and rights

at work and their effective application to all member States of the Organization.

The 2008 Declaration on Social Justice for a Fair Globalization is, without a doubt, a huge contribution and a source of inspiration for all of us, particularly at a time when many member States, including my own country, are undergoing difficult times facing the serious consequences of the economic and financial crisis.

Therefore, the topics debated at this Conference are extremely appropriate today and we are convinced that the results will represent a major contribution towards directing public policies at all levels and strengthening the activities of the economic and social players for the creation of quality jobs.

At present Portugal is suffering from the effects of the economic and financial crisis, aggravated by inappropriate policies over recent years evidenced in particular by high levels of unemployment, particularly for young people, including those with a high level of education.

Thus the Government has been implementing a wide range of reforms with the key objective of achieving higher levels of productivity and competitiveness to restore a sustainable economy with better opportunities for everyone. That is why last year we approved a new competition law to stimulate the economy, a new insolvency law to help restructure businesses, and a zero layoff programme in industry, which would mean that 98 per cent of layoffs in industry in Portugal would come under the zero layoff heading.

We are reforming public risk capital operations to be more comprehensive and transparent. We are putting an end to golden shares in former public enterprises, and are establishing an ambitious programme of privatizations, restructuring the business sector of the State, and bringing about a reform of regulated professions and professional bodies.

Behind all these reforms we have the social dialogue between the Government and the representatives of the employers and workers, which has led to the signing of a tripartite agreement, which is a commitment to growth, competitiveness and employment signed in January of this year. This agreement allows a programme of reforms to be supported with a broad social consensus, which gives it increased legitimacy and better conditions for achieving its objectives and implementing the measures contained in it. The agreement was made possible by the fact that the representative organizations of employers and workers were able to understand the current difficulties and take the appropriate responsibility.

This tripartite agreement has included reforms which directly affect the labour market. We have an ambitious labour market reform which was only possible owing to the tripartite agreement signed in January, which allows the labour law reform to be supported by broad social consensus, giving it increased legitimacy and better conditions for its measures to be turned into practice.

The reform introduced elements of internal flexibility to safeguard worker protection and facilitate the internal adjustment of businesses to meet the requirements of the markets in which they are operating, particularly through new stimuli for collective bargaining at enterprise level and the introduction of measures to eliminate or significantly reduce segmentation of the labour market, which badly affects the unemployed, especially young people.

This social agreement includes various active employment policies to combat the increasing unemployment in our country. Many of these focus on fighting youth unemployment. Last week we introduced the “Boost for Youth” programme with various types of measures: internships, support for recruitment, vocational training, entrepreneurship and investment support.

The programme establishes a set of measures for the creation of jobs and so that unemployed young people can improve their vocational training and skills with a view to being integrated in strategic sectors of the economy. A particular focus will be on highly qualified young persons who can make a major contribution to the development of the country and the strengthening of small and medium-sized enterprises.

Portugal is still reinforcing vocational training and instruction, including through initiatives involving high levels of skills and employability.

This ambitious programme of reform is based on social dialogue and particularly on an important tripartite agreement which we wish to expand and promote. In this way we consider that we are preparing Portugal for an increasingly competitive and globalized world.

President, I should like to conclude by expressing my gratitude to the Director-General, Mr Juan Somavia, who will soon be leaving his post and to whose leadership we owe the fact that the ILO today is at the forefront of finding consensual solutions to the problems affecting the world of work. We also welcome the Director-General-elect, Mr Guy Ryder, to whom we entrust the great responsibility of helping the ILO to promote the objective that is valid for all eras and all societies, the objective of social justice.

---

Ms BURROW (*Representative, International Trade Union Confederation*)

---

For working people without jobs, or those who are watching their children denied jobs; for the majority who have no adequate social protection; and of those who have lost their homes and retirement benefits, their faith in governments is shattered. Moreover, there is no way to explain to them why their own governments have now turned on them, and are attacking their fundamental labour rights at the behest of global agencies and the bond markets.

After more than four years, since the onset of the global financial crisis the sanity of current policies must be questioned. The massive transfer of debt from the private sector and the banks to government treasuries; government inaction to tackle the greed of the financial sector; and now the cowardice in protecting their own people in the face of the bond markets in Europe, the Troika and agencies elsewhere, it must end. It must end.

We need to see investment in jobs, not debt; we need to see wage growth in surplus countries – wage increases that reflect prices and productivity and a catch-up of past productivity; we need a freeze on austerity attacks and genuine social dialogue in southern countries; we need stronger, not weaker collective bargaining provisions; we need serious financial regulations to stop the speculative gambling with our future, and social protection for people – not welfare for banks with no equity or conditionality that even guarantees shared profits or affordable credit for SMEs; we need a significant reduction in the informal economy now withering

formal businesses and decent work; and we need sustainability. It is possible. In the lead-up to Rio, our own research, the ITUC research, shows that 2 per cent of GDP each year for five years invested in greening up our economies could actually create 48 million new jobs in just those 12 countries. Imagine what we could do in 50 or 100 countries.

European unions have indeed called for a new social compact, and I urge governments to sit at the dialogue table and listen to their people.

I congratulate the Director-General, Juan Somavia, for his call in his opening address for serious rethinking. Workers have 25 trillion dollars invested in the global economy: their pension funds. We want to see patient capital. We have made the commitment to drive 5 per cent of that capital into the global economy in green infrastructure and jobs, more into infrastructure generally, and we want to see governments look to work with us to make sure that investment is in mature markets.

And then of course, not only is global growth stagnating, but inequity is growing everywhere. The income gap has risen even in traditionally more equal countries – and why? Why, when productivity has nearly doubled over the last two decades, but income redistribution has fallen to almost a third of that some three decades ago? So, more equal distribution of the wealth is the only solution, and the fundamental rights of freedom of association and collective bargaining that this House stands for is a critical part of the solution.

It is not too dramatic to say, in the lead-up to the G20, that we just have a few months to see a comprehensive solution or we could face a rerun of the 1930s.

I must say it is with great despair in some ways that I say that to date the cooperation with employers at both Rio and the G20, where there is acceptance of both a shared future and shared responsibility stands in great contrast to the scenes from our Committee on the Application of Standards.

To deny the most vulnerable workers the right to be heard, the possibility of protection of the supervisory mechanism of the ILO, protection from further incarceration, torture and oppression – I say to my Employer colleagues, “Shame on you”. To abscond from this serious responsibility by deploying strike action is a black irony for workers like those teachers in Bahrain who have been incarcerated and tortured for a two-hour stop-work meeting, or the workers in Turkey, and much, much more.

Tomorrow I will release the first global poll of the views of working people, and frankly, the democracy contract is broken. There is legal optimism. The choices are clear, but will governments act, is the question.

Juan Somavia, I thank you for the extraordinary leadership. Among other issues, Decent Work is your legacy, and it is our legacy thanks to you. And I am proud to see a Worker will take your place. Guy Ryder will be a great Director-General. I wish you well and I hope, Juan – and I suspect in fact – that we will not lose your voice on the global stage.

---

*Original Korean: Mr KIM (Worker, Republic of Korea)*

---

Let me begin by expressing our gratitude to the Director-General, Juan Somavia, for his dedication to social justice and fundamental labour rights. Let me also congratulate Mr Guy Ryder on his election. Mr Ryder came to Korea in 1997 to support the

KCTU general strike and has always stood shoulder to shoulder with Korean workers.

Many of you may remember the Ssangyong Motors strike against the mass dismissal of 2,646 workers in 2009. Three years have passed since an agreement was reached on reinstatement, but it has yet to be implemented. The union leader is still in prison, while workers' wages and homes are still under provisional seizure owing to pending damages suits filed by the company. So far, 22 workers and workers' family members have lost their lives to suffering and despair. Police recently destroyed an altar set up in front of Seoul City Hall, throwing the 22 memorial portraits of the deceased into the trash.

What will the ILO do for the colleagues of the deceased, who can do nothing but cry for those portraits to be returned? In auto factories many workers illegally employed by in-house subcontractors do the same work as permanent workers, but earning only half the wage. If those workers join unions to challenge these unfair conditions, the parent company throws the workers out. A Supreme Court decision on the regularization of the workers who have worked for two years or more at Hyundai Motors is being completely ignored. Instead, a law which aims to legalize in-house subcontracting has been initiated. What will the ILO do for workers who are denied their fundamental rights at work?

Drivers in construction and cargo transport, patient care workers, home tutors and many other workers are not covered by labour laws because of their disguised employment relationships. The Korean Government has repeatedly threatened to cancel the union registration of two unions simply because they have specially-employed workers as their members. On 27 June, workers who suffer owing to this blind spot in the law will strike. What will the ILO do for workers such as these, who have to risk their lives to claim their rights?

The Korean Government recently nominated a representative to the Minimum Wage Deliberation Commission, whose impartiality is suspect, and they did this without consulting the social partners. This is a violation of the Minimum Wage Fixing Convention, 1970 (No. 131). Railway and media workers' strikes have once again been charged with obstruction of business. The Government has not ratified the fundamental Conventions and has not fully implemented the Conventions that it has ratified. This violates the rights of workers and the principles upon which the ILO was established.

It is working people who are paying for the economic crisis. Workers are facing wage and social security cuts, they are facing high unemployment rates and employment insecurity. Precarious forms of employment are rapidly increasing. The role of the ILO must be strengthened, in particular to protect vulnerable workers. That is why the assertion of the Employers' group in the Committee on the Application of Standards that denies the right to strike must be withdrawn.

I am convinced that the ILO was established to protect labour rights. It is the ILO that can prevent the economic crisis from degenerating into barbarism. People around the world expect the ILO to take on this role.

---

*Original Mandarin: Mr WANG (Government, China)*

---

First of all, please allow me to extend my congratulations to the President on his election to preside over this Conference.

As a large developing country, China is working hard to achieve its objectives in terms of employment. Last year, we focused on youth employment, particularly employment for university graduates. We have improved our employment policy, promoted employment by encouraging business start-ups, strengthened vocational skills and training, and improved the public employment service.

In 2011, some 12.21 million new urban jobs were created, while 5.53 million urban unemployed and 1.8 million people from vulnerable sectors of society were employed or re-employed. The urban unemployment rate stood at 4.1 per cent. We have been implementing social insurance legislation, accelerating the institutional development of the social insurance system and expanding the coverage of social insurance schemes. With 1.3 billion participants in the urban and rural basic medical insurance schemes, we have achieved almost universal coverage of medical insurance. The institutional framework of basic old-age pension schemes for all will be implemented this year, and the basic old-age pension scheme will cover 800 million people by 2012.

We attach great importance to tripartite consultations and cooperation between the Government, the employers and the trade unions, steadily promoting collective bargaining and collective agreements. Businesses are endeavouring to cultivate harmonious labour relations and effectively promote the rights and interests of their workers.

Today the global economic recovery is in turmoil and there are still many uncertainties and complexities. We hope the ILO will play a greater role in the future. We believe, first of all, that the top priority for economic and social development is to continue creating jobs and actively promoting youth employment. Social protection should be strengthened and countries should be encouraged to establish social protection floors that are consistent with their own national realities so as to achieve the goal of basic social protection for all.

Second, we must continue to work for social justice and fairness and place more emphasis on employment, social protection and the protection of workers' rights and interests in the global development agenda and poverty elimination strategies. We should enable global governance to move towards fairness, universal well-being and win-win solutions that contribute to building a new international political and economic order that is fair and rational.

Third, we must make full use of this Organization's strengths, and the opportunity for dialogue and cooperation among the tripartite constituents. This should set an example of how the world of work can address major issues effectively through dialogue and tripartite consultation. The diversity of human civilization should be respected and countries' choices of economic and social development patterns, as well as approaches to the realization of fundamental principles and rights at work, should be acknowledged in accordance with their own national realities.

Fourth, we should further enhance the management and administration of the ILO, and strengthen information, knowledge and professional and tech-



nical capacity with regard to international labour issues, and improve efficiency.

The world is undergoing profound changes. The ILO should seize the opportunities and play a bigger role in the international community. China calls for joint efforts and strengthened cooperation from all constituents. The Chinese Government is willing to, and will, continue to fulfil its commitments and make its contribution.

---

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

---

It is an honour for me to address the 101st Session of the International Labour Conference on behalf of the Government of the Republic of Cyprus.

Let me first of all convey my sincere gratitude to the Director-General, Mr Somavia, for his exemplary leadership over the last 13 years. At the same time, I wish to welcome Mr Guy Ryder, newly elected to this challenging position. He takes over at a time of crisis for the world of work, when questions continue to be posed about the future of our economies and our societies.

The economic crisis has highlighted the interdependence of global economies, and the financial instability in Europe has given rise to circumstances in which core labour values have come under pressure and even been compromised.

The renewed economic slowdown is particularly pronounced in developed economies, including in the European Union (EU), and the forecasts are for lower than expected growth in emerging and developing economies. The sovereign debt crisis has put a further strain on the EU and responses are putting severe additional pressure on public finances.

In the last few decades, the economic policy we followed resulted in unbalanced and unequal globalization. The strength of the market and its ability to self-regulate was overestimated; the importance of the role of the State, of public policies and regulations was downgraded; decent work, social services, and policies for social welfare were reduced. All available data show that the jobs crisis continues unabated, with very high levels of unemployment and precarious work and looming threats to social protection and social dialogue. Youth unemployment has reached unprecedented levels.

Against this background, we believe that it is of equal importance to take measures to ensure financial stability and fiscal consolidation and measures to foster growth, competitiveness and employment. At the same time, we have to take measures to tackle the social consequences of the crisis. We need the kind of growth in which success is not only evaluated in relation to GDP, but in a more comprehensive and balanced manner that takes into account the human dimension of growth. On a global, regional and local level we need to restore the balance between fiscal policies, employment policies and social policies.

Both from an EU and a global perspective, we believe that any consolidation and growth measures should be combined with measures that foster the transition towards a greener economy. In finding the right policy mix to address the crisis, we should pay particular attention to the catastrophic rise of youth unemployment. Promoting smooth transitions from education, lifelong learning and training into decent jobs is an area on which we will focus. We welcome the decision of the Governing Body of the ILO to put the topic of youth employment on this

year's agenda for a general discussion, as we believe that there is an urgent need for a great deal of mobilization, coordination and partnerships at the global level on this issue.

In these difficult circumstances, we acknowledge the role and continuing importance of international labour standards, as recalled in the 2009 Global Jobs Pact, and we believe that social dialogue should facilitate and support their implementation. We also recall the importance of promoting decent work for all and increasing the quality of jobs, including through measures aimed at ensuring occupational health and safety, as well as working relationships based on effective social dialogue.

We welcome and encourage the ILO to continue promoting ratification and implementation of the eight fundamental Conventions and the Organization's efforts to support and monitor the follow-up of the implementation of the fundamental principles and rights at work by all of its members. Especially in these times of crisis, we support the full implementation of the 2008 Declaration on Fundamental Principles and Rights at Work.

Cyprus is facing the same problems and the same challenges as many other member States across the European Union and the rest of the world – economic recession, increased unemployment, fiscal problems and increased insecurity in the labour market. We are working towards finding solutions to the problems that the crisis has brought to the surface by designing policies based on an integrated and balanced approach that puts people at the centre of growth.

For our Government, the promotion of fundamental principles and rights at work is closely linked with our efforts to find a just and viable solution to the Cyprus issue, a solution that will unite Cyprus and lay the foundations for increased growth, equality, welfare and decent work for all its people.

---

*Original Farsi: Mr SHEIKHOESLAMI (Minister of Cooperatives, Labour and Social Welfare, Islamic Republic of Iran)*

---

Allow me from the outset to praise the valuable efforts of Mr Juan Somavia during his tenure at the ILO. I also wish to congratulate Mr Guy Ryder on his election as the new Director-General of the Office and wish him all the best of luck in fulfilling the sublime goals of the Office.

The absence of social justice in our era has brought various societies up against fundamental challenges. We may reliably say that the international community is well on the verge of one of the most horrendous crises in recent history. The roots of this crisis, more than anything else, lie in an unjust and inefficient global governance system that, despite repeated warnings, adheres to its autocratic practices. This may well justify the global prevalence of justice-seeking movements and the loud outcry of the unifying slogan "We are the 99 per cent" in the capitalist States of the West.

Popular uprising and awakening in the Middle East and North Africa, as well as in Europe and America, have highlighted the profound protests of nations against the injustice and despotic relations prevailing in the world and their call for fundamental changes to revive values such as the protection of human integrity, promotion of social justice and poverty alleviation.

The root of all evils in the international economy is an illegitimate unilateralism, strongly driven by



profit seeking at any price. International forums, including the ILO, therefore, have a major responsibility to revitalize their global mandate for the achievement of better world governance and the promotion of social justice. Governments should also bear the responsibilities for continued campaigns against discrimination, poverty alleviation and the promotion of a social protection floor and productive and sustainable employment.

In view of the unrelenting global recession and increasing unemployment, the fulfilment of Fair Globalization, the Global Jobs Pact and the Millennium Development Goals remained only a far-fetched dream at the end of the present decade. The blatant disregard of the rich North to the needs and concerns of the less developed has paralysed a balanced international growth.

The Muslim and revolutionary nation of the Islamic Republic of Iran, despite the continued animosities of the world hegemony has, nevertheless, remained loyal and dedicated to its sublime, divine and humanitarian goals. My nation has been repeatedly subject to the most repressive sanctions simply because it chose to break away from world domination and despotism and chose to live freely and independently. The brutal sanctions imposed against us intend to take revenge against the justice-seeking nation of the Islamic Republic of Iran and are intended to paralyse their promising sustainable growth. Such animosities, among other sectors, have mainly targeted the oil, gas, petrochemical and steel industries of the Islamic Republic of Iran, as well as its aviation and navigation fleets and advanced technologies that are meant to provide the necessary infrastructure for a sustainable economic growth and may well generate ample new employment opportunities for our young people.

I have the honour of acknowledging that such inhuman and unjustified sanctions, however, fail to weaken our will and determination to further promote our nation's social welfare, scientific and industrial plans and have only served to make us take an even stronger stand against any evil intentions. In such hostile circumstances, the Islamic Republic of Iran was able to fulfil its great economic development plan and embarked on a fair distribution of its colossal national wealth among its people. It has also been able to take further giant steps in fulfilling its aspirations for social and economic justice.

Among other measures my Government attempted targeted distribution of subsidies among the less privileged, rationalizing energy prices, it reformed the banking system and promoted social security coverage, and increased new labour-generating investments. To increase productivity we also embarked on a thorough structural adjustment plan in the administration. For instance, my office is the result of the merger last year of three big ministries to consolidate and help provide services to people of all walks of life. We are wholeheartedly ready to share our best lessons learned in respect of the above with other constituents of the Office.

Finally, the situation of occupied Palestine continues to be very alarming. The brutal and tyrannical treatment of the occupying forces against the innocent and oppressed people of Palestine has reached appalling levels, and the Report of the Director-General on the subject duly sets the picture of the horrendous situation of millions of innocent people taken hostage by the brutal forces of the Zionist regime of Israel. The international community

and particularly the ILO continue to have heavy responsibilities in respect of Palestine and they are to duly discharge them.

We strongly hope that the ILO, through its tripartite structure, will adopt proper decisions and policies toward the successful implementation of the above responsibilities.

---

Mr SAID (*Minister for Justice, Dialogue and the Family, Malta*)

---

Since 1919 this Organization has become synonymous with the improvement of workers' rights. The ILO has been instrumental in working to develop policies based on the development and dissemination of ideas aimed at fostering decent work and social justice. At the same time, it has provided the practical framework and assistance necessary to facilitate the exchange of knowledge and experience between the haves and the have-nots.

The considerable body of regularly-updated work has been achieved through what was initially a novel and revolutionary tripartite approach. The ILO has proven to be and remains increasingly relevant to the international community. That model remains necessary and effective today.

Tripartism has produced excellent results. We have to acknowledge that this would have been more difficult to achieve without the wise counsel of the various leaders entrusted to guide this body.

Over the past 14 years, the Director-General of the ILO, Juan Somavia, has steered the ILO through some of the most economically turbulent times in the last century. Under him, the ILO has never lost sight of its values and vision. The policies and various reports about the need for decent work; the eradication of poverty; a fair globalization; sustainable development; recovery and growth through decent work and social justice, have been timely, well-researched and continue to merit serious consideration by national and international key players. Their message resonates in the hearts of decent policy-makers across the globe. We salute him and convey our sincere appreciation for his work and for the clear enunciation and propagation of ideas.

The ILO's values and vision have also served to strengthen the resolve of those of us who are motivated by the need to respond effectively and in a socially-just manner, to the national and international challenges facing us. The implementation of sensible policies aimed at addressing long-term needs are a necessary prerequisite for a responsible stewardship if the various challenges facing us are to be effectively addressed. And we live in difficult and trying times. Millions of peoples across the world live in abject poverty. There is an ever-present need to create more and better jobs, and to improve productivity while concurrently restructuring economic systems. It remains necessary to integrate disadvantaged groups into the labour market; to protect migrant workers; to ensure sustainable social and economic systems; to implement HIV/AIDS programmes; and to reduce the digital divide. There is still much to be done.

There can be no doubt that the voices of all stakeholders and the widest possible range of opinions need to be heard and considered when formulating policies. This improves the quality of the decision-making process and is something to which my Government is committed.

As Minister responsible for public dialogue, it is pertinent to point out that the law governing participation in the Malta Council for Economic and So-

cial Development – the national tripartite forum for social dialogue – has been recently amended to allow for the inclusion of more representatives. Therefore, it gives me pleasure to note that this year's Maltese delegation to the ILO consists of an increased representation of both Employers and Workers.

The potential impact of a swift succession of crises on the Maltese economy and its society, be it the international economic and financial crisis; the problems facing our North African neighbours in their transition away from dictatorship; and now the problems facing the eurozone, could have been crippling on a small island State such as Malta, which has scant natural resources and is dependent on the importation of practically all its needs. We are buffeted by the same winds that have shaken bigger economies, but there has been a successful synergy with social partners in charting a course through the stormy waters. Not only were 5,000 jobs saved through specific, targeted intervention during the worst of the crisis, but over the past four years, the Maltese economy has been resilient enough to produce 20,000 new jobs. This is not solely due to the Maltese Government's efforts and interventions, but is a testament to the value of harnessing the resources of involved stakeholders, and to the industriousness and adaptability of the Maltese worker.

Despite relative success, we have to remain vigilant against new threats. Economic challenges provide a backdrop to several others, such as demographic change and environmental and financial sustainability. We remain committed to continue providing the education, health and social-protection systems which our citizens deserve. At the same time, in a spirit of social partnership, we need to ensure that such programmes are sustainable and that fiscal responsibility rather than austerity is the bedrock for our actions and policies.

---

Ms SUWANCHATCHAI (*Employer, Thailand*)

---

It is my great honour to attend this Conference as the chief delegate and representative of all the employers in Thailand.

The youth employment crisis is one of the world-wide crises. Thailand's high level of youth unemployment has increased due to the lack of qualifications, skills and experience of young jobseekers; the mismatch between the level of young graduates and labour market demands; and the global economic recession.

The Thai Government has a policy that addresses the youth employment crisis by supporting mega project investments and self-employed businesses; developing skilled employees to meet labour market demands; motivating employers through subsidy programmes; and changing the working attitude of the relevant institutions.

Meanwhile, Thailand's strong social protection floors, such as social security and national health security, have continually been improved and developed. This is a plan that can be a prototype for other Asian Members.

The social protection plan has effectively lowered unemployment and improved the quality of life of all employees.

The stated objective of the fundamental principles and rights at work plays a considerable role in increasing job and employment levels. Statutory rights are fundamentally legal rights. However,

large corporations offer the best benefits, such as family insurance, home purchase loans, and scholarships for children in order to attract employees and graduates.

Currently, both the Government and the private sector are offering social protection floor programmes. Qualified and experienced employees are needed. Furthermore, the skills of young graduates need to be developed in order to reduce the level of global unemployment.

---

*Original Farsi: Mr OTAREDIAN (Employer, the Islamic Republic of Iran)*

---

At the mid-point to the 2015 deadline for the Millennium Development Goals, it is widely acknowledged that many countries are not on track to meet the goals and many nations have fallen behind.

The existing gap between rich and poor has grown even wider. The poor, who constitute the majority of the world's population, have suffered while the number of frozen conflicts and disputes in countries remains high and, in many countries, are in unmanageable conditions.

Record prices for foodstuffs along with sky-high oil prices have also fanned inflation worldwide. Food prices are a concern not only for inflation but also for living standards in many developing countries.

There is a need to rationalize prices and, at the same time, ensure that the poor and needy are shielded from the effects of such a rationalization. However, this serious need is far from being met.

Unemployment is also a serious problem facing the world.

The economic downturn has exacerbated the situation and the current global outlook for growth and job creation is gloomy.

The risk remains that labour markets will be further adversely affected, thus increasing poverty and informal and low-quality jobs for people, particularly for young persons.

The social situation could become explosive if unemployment and inflation keep rising in countries that have been rocked by economic insecurity.

In this chaos, the world has a vital interest in seeing economic development, stability and better governance. Leaders are trying to figure out how to tame the ongoing economic downturn while also spurring recovery and job growth.

To this effect I wish to underscore four points: First, the most effective way of confronting the economic chaos and instability throughout the world is by directing our attention to the needs of developing and less developed nations. This would not only preserve jobs, but also markets in the developing world; second, countries should switch the government-centred economy to the people-centred economy. It needs to be recognized that sustainable development cannot be achieved by governments alone and that it requires the active participation of all sectors of society. In this respect, business and industry play a crucial role in the social and economic development of countries in increasing prosperity and innovation to address the challenges. Improving countries' dismal investment climate is crucial for the nations' development; third, it is not possible to improve people's economic conditions through government spending, handouts and loans on a sustainable and permanent basis. Funds should be deployed to guarantee re-employment and new job creation. Only a market economy that supports

the private sector and encourages investment, risk-taking entrepreneurship, free trade and manufacturing can create wealth that lasts and has the ability to lift millions upon millions out of unemployment and poverty; and fourth, it is time to recognize private sector statutes not only as markers of progress in development, but also as generators of progress and the key to more sustainable development.

This discussion cannot answer all the questions nor can it address all the challenges facing countries, rather it can only help in considering and identifying policy priorities concerning the problems.

I conclude my remarks by stressing that helping Members operate in the hard global economic reality that is still reacting to the consequences and challenges of the 2009 crisis, should feature high on the list of the ILO's objectives.

---

*Original Spanish: Mr COLMENARES GOYO (Government, Bolivarian Republic of Venezuela)*

---

The Government of the Bolivarian Republic of Venezuela welcomes Palau and South Sudan as Members of the ILO. We would also like to wish Mr Juan Somavia all the best in his new endeavours and to congratulate Mr Ryder, with every hope for his sound stewardship of the ILO. This will provide an excellent opportunity to achieve democratization and transparency at the heart of this Organization so as to face the challenges of the current global situation.

What happened at this session of the Conference in the Committee on the Application of Standards is an example of the fact that social dialogue needs interlocutors who are at one with the spirit of the times and the common interest. If social partners answer to private interests, social dialogue is not possible. Tripartism ceases to be social dialogue if one of the parties uses it for blackmail – if it turns into a place for haggling, where collective rights are bought and sold.

At this session of the Conference, the need has become apparent to revise the working methods of the ILO and the rigid tripartite system, which is not always very representative, and to explore options for direct and active participation by the real social partners: the workers who work and the employers who employ. They are frequently not represented in this room.

In the Bolivarian Republic of Venezuela, we have taken a major step forward in building comprehensive, inclusive and representative social dialogue. On 1 May 2012, President Hugo Chávez promulgated a modern and revolutionary constitutional act on labour and workers. The drafting process included participation by a committee made up of representatives of all sectors – workers, agricultural workers, employers, the Government, and the judicial and legislative authorities – with the sole aim of putting forward a bill which reflected public feeling, embodied collective interests and respected the intangible and developing nature of the rights of workers, as set out in our Constitution. It represented the culmination of ten years of meetings held in the National Assembly with various sectors, and in the last six months more than 19,000 proposals have been submitted directly to the committee, studied and debated publicly. There was a positive and constructive national debate, which gave rise to this revolutionary labour act written by the workers themselves and signed by our President, Hugo Chávez. Those who excluded themselves from this

public debate remained on the side lines: supporters of the old tripartite system, who claim a representativeness they no longer enjoy and a voice to which they are no longer entitled. They are ghosts, unburied corpses, who in times past would use tripartite mechanisms to impose their mean interests on the people, snatching away the historic rights that this new act has returned to the workers.

The new act shows that only social dialogue can build the laws and labour relations that our countries urgently need, with full respect for human rights. Direct dialogue with workers and their employers has resulted in an act that was welcomed by all even before it was promulgated, and has been key to the sustained economic growth that our country has experienced for six consecutive semesters and an unemployment rate of 8 per cent, sweeping aside the ominous predictions of business closures and unemployment made by those who believe that guaranteeing workers' rights will lead to crisis. The reverse has proven true. Guaranteeing and protecting labour rights is a basic condition for a country's economic stability.

Venezuela exemplifies the consolidation of labour laws, protection of freedom of association, collective bargaining and the right to strike; it protects the family by providing women with six months' post-natal maternity leave and by safeguarding both parents' jobs until their child reaches the age of two.

The new act eradicates child labour, bans outsourcing, reduces the working week to 40 hours, guarantees job security for all workers, grants equal labour rights to domestic workers, and consolidates a social security system that includes non-dependent workers and acknowledges the value of women's work in the home.

In Venezuela, social protection establishes that pensions received should be the same as a minimum wage. There is an obligation for companies to allow the recruitment of assistants and apprentices so as to stimulate youth employment. We uphold the fundamental rights and historic fight of the working class, stolen by capitalism and savage globalization. There is a marked difference, not just with the act repealed, which was imposed by closed, exclusive tripartism in 1997, but also with global economic models that have brought structural crises upon us, with a substantial loss of ground for the working classes.

Venezuela is an example of how social dialogue should be carried out directly with the social partners, avoiding blackmail from mean, sectarian interests; of how the collective interest should be above manipulation by small groups; and of how our objective should be to move workers' rights forward, as work is a fundamental part of achieving a peace-loving society. This should also be the goal of the ILO.

---

*Original French: Mr SCHMIT (Minister of Labour, Employment and Immigration, Luxembourg)*

---

This session of the International Labour Conference is taking place at a critical time. Europe is in crisis and the world economy has been plunged into uncertainty. Unemployment is rising and is hitting young people particularly hard. Luxembourg is very happy to see youth employment as one of the main topics on the agenda of our Conference.

I would like to take the opportunity to thank the Director-General, Juan Somavia, for his work at the helm of this Organization. You have strengthened

its profile and its position within a wide variety of international bodies. You have constantly stressed the value of work, the concept of decent work and the importance of social policies as a response to the crisis that we are currently experiencing. Your commitment to the 75 million young people without jobs, without prospects and often without hope, feeling that they have been forgotten by our societies, is something that we all admire.

As a Minister of Labour of a European Union country, I urge others to make youth employment a real priority for the European Union, so that any young person without a job will have a guarantee of receiving a job offer, training or access to a skills' programme within four months. This "youth guarantee", which a number of European countries have introduced successfully, should be spread throughout the European Union and beyond. No politician, no business leader can remain insensitive to the idea of a lost generation. That would be accepting broken lives and wasted talents, and we need this human capital to ensure the development of our economies. The majority of young people who are unemployed are unskilled. Education, training and apprenticeships must be promoted and must be given additional funding.

It is also a fact that precariousness has become the fate of an increasing number of young people who are seeking a stable job in order to build their lives. Too often structural reform policies cause even greater precariousness. They do not respond to the aspirations of young people who are distressed and claiming greater justice, as seen at the recent Conference organized by the ILO.

I fully agree with what the Director-General said at the opening of this Conference, that policies must avoid just trying to inspire confidence in financial markets, while losing the confidence of citizens, and particularly of young people. The austerity policies will not bring Europe out of the financial crisis, which is becoming a true social crisis in the countries most affected. In fact, there is a risk that the whole continent could be plunged into recession, or even a depression, which would bring millions of men and women to their knees, with dangerous political consequences. Full account should be taken of the social consequences and the impact on economic activity of consolidation policies. The recovery timetables imposed on countries have not done this sufficiently. It is therefore urgent to change course, while reducing the debt burden. We need greater solidarity, particularly through the creation of euro bonds and policies to encourage investment and thus support growth and employment creation. In this respect ecological innovation can be a source of new jobs.

In this context of crisis it is important for the Conference to adopt the proposed Recommendation concerning the social protection floor. Luxembourg has the honour of once again chairing this Committee, in the person of Ambassador Feyder. This Recommendation has major political significance. It is unacceptable that up to 10 million children die every year in developing countries because they have no access to health care. It is also unacceptable to see in developed countries, particularly those facing the debt crisis, that the social rights of the most vulnerable social groups are being called into question.

I would also like to congratulate Mr Guy Ryder on his election as the new Director-General. We

need your experience, your commitment and your in-depth knowledge of the world of work. It will be up to you to establish a system ensuring a better implementation of the many Conventions that have often remained dead letters.

I am particularly happy to note the presence at this Conference of Mrs Aung San Suu Kyi. The ILO has for a long time been committed to democracy in Myanmar. An important step has been taken in this direction. Our Organization must remain at the forefront in the fight for democratic liberties and social rights.

---

*Original Japanese: Mr OTA (Vice-Minister for Policy Coordination, Ministry of Health, Labour and Welfare, Japan)*

---

First of all, I would like to express our utmost appreciation to the Director-General, Mr Juan Somavia, for his successful leadership and achievement for as many as 13 years. The realization of "decent work", which Mr Somavia has advocated, is regarded as an overarching expression of the current mission of the ILO and underscores the relevance of the Organization as well as employment and social policies in the international community. Member States, including Japan, are united to make efforts to achieve decent work for all.

Japan had the honour of hosting the 15th Asia and the Pacific Regional Meeting last December, contributing to the success of the Meeting. While the Meeting was postponed due to the great East Japan earthquake of 11 March last year, the meeting in Kyoto was realized thanks to the full understanding and powerful support from the Government, workers and employers of Asia, the Pacific and the Arab region, as well as the International Labour Office. Once again I would like to extend our heartfelt appreciation for this meeting, which included documents on lessons learned on employment policy towards natural disaster response. Holding the meeting in Japan became a valuable opportunity to show our recovery from the disaster to the world, and constituted one great step towards realizing decent work in the region.

Japan has been facing many serious challenges it has not experienced before, including the great East Japan earthquake, nuclear power plant accidents, and global credit uncertainty. In the midst of this historically unprecedented crisis, we have to restore "Japan, a country of hope and pride". In order to revitalize Japan, the Government has developed a clear strategy. We are strongly committed to further strengthening growth potentials, restoring a "large middle class", recovering from earthquake damage and nuclear power plant accidents, and achieving both economic growth and fiscal balance improvements.

Under this strategy, the Government of Japan is now developing a comprehensive reform of social security and taxes. The creation of a society in which everyone coexists, finding his or her role and ensuring his or her participation in society through employment, is vital. It is also necessary that this society be sustained by a "large middle class" without huge disparities. In order to realize such a society, in which people can have hope and pride and feel secure, we are aiming to develop a "social security system responding to all generations", ensuring quality within and among generations in terms of both benefit and burden. We are sure that the realization of such social security will lead to sustainable development.

In the Governing Body, held just before the International Labour Conference, Mr Guy Ryder was elected as the new Director-General. I would like to express my heartfelt congratulations to him. His leadership will usher in the new phase in the ILO and the ILO will enter upon an era of change. In Japan we have a proverb that says "Remember your original intention". I would like him to again make efforts to realize the ILO Constitution, stating that "universal and lasting peace can be established only if it is based upon social justice" as the basic idea of the ILO. Its essence is embodied by the four pillars of the ILO – employment, social protection, social dialogue and the fundamental principles and rights at work.

As the international community suffers from a global financial and employment crisis, the presence of the ILO, aimed at realizing social justice, has become increasingly stronger. Respecting tripartism, the ILO should meet the expectations of the international community by making the most of its expertise and resources through standard-setting and the supervision of international labour standards, technical cooperation and the development of international policies. In this regard, we believe that the situation that has occurred in the supervisory system of international labour standards during this Conference could be resolved by a tripartite agreement.

In closing, the Government of Japan expresses its continuing support for the activities of the ILO, entrusted with such an important mission, to the greatest extent possible.

---

Mr MATULA (*Worker, Philippines*)

---

Mr President, our warm congratulations to you and, as we say in the Philippines, "*mabuhay*" to your stewardship of the 101st Session of the International Labour Conference.

We welcome with enthusiasm the election of brother Guy Ryder, the ILO Director-General-elect. He will assume office in October for a five-year mandate, amid global unemployment and the huge challenge of working peoples' diminishing rights as work becomes increasingly precarious.

We express our deepest gratitude to Mr Juan Somavia, the outgoing Director-General, for his steady stewardship of the ILO for the past 13 years – a job well done, "Mr Decent Work".

The Philippine workers dream of and pursue better times to come. We firmly hope that the future belongs to our young people, but if they are left with no work or if, when they get lucky enough to find work, they are placed under precarious conditions, what shall become of our future?

The Employers' group in the Committee on the Application of Standards wants to disempower young workers and achieved just that when it derailed the examination of cases on the application of standards. The five double-footnoted countries and others on the list were allowed not to be held accountable for non-compliance with international labour standards, particularly freedom of association and collective bargaining. The Employers' group has had a novel idea – that henceforth, freedom of association does not include the right to strike, as it is not explicitly enshrined in the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87).

With all due respect, the Philippine workers' delegation and the Philippine trade union movement disagree. The International Trade Union Confederation and unions worldwide hold the same view. It has been established for many years that, under Convention No. 87, the right to organize includes the twin fundamental rights: to collectively bargain, and to peaceful, concerted activities, including the right to strike.

The distinguished members of the Committee of Experts on the Application of Conventions and Recommendations did not reinterpret the Convention or exceed their authority. Under the provisions of articles 31 and 32 of the Vienna Convention on the Law of Treaties, long-established practice and long-term application are taken into account in the interpretation of treaties. The right to strike is also well established in the fundamental laws, labour legislation and jurisprudence of the majority of the ILO member States, as found in *Freedom of association and collective bargaining*, a General Survey of Conventions Nos 87 and 98.

Turning to the situation of global youth unemployment, the Philippines is no exception. Half of the total unemployed are young people between the ages of 15 and 24, despite the economic growth in the past few years. The jobs generated have not been sufficient. Opportunities are lacking, which forces young workers to go abroad to look for jobs, turning them into unprotected migrant workers. A substantial number of migrant Philippine workers are women.

A great number of jobs are increasingly becoming precarious the world over and unions are increasingly being put on the defensive. Sadly, members of manpower cooperatives are used to replace regular workers and union members. The principles of co-operatives are being bastardized. About 90 per cent of petitions for certification elections are opposed by employers and pursued up to the level of the Supreme Court. This is why unionism in the Philippines is on the decline.

In 2005, about 500,000 workers were covered by collective bargaining agreements. Now, fewer than 250,000 are covered, a mere 1 per cent of wage earners. For these reasons, we support the adoption of a Recommendation on a social protection floor that will guide us in our efforts to provide decent work for all under the Philippine Labor and Employment Plan. We urge the Government to include unemployment insurance in our social security system. We also support the proposal of the Building and Wood Workers' International to include migrant workers' issues on the agenda of the 102nd Session of the International Labour Conference. We call for union-to-union cooperation among sending and receiving countries to protect migrant workers.

Against this challenging backdrop, there is good news in the Philippines – unions are uniting. Despite our diversity, we have formed NAGKAISA, which includes major trade unions from the private and public sectors, ranging from the Trade Union Congress of the Philippines, under brother Democrito Mendoza, our very own Federation of Free Workers, to the SENTRO-led Alliance of Progressive Labor.

(*The Conference adjourned at 12 p.m.*)



## Twelfth sitting

Monday, 11 June 2012, 2.30 p.m.

*President: Mr Matthey*

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

---

*Original French:* The PRESIDENT

---

We will now resume our general discussion on the Reports of the Chairperson of the Governing Body and of the Director-General.

---

*Original German:* Mr HUNDSTORFER (*Federal Minister of Labour, Social Affairs and Consumer Protection, Austria*)

---

As a representative of the Austrian Government I would like to thank the outgoing Director-General, Mr Juan Somavia, for his tireless efforts to achieve social justice and decent work in our globalized and crisis-ridden world. I am convinced that the Director-General-elect, Mr Guy Ryder, will continue with this task, which has always been supported by Austria.

I would now like to look at the problems of youth employment.

Young people were disproportionately hit by the crisis in Austria but with special packages and forms of support it has been possible to improve their situation considerably. Youth unemployment in 2011 in Austria was 8.3 per cent, the second lowest rate in the European Union, and young people are the target group receiving the most intensive support in the Austrian labour market.

At European level I have made a proposal for a European youth initiative based on the Austrian measures to guarantee youth employment and training. Within six months, each young person should receive training, further training, an apprenticeship or a job, or should benefit from some other employment measure.

In view of the dramatic increase in youth unemployment in many countries, we must work together as quickly as possible, and special attention should be given to disadvantaged young people. The ILO has a key role to play in the discussion, dissemination and implementation of initiatives which are already working well in certain countries. I would be happy to see the topic of youth employment continuing to receive particular attention on the agenda of the ILO.

The ILO has achieved excellent results concerning the fundamental principles and rights at work, with a ratification rate of the core Conventions of over 91 per cent, but now we seem to have hit a ceiling. We must reinforce all the means at our disposal for the ratification and application of the fun-

damental Conventions, and it is important that such implementation forms part of the free trade agreements of the European Union.

This highlights the important role of the above-mentioned rights in economic development. We must promote both employment protection and the social responsibility of global undertakings, which must respect basic labour rights in their worldwide plants and supply chains, in accordance with the terms of the fundamental Conventions. Austria has also ratified the Labour Clauses (Public Contracts) Convention, 1949 (No. 94).

Austria particularly appreciates the developments that have taken place in Myanmar, which have made it possible for Ms Aung San Suu Kyi to participate in this Conference for the first time. We hope that this process will lead to the full implementation in Myanmar of the Conventions on forced labour and freedom of association. It is particularly satisfying that the system established by the ILO for the supervision of standards has proved to be so effective here.

In conclusion, since I belong to a country which is a member of the eurozone, I would like to say a few words about austerity policies. Austria is in favour of budget consolidation but social dialogue is a vital precondition for the adoption of fair and sustainable measures. Our priority is to have ongoing, but not hasty, budget consolidation, while at the same time promoting economic growth and employment. Achieving this balance at European level is essential. Youth training and research initiatives are urgently needed. We must promote the use of renewable energy sources and invest in infrastructure. At the same time, we have to make sure that debt levels do not spiral out of control. So in cutting back we also have to make sure that economic growth is not stifled. This is a difficult balancing act, but by strengthening the role of social dialogue it can be achieved.

---

*Original Spanish:* Mr ÁVILA ORDÓÑEZ (*Secretary of State, Ministry of Labour and Social Security, Honduras*)

---

On behalf of my Government, I would like to pay tribute to the work of the Director-General, Mr Somavia, who has steered the ILO as it has taken major international decisions and, in doing so, has secured the role of this Organization as an instrument of reconciliation and non-confrontation. This has been the result of his skills and the support and contribution of all of the delegates who are here today.



Similarly, we would like to welcome the Director-General-elect and mention his professional track record, and particularly the selection process which was used as an exercise in transparency in the decisions of the Organization.

Honduras is undergoing fundamental changes in its economic and social structure in order to quickly and steadily progress to further stages of sustainable social and economic development. This objective depends largely on a robust and competitive economy that creates jobs, which is what we are achieving by means of dialogue based on respect for and the promotion of labour rights, strengthening democracy and domestic stability, among other aspects.

In addition to the effort by the Government to achieve national unity by ensuring balanced economic growth, a national agreement was concluded in February of this year.

This national agreement is based on a short-, medium- and long-term social pact between the Government, employers, workers and farmers, in an effort to tackle the national crisis and the crisis in developed countries in a setting of balanced growth.

Within the dialogue framework, another obvious achievement in the context of the current global crisis is the recent signing of two historic agreements on the minimum wage for all workers during a period of two years, and for three years for workers in the *maquila* industry. Through these agreements, a strong and stable basis for wage development is possible.

Honduras is pleased that the text of the Recommendation on the social protection floor has been adopted in a constructive atmosphere and in a spirit of consensus. The Recommendation is far-reaching because social security is something which the economy needs. If it is well thought out and is linked with other policies, it can promote productivity and employability and can support economic development. However, the greatest achievement would be to improve the quality of life for workers and their families.

Programmes such as PROEMPLEO have been implemented in response to the challenge of the employment crisis for young people. The project has placed 5,133 young people in the labour market. The current goal is to train and place 6,150 young people under public-private partnership agreements signed with nine employers' associations. Additionally, the "My first job" programme provides skills training to 6,000 urban and rural young people who are outside the conventional education system and who are out of work or are in informal work and fall under a social risk category.

The National Congress supports the operation of the national hourly employment system as an initiative of legislative power with a view to generating jobs and strengthening the Secretariat of Labour. The Hourly Employment Programme is an effective mechanism for generating employment and, in four months, has placed 15,334 people in employment in only three cities where the Programme was promoted. It is estimated that by April we could have 80,000 new jobs all over the country, the majority of which are created by companies under the Programme, primarily in the micro- and small enterprise sector.

It is important to note the fact that Honduras has ratified all the Conventions referred to in the ILO Declaration on Fundamental Principles and Rights

at Work. On 13 April we submitted to the ILO our ratification of the Maximum Weight Convention, 1967 (No. 127). We have yet to submit the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), while the Social Security (Minimum Standards) Convention, 1952 (No. 102), was approved by the sovereign National Congress of the Republic of Honduras.

The Government of Honduras has clearly defined its priorities and recognizes its international responsibilities and obligations. The ILO has a very important role to play in helping the country in several areas where we need cooperation. Cooperation multiplies individual efforts.

---

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

---

First of all, please allow me to congratulate the President on being elected as President of this session of the International Labour Conference. I believe that, presided by you, this Conference will achieve all its objectives.

We appreciate and support this year's Report of the Director-General, which reflects the ILO's efforts to advance the Decent Work Agenda by elaborating on the ILO's work for the promotion of fundamental principles and rights at work, youth employment, and the social protection floor. Chinese enterprises have also made some progress in the above-mentioned areas through a great amount of work in creating jobs for young people, implementing social insurance law and other relevant laws, and expanding of social security coverage and so on. In the future, we will continue to carry forward our work and take it to the next stage.

As the largest developing country in the world, China has made remarkable achievements in economic development and social progress, through reforms and opening up over the past 30-plus years. Chinese enterprises have taken strides in development. By the end of 2010, the total number of Chinese enterprises had reached 11.42 million, employing 292 million workers. Ensuring harmonious labour relations in enterprises is key not only to developing enterprises and workers' interests, but also to social harmony and progress. To a certain extent, only when enterprises thrive can the economy boom, and only when labour relations are stable can society as a whole become stable.

As an important representative Chinese employer organization, our confederation has been studying challenges in labour relations faced by Chinese enterprises, arising from economic globalization, informationalization, and rising labour costs. We have been encouraging the Government to intensify policy support to SMEs and to facilitate the development of SMEs, by encouraging young people to set up their own businesses, expanding employment opportunities, and guiding enterprises to transform and upgrade industrial structures and to step up energy conservation and emission reductions so as to achieve sustainable development. We have also been cooperating with the Ministry of Human Resources and Social Security and the All-China Federation of Trade Unions to carry out activities for developing harmonious labour relations since 2005. A lot of industrial zones have participated in our efforts. As a result, institutional development of labour relations has been accelerated and income distribution has been properly adjusted. All these activities have helped to resolve labour disputes and to make labour relations more regulated and orderly

so that they are more reasonable, just and mutually beneficial.

In the midst of the global financial crisis and European debt crisis, and in face of difficult and arduous economic recovery, Chinese enterprises have had to tackle many challenges such as restructuring, industrial upgrading, independent innovation, and rising labour costs. Some sectors and enterprises have even had difficulty maintaining production and operations. The China Enterprise Confederation adheres to the principle of maintaining growth, stabilizing employment and promoting harmony, so as to promote employment and build harmonious labour relations.

Enterprises and entrepreneurs are the main driving force of social and economic development, social fairness, and a harmonious society. They are vital to poverty eradication, sustainable development, and the realization of United Nations Millennium Development Goals (MDGs). We call on the international community and the International Labour Conference to care for and support entrepreneurs and to create supportive social environments for the sustainable development of enterprises, because only by doing this can we create more job opportunities and improve labour conditions and workers' income. The China Enterprise Confederation will intensify its cooperation with the ILO and our counterparts to strive for a better future.

---

*Original Spanish: Mr LLORENTE CACHORRO (Government, Spain)*

---

I would like to give my warmest greetings to the delegations and participants at this 101st Session of the International Labour Conference. Firstly, I want to congratulate the Director-General of the ILO, Mr Somavia, for his work over all these years and wish the Director-General-elect, Mr Ryder, every success.

The present economic and financial context creates uncertainty as to what the situation will be in the near future and how the creation of wealth and jobs will develop. This requires political leaders, social partners and international organizations, such as the ILO, to redouble their efforts to promote quality jobs and social protection.

Spain has long promoted tripartite dialogue and it will continue doing so in order to develop the necessary measures to enable us to make changes in productive structures and in the institutional legal framework. The ultimate objective is economic recovery and job creation. Accordingly, over the last six months, Spain has been busy with a far-reaching reform process of the labour market and of the social security system, comprising necessary, balanced and fair measures.

Spain faces considerable challenges with regard to job creation and in combating youth unemployment. My country has greatly suffered from the destruction of jobs, and we therefore call on the ILO to make proposals with a view to providing jobs for our young people on the basis of adequate training and education. We want to create more and better jobs with access to proper social security and without discrimination, providing the basis for sustainable economic development. We are, therefore, striving to improve the employability of workers and the competitiveness of enterprises, which require stimulation through economic development. Moreover, we are convinced that the social security system needs to be altered to ensure its viability in

the future, to improve the distribution of resources at times of recession like the present, and to prevent social exclusion.

The labour reform undertaken by the Spanish Government has laid the groundwork for a new labour market model, that is more flexible, more dynamic, generates opportunities and focuses on job creation, in particular for young people. This includes support for entrepreneurs and small and medium-sized enterprises, which make up 95 per cent of the productive sector in Spain. Increasing job opportunities and reducing the unemployment rate among young people is one of the priorities of the labour reform, but we also want to improve the employability of other groups affected by unemployment. This includes encouraging entrepreneurs to boost public and private cooperation, uniting the efforts all those involved in the job search process and developing measures for particular groups, paying special attention to people with disabilities. Other efforts focus on combating fraud, informal labour and absenteeism from work.

The recent Spanish labour market reform has introduced many innovations, but allow me to mention those aimed at youth in view of the high incidence of unemployment affecting almost one in two young people. We have introduced a contract on training and apprenticeship intended to reduce youth unemployment and to mitigate the effects of people leaving education early. In addition a new open-ended contract for entrepreneurs has been introduced, accounting for more than 30,000 open-ended contracts, of which 52 per cent were signed with young people. We are promoting entrepreneurship among young people, reducing administrative charges and encouraging the establishment of young people as independent workers. Accordingly, since February, when the labour reform came into force, almost 200 self-employed people a day have registered with the social security system in Spain. The Government also intends to put forward a law on entrepreneurship, with new measures for a far-reaching reform of training and education.

On the premise that social protection is a guarantee of solidarity in particularly difficult times, we are carrying out a reform of the Spanish social security system. This focuses on guaranteeing the viability of the pension system, strengthening fraud control and improving the efficiency of our system.

To conclude, quality work, especially in youth employment, is part of the international agenda and it is our duty to continue to work to find solutions to promote quality work and to ensure its compatibility with improvements in social protection. Faithful to this task, I am happy to announce that on 23 and 24 June, Spain will host the Ibero-American Conference of Ministers of Labour and Social Security, which will focus on a new strategy on entrepreneurship and employment and will also prioritize on employment policies in the twenty-first century from an Ibero-American perspective.

---

*Original Portuguese: Mr SILVA DE ALBUQUERQUE (Employer, Brazil)*

---

It is with a great deal of satisfaction that I come at this time to address the participants of this Conference on behalf of the Brazilian Employers' group.

Firstly, I would like to join those other speakers who have congratulated the President on his election to chair this meeting and wish him every success in your work, along with the other Officers.

I would also like to congratulate the Director-General on his excellent Report.

Brazil has launched a national tripartite campaign, supported by all social actors, to improve working conditions and extend social protection by promoting decent work in all areas of the productive economy, combating forced labour, child labour and the trafficking of persons for sexual and commercial exploitation, promoting equality of opportunity and equal treatment regardless of gender or race, and promoting decent work for young people, among many others.

It should be noted that the ILO does not have an official definition of decent work. It merely indicates the strategic objectives for promoting it worldwide.

This concern to avoid creating a single definition of decent work is justified by the different situations in member States but mainly by the tendency of governments to impose on enterprises standards and responsibilities which are divorced from the socio-economic reality in which they operate, for example by transferring to employers all or part of the public sector's responsibilities for protecting workers as citizens and promoting their employability.

We believe that the fundamental principle of decent work must be the creation of more and better job opportunities, subject to the requisite sustainable economic development of the country. This requires an institutional framework and an infrastructure that favours the establishment of competitive enterprises.

This ideal involves rights and obligations. Governmental efforts to create a climate of economic development, and efforts by enterprises to build a better working environment and better conditions for professional activities must be matched by commitments by workers in these important areas. It is a joint effort.

Within that effort stands one of the most important pillars of decent work, namely, the strengthening of social actors through the freedom to bargain. Employers are by definition defenders of freedom in all its forms.

The rigidity of the legislation in Brazil and the constant involvement of the State restrict that freedom.

For example, they act as impediments to more modern ways of hiring workers, contrary to the interests of many workers; they threaten the freedom to bargain of enterprises and workers by invalidating clauses of collective agreements that were duly signed by the relevant parties and are the outcome of full bargaining. This weakens the institution and creates great legal uncertainty.

Consequently, there can be no decent work without the guarantee of a democratic State where the rule of law prevails, there is a commitment to good governance, and the State is capable of promoting development based on a competitive and sustainable economy, and with due recognition of the fact that it was built through bargaining between the relevant parties.

In such circumstances, work and employment should be considered decent as long as they strictly adhere to the terms of contracts and collective agreements as well as all legal obligations.

Having said that, alongside the concept of decent work there is another concept of the utmost importance that was considered by the International Labour Conference in 2007, and is so closely related

to the concept of decent work that the two concepts form an indivisible whole. The concept in question is that of the sustainable enterprise, also enshrined in the ILO Declaration on Social Justice for a Fair Globalization and the Global Jobs Pact, adopted by consensus by the International Labour Conference in 2008 and 2009, respectively.

We therefore consider it essential to understand that decent work is inseparable from the concept of a "sustainable enterprise". Indeed, there can be no decent work without sustainable job creation and an acknowledgement that enterprises are the irreplaceable driving force behind it.

The resolution adopted by the 96th Session of the Conference reflected this interdependence: "Sustainable enterprises are a principal source of growth, wealth creation, employment and decent work. The promotion of sustainable enterprises is, therefore, a major tool for achieving decent work, sustainable development and innovation that improves standards of living and social conditions ..."

It is this spirit of esteem for economic activity that makes decent work possible and viable not only in Brazil but also around the world. It was in this spirit that Brazilian employers participated in 26 state-level (in addition to regional and municipal) Conferences on Employment and Decent Work organized by the Brazilian Ministry of Labour and Employment, and I would like to take a moment to make a special mention of the work we do with the participation of the Ministry, with a commitment to this issue of vital importance to the healthy development of Brazil. There has been a mobilization of all of the productive sectors in our country, so that via social dialogue we can contribute constructively to determining our country's needs.

In conclusion, Brazil's employers are fully involved in the discussions and acting responsibly to implement the decent work programme which will guarantee the effectiveness of the needs of workers while ensuring the necessary sustainability of enterprises.

---

Ms GOSSELIN (*Government, Canada*)

---

I am pleased to be here today on behalf of Canada's Minister of Labour, the Honourable Lisa Raitt, who has asked me to convey her regrets that she was unable to attend this year's session of the Conference. She sends her best wishes for a successful Conference and her thanks to Director-General Juan Somavia for his leadership of the Organization over the past 13 years.

The Government of Canada looks forward to working with the Director-General-elect, Guy Ryder, to ensure the ILO's continuing relevance and importance in the world of work. As economies emerge from the global downturn, governments are focusing their efforts on creating and preserving decent jobs while addressing the current fiscal realities. The global economic situation means that governments and people everywhere are having to tighten their belts and cut budgets. There is a growing awareness that international organizations like the ILO must be no less disciplined. It cannot afford to go about business as usual. It needs to look for further efficiencies and savings. It must ensure careful and common sense use of finite resources.

All of the countries represented here today are facing serious issues when it comes to youth unemployment. The Canadian Government has invested heavily in job creation and economic growth and

this has helped during the global economic downturn. Yet, youth unemployment in Canada – though it is not as high as in some countries – is still close to 14 per cent, which is twice the national average.

The Government of Canada is investing in young people to ensure that they have the skills and training necessary to find meaningful work and contribute to the economy. To make higher education more accessible to young people, the Government of Canada has increased education transfers to provinces and territories and has provided more financial support to students through scholarships and bursaries.

Besides traditional schooling, there can be multiple paths to employment, including vocational training and apprenticeship programmes. Therefore, in addition to supporting higher education, the Government of Canada is providing grants to encourage young people to pursue careers in the skilled trades.

And, in its recent budget, the Government of Canada announced increased investment in the Youth Employment Strategy, which helps young Canadians get meaningful work experience. At this session of the Conference, important discussions are being held on social protection and fundamental principles and rights at work which, along with employment and social dialogue, form the four pillars of the ILO's Decent Work Agenda.

With respect to fundamental principles and rights at work, the Government of Canada encourages the ILO to focus its efforts on technical assistance and cooperation to increase the global realization of these principles. The ILO can support bilateral and regional agreements that promote respect for fundamental principles and rights at work by undertaking fact-based analysis of their positive impact on economic and social development.

In many countries, a substantial proportion of the labour force is working in the informal economy. The ILO should share information on practical measures to help people transition from the informal to the formal economy. This would help extend the protections of fundamental principles and rights at work, as well as social protection, to previously excluded workers.

The Government of Canada supports strengthening the ILO's standard-setting role through the review of international labour standards, to ensure that they remain relevant to today's workplaces and address emerging issues in the world of work.

It is unfortunate that the Committee on the Application of Standards has not been able to fulfil its constitutional obligations this year as they relate to the supervision and application of ratified Conventions by member States. We encourage the tripartite parties to find a lasting resolution that will ensure the effective functioning of the Committee on an ongoing basis.

In conclusion, the important issues being considered at this year's session of the Conference underline the need for countries to work together to improve the situation of millions of workers and their families who need the protection of decent work in these difficult times.

---

*Original Arabic: Mr AL-RUBAYE (Minister of Labour and Social Affairs, Iraq)*

---

I would like to congratulate the President on his election to lead the 101st Session of the International Labour Conference and to thank him for the way in which he has guided its work. My thanks go

to Director-General Somavia for his intellectual and diplomatic skills and for his innovative stewardship of the ILO. His achievements within this Organization will be indelibly stamped on the history of labour, especially his promotion of the social dimension of globalization, the ILO Declaration on Social Justice for a Fair Globalization, and the Decent Work Agenda, which aim to confront crises, ensure the necessary conditions for economic recovery and growth and create job opportunities to end poverty and unemployment. I would also like to wish the new Director-General, Mr Guy Ryder, success in pursuing the visionary role of the Organization.

The agenda for this session of the Conference is rich in issues relating to the ILO Declaration on Fundamental Principles and Rights at Work and its legal, occupational and human implications, including social protection floors for social justice and a fair globalization, which are proposed as necessary criteria for expanding social security, a fundamental right for human beings and a means of fighting poverty and social exclusion.

Furthermore, opting to tackle the subject of youth employment is a wise choice in the current difficult climate, which sees structural gaps in policies and methods for addressing the situation of young people, a category of society that represents strategic capital for development plans and future projects in our societies. This explains the correlation between political and social protests in support of decent work opportunities, on the one hand, and youth unemployment and the importance of their jobs as a necessary condition for liberty, social justice and equity, on the other.

The Iraqi Government has faced numerous crises and problems as a result of occupation. It has also put in place national strategies and policies aimed at reducing poverty and increasing unemployment rates, protecting Iraqi children and young people, and promoting women's emancipation, starting from a clear national vision of an equitable, balanced and democratic society in which all citizens are equal in rights and duties, in accordance with the new social pact. This has enabled us to reduce the percentage of people living below the poverty line, which fell from 23 per cent in 2008 to 16 per cent at the end of 2011. This in turn has had an impact on the realities of work in Iraq and on the direction employment has taken. The unemployment rate fell from 15 per cent in 2008 to 11 per cent at the end of 2011.

The Ministry of Labour and Social Affairs has adopted modern methods, in cooperation with the ILO. We have established 34 training centres and devised innovative training programmes. On 1 July 2011, the Ministry overhauled the structure of the centres, their tools and their methodologies, on the basis of the best training systems in the world. They now offer training, rehabilitation and guidance in all regions of Iraq, with 114,526 people having benefited between 2 April 2004 and 30 April 2012.

We also offer each trainee a grant of 5,000 dinars a day to encourage them to continue their training and acquire the skills needed for the labour market. A job fair has also been organized.

Furthermore, with the aim of helping young people, both male and female, to start their own businesses and promoting entrepreneurship, the Ministry is currently implementing the Know About Business programme, which provides an introduc-

tion to the business world and has so far helped 1,042 people.

From 2007 to 2009, 73,323 young people also benefitted from a low-cost loans programme to start income-generating enterprises.

On 19 January 2012, the Iraqi Parliament approved a new act on low-cost loans for income-generating enterprises, which was proposed by our Ministry.

Moreover, at the 15th meeting of Asia-Pacific Ministers of Labour, held in Kyoto, Japan, on the 1944 Declaration of Philadelphia, which provides that labour should not be viewed as a commodity subject to the laws of supply and demand, we suggested that this recommendation should be elevated to the status of a general multilateral convention. This would enable us to keep pace with the technological revolution of the third millennium in the areas of communication and transport, which has turned the world into a small village and increased unfair competition between the domestic workforce and foreign workers, who arrive in an unregulated manner. This is due to the fact that employers are motivated by profit and resort to cheap, clandestine labour which threatens domestic jobs in the private sector and increases unemployment. When foreign workers are granted work permits by the Ministry, it preserves their dignity and protects their rights.

To conclude, we would like to stress the importance of a balanced view of the situation of the Arab people of occupied Palestine, who live in extremely difficult circumstances as a result of a policy of occupation based on exploitation and exclusion. We call for an end to racist settlement policies and to violations of fundamental principles and rights at work. We also call for Palestine to enjoy permanent status within the United Nations and its agencies.

---

*Original French: Mr SAPIN (Minister of Labour and Employment, Vocational Training and Social Dialogue, France)*

---

May I first of all say how proud I am to take the floor for the first time at the international level as Minister of Labour and to do it here in this forum housing one of the oldest international organizations. I would also like to commend the remarkable job done by Mr Somavia and warmly congratulate Mr Ryder on his election to lead the institution and promise that, as ever, France will provide full support.

Jean Jaurès believed in the advent of a humanity “sufficiently well organized and with enough self-control to be able to resolve conflicts between its groupings and forces through reason, negotiation and the law”. These values of social justice, which are the foundation of the ILO and to which France has, during its history, given pride of place, can only be implemented through reason, negotiation and the law.

Reason leads us to realize that in the world today, which, despite the effects of the crisis which have hit so many people so hard, has never been so rich, poverty and the exploitation of children, women and men remain. Only collective global action can put an end to this social wretchedness. This action requires the protection of workers’ rights to be mainstreamed into the decisions taken in other international bodies. Economic development and progress in labour law cannot and should not be taken in isolation from each other. When I go to the G20 next week that is what I will argue. I will plead for a globalization that is more than merely financial and

for a consolidation of the role of the ILO within the G20.

We must continually bear in mind that employment, and youth employment in particular, must be the priority. I welcome the debate conducted within this Organization on this subject, which was discussed in the G20 at France’s behest.

The only way to achieve this is through negotiation. The interests we have may diverge. As we know, the interests of emerging and rich countries or the interests of employers and workers do not always naturally coincide.

The strength of the ILO is that it shows that dialogue is possible. Thanks to its structure, founded on tripartism, agreements between people of good will can be reached.

The French Government has mainstreamed social dialogue. The day after tomorrow in France, I will be hosting a meeting of social partners so that together we can consider the reforms to be proposed at the international level.

I will also convey my hope for renewed social dialogue at the international level by strengthening the L20 and the B20 in the G20, and at the European level by supporting a European social forum and a new tripartite social summit.

Finally, the reason for the existence of the ILO – achieving peace through the law – will be in vain if standards are not respected by all. For this reason, the ratification of the eight core Conventions is a central matter. How can we accept that freedom of association is not recognized, that child labour is not eliminated, that discrimination is not prohibited and that forced labour is not abolished? Reason tells us that this shared fundamental right to human dignity must be shared by all. As François Mitterrand said at this rostrum in 1982, “France, with all its faults and shortcomings, can only condemn the perversion of the human spirit which forced labour constitutes. It has been an endless struggle from remote time, the struggle to see free men put an end to slavery forever.” France is therefore resolutely committed to working together with the ILO to advance the ratification process.

I am well aware of how difficult it will be for some to achieve this. We will have to take that into account as we move forward step by step, engaging in dialogue in order to overcome obstacles to such ratifications with the ultimate aim of ensuring that these fundamental rights are respected by all and applicable to all. That is the purpose of the discussion here on fundamental rights and on the social protection floor, which I commend.

Yes, through reason, negotiation and the law, we will move towards more social justice. We can emerge from the social condemnation which, in the midst of civilization, artificially creates a hell on earth, as described by Victor Hugo in *Les Misérables*. We are determined to devote all of our efforts to achieving this.

---

*Original Spanish: Mr VILLENA PETROSINO (Minister of Labour and Employment Promotion, Peru)*

---

I welcome this opportunity to address you at the International Labour Conference, where we have debated items of interest for the constituents and, of course, for our countries.

I would join in the deserved thanks being given to Mr Juan Somavia, Director-General of the International Labour Office, and offer our congratulations

to Mr Guy Ryder, who will be next to assume this important responsibility.

Today, Peru has one of the most dynamic and stable economies in the southern region, in Latin America, with annual growth of 6 per cent in an ongoing process of social inclusion. A basic pillar is the implementation of a coherent labour policy which seeks to convert decent work into a mechanism of inclusion and a generator of economic development with absolute respect of labour rights.

When I took this position in Labour and Employment Promotion, I became responsible for implementing policies which ensure full respect of labour rights, social protection for all Peruvians, the creation of decent work, and the promotion of self-employment through training and development of entrepreneurial skills and effective labour insertion procedures.

All of these policies endeavour to produce great changes in my country. Fortunately, within the framework of this major transformation being carried out by the current Peruvian Government, these tasks are part of a decisive state policy with a multisectoral approach aimed at improving the living conditions of our fellow citizens.

We are convinced that dialogue and participation are the best mechanisms to contribute to stable solutions to the problems facing the labour world.

Tripartism within the ILO has been, and continues to be, our finest example of that. I must confess that I am convinced that tripartite solutions are possible and effective.

The ratification of the Indigenous and Tribal Peoples Convention, 1989 (No. 169), was supported by this Government, and the priority given to regulating the prior consultation mechanism shows our position with respect to the indigenous peoples of Peru.

As we believe in this dialogue and participation, we have focused on strengthening mechanisms which will guarantee the fundamental right of freedom of association and the right to collective bargaining. We want to substantially improve, in the short term, all state services directly aimed at protecting these rights.

We also promote constructive dialogues and working in good faith with the trade union organizations and employers' organizations, with respect to the various proposals that we, the Government, are putting forward. We have a tripartite body for these debates called the National Council for Labour and Employment Promotion, which very recently, and for the first time in the history of our country, approved, by consensus, a substantial increase in the minimum wage.

We feel, however, that it is necessary to renew and further develop social dialogue as a practice, as laid out in the Global Jobs Pact. We want to build joint solutions in order to take on the global crisis and to clear the way for decent work.

Our democracy demands this and we trust that, in carrying out our autonomy and based on the mechanisms of internal democracy, trade union organizations and employers' organizations will go along with this proposal.

The social inclusion that we are proposing also includes provisions for children. We feel that provisions for young people are a government priority, which is why we have developed a national strategy for the prevention and eradication of child labour to achieve the commitments undertaken when we ratified the Minimum Age Convention, 1973 (No. 138), and the Worst Forms of Child Labour Convention, 1999 (No. 182).

At the same time, we have created a single window for employment promotion with a view to integrating all the free services generating employment, employability and entrepreneurship in one location, thus arriving efficiently and effectively to vulnerable groups such as young people, the elderly, women, and those living with a disability in every part of the country.

Finally, we would like to ratify our commitment to the objectives of the ILO. Our country is in favour of sustained growth with social inclusion. We also want to reduce poverty and improve the quality of life of our citizens. We are well aware that without decent work, we will not achieve our objectives and goals.

*(The Conference adjourned at 3.35 p.m.)*

### Thirteenth sitting

Monday, 11 June 2012, 4.10 p.m.

*President: Mr Atwoli*

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

---

*Original German: Mr FOGLAR (Worker, Austria)*

---

On behalf of the Austrian Confederation of Trade Unions (ÖGB), I would like to congratulate the President on his election to preside over this 101st Session of the International Labour Conference. At the same time, I would like to pay tribute to Mr Juan Somavia, the present Director-General of the International Labour Office. He has successfully led our Organization through difficult years of globalization and economic crisis.

Allow me also to congratulate our colleague Mr Guy Ryder on his election as the next Director-General and to offer him our full support in the task of striving to achieve decent work throughout the world.

Youth unemployment has reached alarming proportions and this is socially and politically unacceptable. According to the report of the International Labour Office, in 2011 four out of every ten unemployed were young men or women. In 22 out of 48 industrialized countries, one in four young persons does not have a job. More and more young people are being forced into the informal sector or are struggling to find low-quality jobs with low pay. Young people account for an increasing proportion of the working poor.

Austria is often quoted as an example to follow for having succeeded, through joint action by the Government and social partners and an appropriate macroeconomic policy, in keeping youth unemployment comparatively low. The Government, employers and unions have created a framework conducive to investment that produces growth and has put the brakes on youth unemployment. However, one of the most effective measures is the tried and tested dual system of vocational training and the guarantee of training until the age of 18. In order to expand the dual system in Austria, the ÖGB is calling for a “billion for skilled workers”, funds that would be used to promote apprenticeships, to improve the quality of training and to finance industry-wide training.

One thing is clear: austerity measures alone, as envisaged by the fiscal compact of the European Union, will not end the crisis. We also need a social pact for growth and employment, which will finally

restore some future prospects for young people. We need an economic policy in all countries that will boost growth and employment and move away from “cuts to the death” (*Kaputtsparen*). And we need fair global framework conditions which will make sustainable development and prosperity possible for all countries.

Because of their direct effect on standards of living, social protection and conditions of work, macroeconomic themes are legitimate subjects for discussion in the ILO and they should remain so.

Increasingly, the annual report on the situation of workers in the Arab territories occupied by Israel gives reason for concern. The settlement policy of Israel increasingly jeopardizes the economic basis of subsistence for Palestine. Conditions of life and work in Palestine and also for Palestinian migrant workers in Israel itself continue to deteriorate. The feasibility of the agreed two-state solution based on pre-1967 borders is fading away into the distance. The Austrian Confederation of Trade Unions therefore reaffirms its solidarity with the Palestine General Federation of Trade Unions and its support for a peaceful and lasting solution to the Israel–Palestine conflict on the basis of international and European trade union resolutions.

Furthermore, the Austrian workers are particularly concerned about ongoing violations of fundamental human and labour rights, including freedom of association, the right to engage in collective bargaining and the right to strike. Last year in Colombia, another 29 trade union members were murdered, which means that there has been no improvement in the situation, contrary to the Government’s statement. In other countries too, such as Guatemala and Swaziland, our colleagues are exposed to appalling violence. Increasingly, ratified ILO Conventions are also being violated in Member States of the European Union.

As for the issue of budget deficits, the result of the financial crisis and the colossal bank bail-out packages, the expectation now is that workers, retired people, public services and small and medium-sized enterprises will have to shoulder the burden.

This is not acceptable.

The ILO has the vital task of formulating the fundamental principles and rights at work, incorporating them in binding Conventions and supervising their implementation and observance throughout the world, including in the European Union.



We therefore note with dismay that the Employers, for the first time in the history of the International Labour Conference, have not been prepared to discuss the violations of freedom of association, in conjunction with the right to strike, identified by the Committee of Experts. This is an attempt to undermine one of the most effective human rights protection mechanisms in the international system. This approach by the Employers is a massive violation of the consensus which has existed so far within the ILO between the unions, the governments and the employers' organizations.

In this crucial situation we reiterate our support for the International Labour Organization and, in particular, for the standards system and the Committee of Experts. It is not through appeals and voluntary measures by multinational organizations that we will make decent work a reality all over the world but through binding standards which have been thoroughly examined and adopted on the basis of the tripartite decisions of the ILO. Our workers remain fully committed to this.

---

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

---

First, let me extend my congratulations on the occasion of the 101st Session of the International Labour Conference.

The Conference coincides with the appointment of Mr Guy Ryder as the next ILO Director-General, an indication that the Governments understood the Workers' message, for which we are grateful. I also extend my wholehearted gratitude for the unrelenting, valuable and unforgettable services of Mr Juan Somavia during his challenging terms in office.

Today we have assembled here to cooperate and support workers' future well-being against the destructive waves of the global crisis. However, it is disappointing to acknowledge that the concept of a world free from poverty and injustice has given way to a hoax which has been termed globalization, resulting in a deterioration in people's standard of living, particularly that of workers in developing countries. I consider the first decade of the third millennium to mark the beginning of the fall of neo-liberalist tendencies. The current state of the world does not represent a period of cyclical crisis; rather, it is the irreversible outcome of capitalist symbols and hegemonic systems.

Social relations marked by hegemony, increasing unemployment, the runaway growth of the informal economy, the rise in militarist strategies and the deepening gap between the North and the South are sending out alarm signals that governments need to grasp fully.

The global crisis will not be resolved by such sedatives as those prescribed by the G20, the World Bank and the International Monetary Fund. On the contrary, the best approaches to face the current challenges would be building confidence, reviving national identities, taking collective initiatives to reconstruct the social fabric, distributing the means of production and apportioning a fair share of market access to developing countries.

Youth employment is a key topic of this Conference. As you are well aware, future generations' employment is at stake. Job displacements and insecurity are rising. Precarious, daily-paid jobs with little or no legal and social protection are prevalent, signalling the instabilities of labour markets and disrespect for the criteria of decent work.

It is regrettable to see small and medium-sized enterprises losing their economic viability and going bankrupt while there is an increase in the number of financial institutions and speculators.

Tripartite cooperation and understanding will doubtless be required in order to strengthen employment and social security systems and adopt effective mechanisms.

The Workers' House of the Islamic Republic of Iran and its 10 million members strongly condemn the unjust and inhuman sanctions. Our unity, solidarity and humanistic ideals will never be marred under the hegemonic pressures of some powers. This has been proven over 33 years of Iranian resistance, along with economic and scientific achievements, which proves our determination.

To conclude, let us hope that peace and serenity along with justice spread all over the world and that the day will come when humanity benefits from equal rights, free from discrimination based on race, colour or nationality.

---

*Mr BYAMBASUREN (Government, Mongolia)*

---

First of all, on behalf of my delegation, I am honoured to convey my warmest greetings to his Excellency, Mr President and to all the distinguished delegates at the 101st Session of the International Labour Conference.

I wish to reaffirm the Mongolian Government's commitment to the ILO's efforts in making policy recommendations and conclusions on youth employment, the social protection floor, the fundamental principles and rights at work, and the application of labour standards. I wish to express appreciation to the ILO and delegates of member States who worked hard on these recommendations and conclusions, which are expected to be helpful to member States in identifying their priorities and actions.

The fact that over 75 million young people are unemployed, and that informal employment among young people remains high, has negative social and economic consequences. Therefore, policies and schemes ensuring decent employment are placed high on the agenda of governments and social partners.

Mongolia is entering a new stage of economic development. It has overcome the numerous challenges of transition economies and is now going through a period of rapid economic growth. The country's economy grew 17.6 per cent in 2011, an increase on its 6.3 per cent growth in 2010, becoming the fastest growing economy in Asia and the Pacific region. However, this high economic growth fails to translate sufficiently into employment and jobs. In particular, the unemployment rate among young people aged between 15 and 24 has not decreased in this period, and remains at a rate that is twice the national average.

In an effort to promote youth employment, the Mongolian Government therefore decided to pronounce 2011 the year of employment promotion. A series of measures has been taken, including updating employment promotion legislation, improving the labour market information system and implementing specific programmes designed to increase the involvement of young people in vocational education and training, including in entrepreneurship skills. As a result, 73,200 jobs were created in 2011. Also, the Government, in consultation with the social partners, drew up the draft national decent work

strategy, which embodies the principles of the Global Jobs Pact.

The Mongolian Government supports the ILO's commitment to adopt a Recommendation on the social protection floor aimed at ensuring social protection, alleviating and preventing poverty and social exclusion at the national level. Last year, Mongolia updated its social welfare legislation and ensured the implementation of state policies on the equal distribution of natural resources to every citizen. Between the end of 2010 and 2011, measures to improve social protection, welfare and employment promotion, including cash transfers, had positive impacts, alleviating poverty by 9.4 points to reach 29.8 per cent by the end of 2011. Similarly, the unemployment rate dropped 2.2 points to reach 7.7 per cent by the end of 2011.

The Mongolian Government and the social partners face the major challenges of improving the social and health insurance schemes, undertaking pension reform and extending social security to herders and informal workers. The development of the Recommendation due to be adopted at this session is therefore timely and will be meaningful for Mongolia and other member States as well.

Mongolia has ratified 16 ILO Conventions, including the eight core Conventions on fundamental principles and rights at work, thus ensuring the application of international standards in the framework of national legislation. At present, Mongolia, with the support of the ILO, is in the process of reviewing its labour legislation. In this regard, I wish to reaffirm that the Government of Mongolia and the social partners support the proposals to review and update international labour Conventions and Recommendations to bring them more into line with the national conditions of member States.

Mongolia has maintained fruitful cooperation with ILO on issues of labour, employment and social protection. I wish to emphasize our appreciation to Mr Juan Somavia, who has made notable contributions, particularly by introducing and implementing the Decent Work Agenda in member States. I wish to congratulate Mr Guy Ryder on his election as the Director-General of the ILO. He is a dedicated expert in drawing up and ensuring the application of international labour standards in member States.

---

Mr SHORTEN (*Minister for Employment and Workplace Relations, Australia*)

---

I am very pleased to be attending my first International Labour Conference as the Australian Government Minister for Employment and Workplace Relations.

On behalf of the Australian Government, we extend our appreciation to the Director-General, Mr Juan Somavia, for his outstanding leadership and recognition of our shared passion for generating and promoting decent work. We also congratulate Mr Guy Ryder on his election as the next Director-General. The Australian Government looks forward to working with him to continue the ILO's important roles in our international community. I would also like to take this opportunity to acknowledge the key role played by Mr Greg Vines, Chairperson of the Governing Body, in overseeing such a transparent, rigorous and fair election process.

In his address to the 87th Session of the International Labour Conference, Director-General Somavia articulated his vision of four strategic ob-

jectives that became known as the Decent Work Agenda. He said: "The ILO must be able to propose policies that combine and integrate economic efficiency with social efficacy." The Decent Work Agenda, combining the objectives of employment, labour rights, social protection and social dialogue, provides a robust and holistic framework to address the challenges presented by economic and social change, technological development and globalization.

In Australia, we are strongly focused on improving decent work outcomes, both at home and abroad. In Australia, we are committed to the creation of national wealth. In Australia, we are committed to the fair distribution of national income. Too much of domestic politics in Australia can sometimes be focused on the false assumption that there is flexibility on one hand and fairness on the other, and that the two features are mutually exclusive.

Our Government's objective is to ensure that, in Australia, the ILO's Decent Work Agenda is translated into ensuring that Australians have good jobs now and in the future. A good job is one where employees are not only fairly rewarded, have safer work and are productive, but are also highly engaged in what they do at work and respected for how they do it. A good job is one in which the employer of the enterprise is making a profit and is competitive, creating value in the enterprise. But a good job is also one where there is leadership by employers and employees to identify, harness and promote the productive capacity of every individual in the workplace. I consider strong leadership, decent work and good jobs to be important, but not only to the economic performance of the enterprise in the community: strong leadership, decent work and a good job are important to personal happiness, individual fulfilment, family stability and community security.

Our Government has recently implemented Australia's first paid parental leave scheme and we are increasing compulsory superannuation – compulsory payments made by employers into individual accounts of every employee in Australia from 9 per cent of their total wage to 12 per cent – so that Australians who work hard their whole life can retire with a measure of dignity and decency. But this is not all.

In Australia, we recognize that strong social protection should be established to protect those who need it. There are some parts of the Australian workforce who do not share equally in the benefits of Australian workplaces. I speak of older and mature-age workers, workers from indigenous backgrounds, women, or workers with a disability. I am extremely proud of the commitment that the Australian Government has made to the first national stages of a national disability insurance scheme. I am also proud of the fact that in Australia we have created laws whereby women working in industries dominated by women can apply to have their work of equal value paid at equal value for the first time. We are also working to encourage countries in our region, Asia and the Pacific, to recognize fundamental labour rights, including the right to freedom of association. We have urged countries in our region, like Fiji, to guarantee this right and to fulfil their obligations under ILO Conventions. We consider this to be fundamental to a strong democracy and to maintaining the rule of law.

Australia is proud of its economic resilience in the global financial crisis. We are proud of our commitment to decent work, at home, in our region and globally. Most important, we remain proud of our engagement with the ILO, now and in the future.

---

*Original Russian: Mr SAFONOV (Government, Russian Federation)*

---

The current socio-economic situation worldwide is still fraught with instability and with difficulties in ensuring sustainable economic growth.

The International Labour Conference should be able to propose its responses to the global challenges facing workers and the business community.

The Government of the Russian Federation greatly appreciates the work done by the International Labour Organization as one of the fundamental international stakeholders involved in the development of socio-economic strategies.

In the Russian Federation we have reacted swiftly to the changing conditions. Despite the negative impact of the crisis, the socio-economic situation in our country can be described as stable. Priorities for the Government of the Russian Federation are to achieve dynamic development; to modernize the economy; improve its structures; create modern jobs; to ensure decent wages and decent work.

The President of the Russian Federation, Mr Putin, has put forward, as one of the main tasks for the next six years, the creation of 25 million modern jobs. These jobs will be created in a developing and modernizing economic environment, and are being relied on to assure the agenda which Mr Somavia is mooting, namely creating conditions for decent work. This includes: quality jobs ensuring security for our workers, high salaries, stable employment and as goes without saying, good labour relations with employers.

Real monetary income in 2011 was almost 10 per cent up on 2010. The average nominal wage in 2011, as compared with 2010, increased by 13 per cent and real wages were up by more than 4 per cent. In 2012 we continue to work on measures for our regional programmes to ease tension on the labour market for which 17 billion roubles have been allocated from the Federal budget.

Priority in our work is given to the development of social dialogue. This year we have celebrated the 20th anniversary of the establishment of our mechanism for social partnership in the Russian Federation. This operative mechanism allows us to resolve problems through negotiations, taking mutual account of the interests and real capabilities of all parties.

No bill of legislation in the field of labour relations or unemployment goes before the Government of the Russian Federation until it has been discussed in our trilateral commission to regulate social labour relations, where for the most part, consensus is achieved. The most important indicators of the success of social partnerships is the quantity and quality of agreements and collective treaties concluded, the level of coverage of workers, and the levels of social safeguards. In our country we have more than 233,000 collective conventions in force and more than 60 branch agreements at the Federal level.

A key element of decent work is labour protection. In Russia we are at present working to reform our labour protection system, the main aim of which is to improve working conditions for our workers.

As a result we are seeing a constant decline in labour conflicts nationwide.

In order to carry out this work, in 2011 we adopted measures to form a system for managing labour protection, enhancing sanctions for violations of the labour protection standards. The final aim of all of the changes we have implemented, as I have said, is to ensure a new quality of life – the basic agenda here in the ILO.

One of the work areas for our Government in the Russian Federation is to bring into practice best international standards in the field of labour relations which means ratifying ILO Conventions. Since 2010 alone we undertook obligations under seven Conventions within the ILO. In 2012 in December we are planning to host a conference suggested by our President, Mr Putin, in which the Russian Federation intends to embark on a broad dialogue on all the topical and pressing issues related to our contemporary understanding of decent work.

---

*Mr VARELA (Employer, Philippines)*

---

On behalf of the Philippine employers, allow me to congratulate the President and the Vice-Presidents on their election to preside over the 101st Session of the International Labour Conference. I am confident that this session will bear productive work under their able leadership.

Our sincere congratulations go to the newly-elected Director-General, Guy Ryder, as do our assurances of the support of the Philippine employers. My congratulations also go to the Director-General, Juan Somavia, for a comprehensive presentation of the first performance report on the implementation of the ILO programme for 2010–11 under the Strategic Policy Framework 2010–15.

In spite of the magnitude of the coverage of the programme, involving specifications of results from the global, regional and country perspectives, the report was able to aggregate these results into 19 positive outcomes in the context of decent work. We are happy to learn that on the basis of the assessment of the outcomes of the programme, meaningful progress by country and region was noted, despite the fact that 2010 and 2011 have been difficult years for the world of work as a result of the global crisis.

The Report observes that there has been increasing national acceptance and application into actionable programmes of the various facets of the four strategic objectives of decent work. It is therefore very encouraging to note that the Report of the Director-General to the 101st Session of the International Labour Conference points out a shift from the level of widespread acceptance of the decent work vision to the feasibility of specific initiatives. There is a bridging of the gap between the ideal and the practical. Indeed the creation of a policy framework and the building of capacities translate to tangible benefits for those in the world of work. This positive development, however, goes with a mix of guarded optimism. No less than the Director-General states: “On a global scale, progress in decent work for working women and men has been far too slow, relative to what is possible.”

Much as we seek to accelerate the pace, the global community must grapple with widespread economic disturbances and their aftershocks. The imperative of economic growth and viability cannot be pursued in isolation, to the exclusion of the demands of so-

cial justice, without causing serious repercussions. There is a need for a careful balancing act.

In the case of the Philippines, the impact of the global financial crisis has been mitigated by sound economic fundamentals set in place by the country's economic policy-makers. While the focus remains on achieving sustained economic growth, the need to address the challenge of social progress remains a priority task. Various mechanisms are in place to help attain sustainable and equitable economic growth. It is in this context that the principle of tripartism works effectively in the Philippines as evidenced by the landscape of social dialogue and the climate of industrial harmony. Wage issues are amicably and constructively discussed and resolved in tripartite regional boards and not left to unilateral legislative interventions.

As a major stakeholder in national affairs, the Employers' Confederation of the Philippines actively engages the key sectors in Philippine society in an annual dialogue on common economic and social concerns. The National Conference of Employers has become an institutional forum for articulating the voice of employers and for understanding government policy directions and initiatives.

There are ongoing activities to promote occupational health and safety through the collaboration of government and employers' and workers' organizations. Best practices are emphasized for replication in as many workplaces as possible, through the annual recognition of exemplary records of faithful compliance with good occupational health and safety standards.

Also in place are various technical education programmes and skills training activities under the direction and supervision of different institutional providers, such as government, vocational schools, the business sector and non-governmental organizations. The curricular contents and methodologies are dictated by the requirements of the industry. The menu of learning courses encompasses a wide range of job skills.

Since small enterprises have a good multiplier effect on job creation, entrepreneurial development in the Philippines is a major undertaking. This is a "sunshine" area where the private business sector, consisting of the major business organizations, the Employers' Confederation of the Philippines and the Philippine Chamber of Commerce and Industry, together with the non-governmental organizations and the Government, work earnestly to make the Philippines a nation of entrepreneurs.

In conclusion, we would like to assure you that the Philippine employers' group takes pleasure in working within the framework of the ILO's global and strategic vision.

---

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

---

First of all I would like to congratulate the President on being nominated to lead these plenary sessions of the Conference and I would like to express our wishes for his success in this task.

I would also like to congratulate the Director-General of the ILO, Mr Juan Somavia, for his exceptional work at the helm of this noble institution over all these years.

We would like to highlight the report on *Global Employment Trends 2012*, because it offers an overview of the situation regarding unemployed

people around the world, and emphasizes that very many of them are young. This is particularly pertinent to my country given the large numbers of youths in the labour market and those affected by employment issues; indeed, six out of ten unemployed persons are young people. If we were just to examine the youth segment we would see that three out of five youths are unemployed or underemployed.

To tackle this, my country's Government has set up a tripartite forum for social dialogue where we are discussing the problem of youth employment and the formation of consistent public policies. At the same time, it is important to highlight that we are in the process of submitting the Domestic Workers Convention, 2011 (No. 189), to be considered for ratification by national parliament. Without doubt, this instrument will have a large impact given that nine per cent of workers in my country are currently employed in domestic work, and 95 per cent of those are women; a group that deserves particular attention.

On the other hand, in the National Programme on Decent Work we recently launched a book containing the text of the Indigenous and Tribal Peoples Convention, 1989 (No. 169). It is in three languages: Spanish; Nivaclé; Guaraní, of which the last two belong to the most widespread indigenous groups in the country. We have distributed this instrument among the representatives of those indigenous groups, as well as in business and trade union associations, universities, public institutions and the public in general, in order to promote its application in practice.

We have increased the number of methods for decent work in various labour sectors in order to ensure the effective fulfilment of labour standards.

Within the area of vocational training, our main institutions, the National Service of Professional Promotion and the National System for Training and Employment Training, have been carrying out training for citizens throughout the country, with particular emphasis on vulnerable groups such as indigenous peoples and the disabled. We have had astonishing results regarding the skills that they have developed and their integration into decent work.

Three years ago we informed the plenary about the creation of the tripartite Committee on the Fundamental Rights and Principles at Work and the Prevention of Forced Labour. Today, it is with great satisfaction that I can announce that a subcommittee has been set up in the Chaco region. It is made up of representatives of local communities and focuses on the dissemination of the rights of employers and workers, thereby reinforcing the influence of our regional office in this area of the country.

We have also created the Social Security Directorate – a specialized agency linking public policy with all private and public pension insurance providers.

Also, we have made headway in standard-setting to guarantee the adoption of preventive measures to avoid and reduce risks at work. To this end, the Deputy Minister for Labour has regulated the procedures which deal with the denunciation of cases of sexual violence and harassment in the workplace, meting out appropriate sanctions.

The national Government is studying the proposal to set up a ministry of work and to unify the vocational training institutions. These initiatives are go-

ing to strengthen labour institutions and give more force to the execution of central employment policies.

In Mercosur we are working on the Regional Plan of Prevention and Eradication of Child Labour and the training plan for Mercosur inspectors. Last year, together with the Republic of Argentina, we proposed the draft plan for the freedom of movement of workers within Mercosur.

We would like to thank the ILO for the valuable assistance it has given us in carrying out our tasks through its regional and subregional offices.

Finally, I must not forget to mention the deadlock in the Committee of Experts on the Application of Standards. It is necessary to negotiate procedures and clear and transparent work methods so that we safeguard the rights of workers, employers and governments. Paraguay is willing to contribute in these negotiations so that similar situations are avoided in the future.

---

Mr NICOLESCU (*Employer, Romania*)

---

As the representative of the Romanian Employers' Movement, it is my honour to congratulate the ILO management on its recent achievements and, especially, on the agenda of the 101st Session of the International Labour Conference. We appreciate the very useful focus on the youth employment crisis. The future of mankind depends mainly on the younger generation and its education, employment and performance. The driving force for economic and social development in the transition to the new economy, the knowledge-based economy, the essence of our times, is youth innovation, knowledge and dedication. A pragmatic approach based on this vision could and should generate efficient and sustainable solutions to the complex problems facing young people at the global level.

In the current very complicated international environment, the Romanian economy and society are facing quite a few difficult problems, although in 2011 GNP increased by 2.5 per cent, at fifth position in the European Union. Opposition political parties recently come into power in Romania and in 2012 there are local and parliamentary elections.

In this context, the Alliance of Romanian Employers' Confederations (ACPR) is focusing on four main areas. First, economic development. In this respect, the ACPR proposed to the new Government a set of 15 economic measures to be implemented in the coming period. Second, increased European funds absorption, which represents the most affordable and cheap financial resource for Romania, is another priority for the ACPR, for which we have proposed several pragmatic improvements. Third, the elaboration of the new SME Act, implementing all ten principles recommended by the Small Business Act for Europe. We are also working very closely with the new Government in this respect. A very good SME Act is essential for Romania because in our country there are about 600,000 SMEs and only 1,900 large companies. Romanian SMEs are providing the majority of the jobs in the economy and of the revenue for the state budget. And fourth, company banking finance is the Achilles heel in the Romanian economy and requires improvement. Credits are very difficult to obtain and the costs are very high, sometimes double those of the European Union's average rates of interest and commission.

In Romania in recent weeks the process has begun to change legislation regarding social dialogue, employers' and trade union organizations and industrial conflicts – Act 62/2011. Without any doubt, certain improvements in all these fields are necessary and the ACPR fully supports this process.

Unfortunately, some of the proposals made so far do not respect certain principles of the ILO and provisions of the Romanian Constitution: freedom of association of enterprises, respect for private property and its management, non-interference by trade unions in employers' affairs and vice versa.

We hope that ultimately all the parties involved – government, employers' organizations and trade union organizations – will change legislation to ensure strict respect for all ILO principles, European Union recommendations and Romanian legislation. Romania needs intelligent and intensive cooperation among the social partners to promote better economic and social performance and thus contribute to Romanian sustainable development.

The ACPR is committed to continuing to play its essential role in the economic and social development of Romania, focusing on the implementation in our country of all ILO resolutions and Recommendations, including those adopted at the 101st Session of the International Labour Conference.

---

*Original Spanish: Mr SANTALIA TORREZ (Government, Plurinational State of Bolivia)*

---

It is a great honour for me to address you today on behalf of the Plurinational State of Bolivia in my capacity as a Minister of Labour, Employment and Social Security. I should like to commend the leadership of Mr Juan Somavia, as the Director-General of the ILO and to congratulate Mr Guy Ryder on his election as the new Director-General of the ILO, wishing him every success in his future work.

Allow me to share with you the advances that have been made on social policy in Bolivia, with a view to strengthening social protection, creating decent work and to promoting social and labour rights in the present context of change and revolution in democracy, drawing inspiration from the philosophy of living well, which means living in harmony with oneself, with the other people, and with nature.

Since 2006, progress has been made on the protection of job security, whereby the State Constitution included the right to a secure source of work in fair and satisfactory conditions, prohibiting unjustified dismissals and all forms of workplace harassment. A clause on job protection was also included in the constitution, to benefit trade union leaders and people with children.

In the past, workers were only eligible for compensation for length of service on leaving or being dismissed from their job after five years' continuous work. This has now been changed to 90 days, both in cases of voluntary retirement and dismissal.

The State has taken a leading role on wage policy, to guarantee fair, equitable and satisfactory wages for both men and women workers, through their exposure to the national minimum wage increase. This underwent a 127 per cent increase from 2006 and 2012, considerably exceeding growth during the neoliberal period, as recognized in the ILO 2012 Labour Overview for Latin America and the Caribbean.

Mr Evo Morales Ayma, who has an extensive trade union experience, has undertaken actions to

strengthen labour unions and to raise the Constitutional importance of the effective recognition of trade union protection, collective bargaining, the respect of freedom of association, political pluralism, self-sufficiency, solidarity, internationalism and ideological and organizational independence in accordance with ILO Conventions Nos 87 and 98. Efforts to do away with the partial slavery of the Guaraní people and abolish forced labour and a National Council on the eradication of forced labour has been established to improve the living conditions of Guaraní families in the Bolivian Chaco, and to promote social, cultural and economic development and channelling their cultural demands.

Regarding Convention No. 189, the Plurinational State of Bolivia has already adopted a number of provisions covering those established in the Convention. The Plurinational State of Bolivia has nevertheless expressed its clear wish to ratify this Convention.

Regarding social protection, the Constitution enshrines the principles of the universality and integrity of social security as defined in Convention No. 102, thereby laying the foundation for the creation of a social protection policy for vulnerable groups, through measures such as the Bono Juancito Pinto programme to promote school attendance, and the Bono Juana Azurduy de Padilla programme to reduce maternal and child mortality. We have set up the Dignity Pension scheme for the elderly and for people with serious disabilities, and developed non-contributory health policies, for mothers and children and the elderly, among others.

From 2006 to 2011, the nationalization of natural resources led to an increase in public investment from 500 million dollars to 3.2 billion dollars, accounting for 4–5 per cent of growth in GDP. This important effort led to a significant decrease in the urban unemployment rate, which fell from 8.15 per cent to 5.03 per cent. Although the unemployment rate is one of the lowest in the region, we wish to continue policies to decrease the proportion of young people between the ages of 18 and 25 that are out of work.

Regarding public employment policies, the Plurinational Labour Department provides services to connect and stimulate the demand for work, giving priority to young people and people with disabilities. The National System for Labour Capacities, which oversees social policies on education, certifies and awards technical professional training. Likewise, Bolivia is pursuing specific action on youth employment, linking technical training and labour market access through programmes such as “*My primer empleo digno*” (My first decent job), among others.

Public policies on social dialogue are being developed through the participation and control of the social partners. To this end, last January, Bolivia held a social summit to strengthen the process of change. This defined labour policies in view of having an increasing effect on policies promoting decent work, generating new job opportunities and reforming the production sector.

This Conference today is being held in the context of a severe financial and economic crisis in the developed world, which should lead us to reconsider the predominant capitalist economic model. We urgently need to put humans and nature at the centre of social and economic policies, to benefit the large

majority rather than an international financial elite, as occurs today.

In light of this, the Plurinational state and society of Bolivia, under the leadership of President Evo Morales, collectively point to our guiding principle of “Living Well”, which should be the basis for public policies, thus ensuring the full exercise of human right, particularly economic, social and cultural rights.

---

Ms BYER-SUCKOO (*Minister of Labour and Social Security, Barbados*)

---

First, I congratulate the Director-General-elect, Guy Ryder, and wish him success in the fulfilment of his new mandate. I assure him of Barbados's continued support and commitment to the International Labour Organization. I also wish to thank the outgoing Director-General, Juan Somavia, for his leadership over the last 13 years. Driven by a concern for social justice, peace and human rights, he has helped to shape a vision of decent work for women and men throughout the world.

He is credited with initiatives such as the Declaration on Social Justice for a Fair Globalization and the Global Jobs Pact, both designed to meet the challenges of globalization in the twenty-first century through the Decent Work Agenda. I must also laud his leadership in promoting gender equity, especially here at the ILO.

The global financial crisis has led to the loss of many jobs, particularly among the vulnerable youth. Youth unemployment is reported as being three, and in some cases, five times higher than adult unemployment. In light of this, I commend the ILO for returning the topic of youth employment to the agenda of the International Labour Conference since last featured in 2005. Accentuated by the slow pace of recovery globally, young people are becoming marginalized, despondent and cynical about the future, with a rise in welfare dependency, political upheaval and youth protest, as seen recently across the world.

We then must ensure dialogue with our young people at this time. The Cabinet of Barbados has approved a national youth policy which identifies youth unemployment as a strategic area of concern. Because this policy was formulated after in-depth consultations with youth organizations and young people generally, we are confident that our national youth policy and our strategies will address the concerns of our youth.

I also address the social protection floor. Barbados has a well-developed programme designed to alleviate poverty and exclusion, encourage human resource development, and encourage greater labour market participation, employability and productivity.

Barbados's social protection measures include: low-income housing; free health care and education; welfare provision for food, rent and subsistence; and income replacement for the sick, those on maternity leave, the disabled and the unemployed, having recently extended the unemployment benefit from 26 weeks to 40 weeks. We also increased, by 25 per cent, the minimum wage for shop assistants, some of our most vulnerable workers. These measures are not to be seen as a handout, but as an investment designed to provide a cushion during the crisis, and a springboard for a better future.

A useful study was the Barbados Country Assessment of Living Conditions 2010, which in-

cluded a macro-socio-economic assessment, a survey of living conditions, an institutional assessment and a participatory poverty assessment.

While Barbados has acquired Very High Human Development status and has already achieved several Millennium Development Goals, the study indicates a strong link between employment and poverty, with the poor less likely to be employed and the employed poor less likely to be employed full time. Barbados, therefore, now proposes a national growth and poverty reduction strategy and the development of a national social policy framework. Our approach must build on the synergies between social protection measures and other national development priorities.

Such policy coherence as emphasized in Barbados's Decent Work Country Programme, as is collaboration among social and economic entities. Social and economic development policies must be viewed as mutually inclusive.

Finally, we are working to prevent the violation of laws and fundamental rights at work, and the exploitation of workers, often seen during a crisis.

Last month I piloted the Employment Rights Bill through our Parliament, which was passed, guaranteeing protection from unfair dismissal.

The Government of Barbados will continue to institute policies consistent with the ILO fundamental principles and rights at work, providing social protection and decent work for all.

---

Mr MAJOR (*Government, Hungary*)

The Hungarian Government would like to take this opportunity to congratulate and thank Director-General Somavia for the great work he has done for the ILO. We truly appreciate what has been achieved by the ILO globally and nationally over the past 13 years when Mr Somavia was in charge of this Organization. His faith in and his firm commitment to the mission of the ILO has raised this institution's profile and placed employment, social and labour issues at the very centre of international activities. We wish Mr Somavia all the best for the future.

The 101st Session of the Conference is being held during challenging times, when the world economy, which had just started to recover from the global crisis, is once again facing a new phase of economic weakening.

At last year's Conference, the Hungarian Government emphasized that the crisis would not be over until employment had increased dynamically. Increasing unemployment and developing employability are still the main issues on the agenda which need to be addressed.

The labour market situation of youth deserves special attention in this regard. Young people are our future and they need to be fully integrated into our societies. Tackling the challenges that young people face and improving their labour market integration and employability require harmonizing several policy areas, as well as overarching measures that impact the demand and supply sides of the labour market.

We think that the discussion on the issue of the youth employment crisis has been timely placed on the Conference agenda this year. The call for action to be adopted by the Conference highlights that we need targeted and urgent actions at the global, regional and national level in order to avoid the risk of a lost generation.

The Hungarian Government is fully committed to the fundamental aims and mission of the ILO. We acknowledge that the ILO's values and policy tools, based on the principle of tripartism, have the capacity to make change possible. At the same time, we believe that, on the basis of these fundamental values and principles, the ILO needs to move forward and it needs some changes which would enable it to better adapt itself to the new challenges of our changing world and to the needs of its constituents.

We see the ILO as a major source of knowledge in the world of work and also as a unique instrument that places tripartism and policy consensus at the very heart of its activities. We think that the ILO's list of capacities needs to be built up and that the ILO's efficiency and delivery need to be improved, including through further assisting its constituents with targeted measures and well-tailored advice.

International labour standards are the core of this Organization. These standards have to be respected and their adequate improvement and efficient implementation worldwide has to be further promoted.

Permanently searching for tripartite consensus in this regard is of crucial importance. The ILO plays a cardinal role in the international coordination of economic, social and development policies by promoting the transformation of the globalized world that would aim to place people at the centre of sustainable growth.

The Hungarian Government attaches special importance to applying economic, employment and social policies in a way that ensures mutual reinforcement. Our main aim is to rebuild employment in the spirit of mutual appreciation, respect and peaceful cooperation. We believe that the opportunities arising from international cooperation could promote the achievement of our aims.

To conclude, I would like to address the Director-General-elect. The Hungarian Government congratulates Mr Ryder on his election. We believe in his dedication to the ILO. We are also convinced that he is committed to facing the many challenges ahead of the Organization. I would like to assure him that the Hungarian Government is determined to support his efforts to successfully handle all these challenges.

---

*Original Arabic:* Mr HUMAIDAN (*Minister of Labour, Bahrain*)

On behalf of the Government of the Kingdom of Bahrain, I have the honour to convey to you the appreciation of our Kingdom for the leading role played by the International Labour Organization and to convey the greetings of His Majesty the King and of his Government and their appreciation of the support and technical assistance provided by the ILO to the Kingdom so as to safeguard its workers' achievements which have been recently made.

Today, Bahrain, including its social partners, is more confident and optimistic that the consequences, which resulted from last year's events, had greatly diminished, and that our dear country has approached sincerely the closure of the file of dismissed persons set against the backdrop of such events. Bahrain made huge strides so as to move on ahead, and work with the social partners in the promotion of bridges of confidence and ensure true collaboration so as to achieve common aims. In this area, our celebration with the International Workers' May Day constituted an important stop as it



reflected the extent of harmony, and the desire to open up new perspectives for a better future.

Here, I cannot but commend the Director-General, Mr Juan Somavia, for his efforts and valuable initiatives, as well as for his role in promoting the role played by the Organization in order to achieve its goals aimed at providing support and assistance to the three social partners as he was able during his mandate to guide the Organization so as to leave its indelible mark on all areas related to work and workers.

On this occasion, I would like to congratulate Mr Guy Ryder on his election as Director-General; I am confident that his rich experience will provide a strong momentum to the Organization so as to achieve more benefits to all three social partners.

Recently, the Kingdom of Bahrain has witnessed a number of important and positive changes with respect to supporting workers and trade union activity; the most important of which was the meeting held between the King and the leaders of the General Federation of Bahrain Trade Unions held last March. The King praised the Federation for its efforts on development and production, and reiterated the need to continue supporting and promoting the achievements of Bahrain as to observing international labour Conventions especially those related to promoting trade union work, and encouraging tripartite collaboration.

Our practical experience in the Kingdom of Bahrain has demonstrated that tripartite cooperation is crucial in overcoming any negative consequences, problems or difficulties confronted by the country. We, as a social partner, are intent on achieving more solidarity and collaboration to promote confidence among ourselves; increase our cohesion; strengthen our efforts for the sake of positive achievements; and resolve any shortcoming so as to move ahead towards the welfare of our dear nation.

One of the most important results of our tripartite collaboration achieved, thanks to the support of our wise leadership, is the reinstatement of the majority of dismissed persons in the most recent events, while ensuring their integration in their work in a healthy and just environment, in addition to resolving any pending issue, or finding solutions to any difficulties or obstacles encountered. This should be done with a high sense of responsibility and joint work, so as to be in line with the guidelines of the ILO Governing Body. The latter commended the positive results reached in this respect, at its last meeting. One has to mention here the huge role played by the ILO in supporting tripartite collaboration and consultations, and in realizing this huge development in this area.

We would also like to indicate that we work together so that trade unions might regain their vital role, and remove obstacles to enable them to play their national and positive role. One of the most important achievements in this area was the reinstatement of all trade unionists in their work, and their ability to practise their union activities in all freedom and independence.

I would like to reiterate here before this Conference that Bahrain will continue to be of the countries which is committed to international labour standards. It will continue to promote several initiatives it undertook, as praised by the ILO and by a number of specialized organizations.

In conclusion, I would like to reiterate Bahrain's condemnation of the abusive discriminatory prac-

tices and deprivation, imposed by the occupation authorities against the workers and people of Palestine and of the Arab occupied territories. I would also like to reiterate the support of my country to the right of the Palestinian people to realize a free and independent State, to be recognized internationally.

---

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

---

Allow me to congratulate His Excellency, Mr Alburquerque de Castro on his election as President of this Conference.

I would also like to congratulate Mr Guy Ryder on his new position as ILO Director-General, and to express our heartfelt gratitude to Mr Juan Somavia for his remarkable contribution and service to the ILO since 1999.

Mr President, Indonesia welcomes the standard-setting process of the ILO Recommendation on the social protection floor. This is very timely in light of the process of recovering from the global economic downturn. We have to focus on developing the most viable strategies through coordinated employment and social protection policies, and to lead inclusive recovery and growth for our people.

Social protection has become our national priority in Indonesia. By 2014, the Government of Indonesia will have two social protection legal frameworks developed to regulate the implementation of social security in the areas of health care and employment.

My Government also continues to provide support to vulnerable people in the formal and informal economies, and to those in urban and rural areas, to enable them to generate income and to improve their skills and productivity at work.

The Government has introduced several schemes for low-income workers such as tax cuts, housing assistance, low cost transportation and health facilities. We also encourage businesses to undertake corporate responsibility programmes and to strengthen social cohesion within the local communities.

The President of the Republic of Indonesia at the 100th Session of the Conference last year, stressed the importance of countries investing in sectors which generate jobs for young people and of building a global coalition for youth unemployment.

In this regard, Indonesia supports the Committee's conclusion from the general discussion on the youth employment crisis. We believe that jobs and young people are the engine of development and progress and are important factors in securing national prosperity. We hope that the ILO can provide technical assistance in this field.

Even though Indonesia's unemployment rate has decreased quite significantly over the years, challenges remain.

We are now working with strategies for reducing the unemployment rate as well as for improving decent work conditions in the informal sector.

Emphasis is given to training young people, many of whom live in rural areas where access to the formal labour market is limited.

As Indonesia embarks on decentralized governance which gives local government more authority to regulate their administration, capacity building for tripartite constituents at the regional level has become one of our key challenges. The ILO can assist by giving technical assistance at the local or regional levels.

Indonesia is among the first countries in the Asia-Pacific region to ratify all ILO core Conventions which have been integrated into our labour laws and our trade union laws.

We have also recently ratified the international Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.

In this regard, we believe that the ILO should pay more attention to the plight of migrant workers as it is related to the mandates of the ILO.

Indonesia welcomes the recent positive progress in Myanmar and the commitment of the Government to implement democratic reform and to promote and protect the rights of workers in Myanmar. The ILO and its Members should respond to this positive development commensurately.

The ILO should also assist in improving working conditions in the occupied Arab territories.

In closing, we look forward to a better future where the ILO plays an important role as we continue to face challenges in the global market.

---

Mr TROTMAN (*Worker, Barbados*)

---

I wish at the outset to congratulate the contributors to this debate over the last week and a half, and I wish particularly to congratulate my own Minister of Labour who recently spoke, Ms Esther Byer-Suckoo, who delivered a very excellent presentation for the continent of Barbados.

I believe that, as in the past, I will be expressing the sentiments, not only of my continent, Barbados, but also of my brother and sister workers in the Caribbean initially, and in the wider field of work where the struggle continues to be waged to bring dignity to work.

Any comments which are delivered from among the ranks of representatives of Workers during this Conference will of necessity speak on the subject of the dignity of work and of respect for the worker. I am aware that we ourselves should be aware that there will be some, possibly among us, who will endeavour to overwhelm us with the argument that work is all that matters, any work. We cannot, we must not, they will argue, fret ourselves over what they see as peripheral and inconsequential considerations. We, the workers' representatives, do not support that view.

What the workers of the Caribbean wish very clearly to say is that the International Labour Conference of 2012 marks a defining moment for the labour movement, for us in the Caribbean, but equally for working men and women everywhere, as well as for those who are seeking entry now or are in some measure preparing themselves to enter the world of work.

It marks a defining moment because it will herald the news that what the ILO struggled for and achieved was not fanciful nor romantic but, although visionary, practical and realizable. The strategic objectives which the Organization set itself have not merely satisfied Conference delegates in Geneva, they have been elevated to become the mantra for the exploited, the relegated, the excluded, the marginalized and those who are discriminated against and denied equality of opportunity.

The Somavia era, if I may be allowed so to designate it, has caused me, and many like me, to see before our very eyes the transforming light of recognition of the ILO as more than a relic of some crotchety old men who were tired of the interrup-

tions they experienced in the fast-growing industrial centres of the world 100 years ago.

People started relating to the ILO and to their towns and their places of work rather than to a faraway place in a country then better known for the special volumes relating to cold war espionage and to numbered accounts than as the location of the crucible for the humanization of work. They realized that the ILO was and could be part of their experience.

Mr Somavia takes credit, as well he should. He put in place a new team which skilfully and comprehensively moved our ILO from a position where it lay dust-covered on the shelves of history to one where, in new colours, and with more focused programming, it is today making its presence felt in all the important decision-making halls and corridors across the globe.

Speaking for the Caribbean, as well as for the many other developing countries of the world, I dare say that period was particularly refreshing. We find ourselves today at a point where we have to recognize the charter of the ILO, and be sure that we do not lose sight of that vision. My message for the Conference is that nothing has transpired in the world of work which should lead anyone to revise the ILO's values or the system for evaluating those values. Stresses and strains will appear from time to time and these will, of necessity, test the firmness of our structures, but I believe that we are built on a firm foundation and that we have the wherewithal to withstand those stresses.

My final words are the following. We salute the period of success which the ILO has experienced. We are grateful for the prominence which has been asserted globally by the Organization through the Director-General and the Governing Body. We believe that the new leadership will bring equal commitment to the cause of our Organization. We believe that the Organization as a whole must work to prove that together we can be more than conquerors. Governments, Employers, Workers and yes, the Office, must work towards a seamless and successful transition. We salute the retiring Director-General. We welcome the incoming Director-General. I am much obliged to you, Sir.

---

Mr ZARB (*Worker, Malta*)

---

I want to start by congratulating Mr Guy Ryder on his election to the post of Director-General of the ILO. I feel convinced that Mr Ryder, with his knowledge, will continue to enrich the good work of the ILO. I also want to praise Mr Somavia for all that he has managed to achieve during his years as Director-General of the ILO.

Since the year 2008, the world has been trapped in a global and economic crisis that has led to a lot of imbalances and inequalities between many countries. It certainly seems that this will remain a very serious worry in the years to come.

Very often, we hear that globalization is more or less associated with economics and that it is the worldwide free market economy. However, the greatest impact of globalization has been on the workers who have been made to shoulder the worst consequences with little or no hope of reaping the benefits of such an economic system.

Surprisingly enough, the economic globalization of our planet has produced unmatched wealth and resources, but at the same time, triggered wider income gaps between and within countries and also

undermined workers' rights and working conditions.

The economic instability that is shaking Europe in particular and growing inequalities worldwide are even more proof that globalization and the free market it produced are no longer able to generate prosperity. Instead of economic stability and growth, we are seeing precarious employment increasing and spreading even faster, with a total disrespect for workers' rights and working conditions. It seems that eating away at workers' rights is the only imaginable medicine to cure the world's economic ills.

As trade unionists, we firmly believe that alternatives exist. We believe that there are solutions to the current economic crisis and that the solutions do not lie in austerity measures, but in growth based on investment and on active labour policies that respect the fundamental principles and rights at work.

Malta, the country I come from, has somehow survived the international economic crisis. It has managed to do so mainly due to our healthy financial and banking system. However, although my country is emerging from this crisis pretty well, this does not mean that we have not suffered any casualties.

Unfortunately, and notwithstanding all the efforts, my country has experienced a sharp rise in precarious employment, especially in the service sector. Consequently, poverty is spreading and reaching even middle-class families. As a matter of fact, at least the latest official statistics show that 21.2 per cent of Maltese families cannot cope with the daily expenses of a decent living, partly due to precarious employment and partly due to the heavy social burdens that they have been carrying over the last few years, so much so that a new social class has been born – the class of the working poor.

Moreover, the labour force survey for the fourth quarter of 2011 published by the Maltese National Office of Statistics shows that the largest share of unemployed persons, 34.4 per cent, was recorded within the 15 to 24 age group, up from the 32.3 per cent for the same period in 2010. The same statistics reveal that nearly half of the unemployed have been seeking work for 12 months or more.

The present Maltese Government seems to be happy and continuously boasts the number of jobs created across the industry. While the figures might be seen as positive with an unemployment rate below 7 percentage points, the General Workers' Union, rather than being pleased with the quantity of jobs, is more concerned about the quality and the type of jobs that are being created and offered.

Finally, for its part, the General Workers' Union pledges its commitment to continue doing its best to fight as much as possible against precarious employment and indecent working conditions and pay and will spare no effort to ensure that workers' fundamental principles and rights at work are fully respected.

---

Ms WILKINSON (*Minister of Labour, New Zealand*)

*Tena koutou, Tena kouto katoa* – Greetings to you all.

I am very pleased to be able to address this session to acknowledge the contribution Director-General Juan Somavia has made to the ILO, and to congratulate and welcome our new Director-General, Guy Ryder, whom we have elected to lead this Organization over the years to come.

This Conference comes at an important time. The issues on labour standards, youth employment and social protection that we are discussing highlight the challenges in achieving decent work in the current economic climate.

Employment is at the heart of decent work. Workers have a critical interest in jobs, but so too do entrepreneurs and business people who often risk all they have to establish the enterprises that create those jobs.

If they are to be successful in this, particularly in times of economic uncertainty, we need to provide them with the confidence and ability to create the growth that supports our systems of social and labour protection.

In New Zealand, not only have we felt the impact of the 2008 recession and the global financial crisis, but also the region of Canterbury – which I call home – and our second largest city, Christchurch, were badly damaged by earthquakes in 2010 and 2011.

In forging a path to economic recovery we have sought to meet these challenges through careful, measured adjustments to our employment relations system. This system is designed to give businesses the confidence to grow and take on staff whilst ensuring that the rights of employees are protected.

One example of this has been the introduction of the 90-day trial period for new employees of small businesses. This measure alone has been credited with creating some 13,000 new jobs. It has since been extended to all employers.

In addition, we have steadily increased the adult minimum wage to its current level of NZ\$13.50 per hour. According to the latest data, New Zealand's minimum wage in comparison to our average wage, is the highest in the OECD.

We are also introducing a "Starting Out" wage designed to give some of our youngest and most inexperienced workers valuable work experience, and a much-needed foot in the door. Like the 90-day trial period, this will help employers give those who they might not otherwise employ a chance at work. The "Starting Out" wage will be simple to understand and administer, and will apply for the first six months of work with a new employer.

We have also made a number of improvements to increase choice, flexibility and the effectiveness of the collective bargaining process. These include removing barriers to costly and protracted negotiations where an agreement is clearly never going to be reached, while simultaneously retaining the obligation for parties to bargain in good faith.

At the same time, the requirements around employment agreements have been strengthened and labour inspectors now have more tools to ensure that employees get their entitlements and that employers now have a level playing field. Other changes have been made to streamline and improve our employment dispute resolution systems.

Decent work also hinges on safe workplaces, which is why we are investing an extra NZ\$37 million over the next four years into improving the culture of workplace health and safety in New Zealand.

Finally, I have also taken strong and decisive action over the issue of poor working practices and conditions on foreign charter vessels fishing in our waters. A ministerial inquiry found severe problems in the treatment of the crew of these vessels. We have therefore decided that, in future, all such ves-

sels must be reflagged with New Zealand flags so that they will be required to meet the full range of New Zealand employment relations and workplace health and safety law.

All these initiatives have been put forward in a difficult and challenging economic environment. But we have not made change for change's sake, rather, we have looked to achieve a better balance between the interests of employers in creating and maintaining jobs, and those of employees in having fairness and the protection of their rights at work.

Ultimately, realizing the aim of decent work depends on there being jobs in the first place, and on putting pragmatic and flexible solutions in place that let employers, employees and businesses focus on what they do best.

We are confident that the ILO will take a similarly realistic and pragmatic approach in promoting measures that support business growth and job creation, thus creating an environment for decent work to flourish.

---

Mr MECINA (*Government, Poland*)

---

The ongoing economic crisis in Europe and all over the world, persistent unemployment, poverty and inequalities, still require decisive and sometimes unpopular decisions. One may think that these phenomena are here to stay; we cannot afford to relax our vigilance.

The situation in Poland in recent years has been unique in that, despite the economic crisis, GDP growth has remained rather high when compared to other European countries, and in 2011 amounted to 4 per cent. At the same time, the unemployment rate has increased by only 2 percentage points.

The situation is, to a great extent, a consequence of appropriate solutions which were designed through dialogue and aimed at reducing the negative impact of the crisis. Although the Act of 1 July 2009 on mitigating the impact of the economic crisis for employees and entrepreneurs is no longer in force, the Tripartite Commission for Social and Economic Affairs is holding talks on the possible further application of the labour law solutions included in the Act.

What also largely contributed to preserving the indicators of economic development were investments in infrastructure which were co-financed with EU funds. The preparations for the football championship in Poland and Ukraine had an additional impact on the scope of those investments. In terms of the economy and the labour market, investments in infrastructure are of key importance for creating new jobs. However, the problems connected with employment among young persons and persons aged over 50, are still present.

The implementation of the principles of social justice, one of the essential pillars of interest of the International Labour Organization, constitutes one of the challenges we face today, particularly in light of demographic changes. The demographic forecasts for the coming years are not optimistic. Therefore, it is necessary to implement appropriate actions, especially in relation to people under 30 and older persons, in order to ensure their proper participation in the labour market.

Responding to the demographic challenges and the threats to the pension system, the Polish Government has initiated complex system changes connected with extending and levelling the pension age for men and women. At the same time, the issue of

limiting pension privileges of certain groups has been discussed. Despite the fact that the proposed changes included a series of compromised solutions, they were highly criticized by trade unions. Regardless of the obvious differences, both trade unions and employers agreed that more active programmes were necessary to promote the employment of older persons, to guarantee support in the case of unemployment, and to improve working conditions and the forms of investing in human capital and health prevention.

Social dialogue has many times turned out to be a good means of reaching a compromise concerning key social and economic matters. Therefore, representing the Government of the Republic of Poland, I would like to emphasize that tripartite dialogue will still be conducted, in particular, in relation to such important issues as improved efficiency of the public employment services and changes in labour law, in order to ensure the stability of employment.

Although parties to the dialogue have often different expectations, a compromise should be always pursued, as well the fulfilment of the objectives set out in the Decent Work Agenda of the ILO, which has been repeatedly reflected in the Reports of the Director-General.

I would also like to use this opportunity to thank Mr Juan Somavia for his many years' work as Director-General of the International Labour Organization, building and developing the Organization and promoting the fundamental labour principles and rights and wish the Director-General-elect, Mr Guy Ryder, every success in fulfilling his new responsible task.

---

Ms TZUK (*Government, Israel*)

---

The Government of my country, Israel, has the honour of congratulating the ILO on the important topics that were chosen for the Conference this year. Among them are decent employment of young people and social protection, which are part of the core values of promoting social justice. We would also like to congratulate Mr Guy Ryder on his election as Director-General and we wish him success in fulfilling his highly responsible mission.

The Israeli economy has grown over the last decade at a comparatively fast rate. The stability of the economy in the wake of the global financial difficulties is, among other reasons, the result of careful budgetary discipline and government intervention when needed to overcome market failures. Despite Israel's recent positive economic performance, we are currently aware of the economic crisis affecting so many countries.

The advancement and development of the labour force is central to Israel's social and economic objectives. As such, we place great importance on increasing the employment rate. Equally, we endeavour to make every effort to reduce the socio-economic gap between the various sectors and strive to ensure that the fruits of economic growth are spread to the weaker sectors of the population too. In order to enhance this process, Israel has introduced several measures to encourage the weaker sectors of the population to enter the labour market, with the goal of reducing poverty. One example is the nationwide introduction of the Earned Income Tax Credit.

However, long-term Israeli demographic trends indicate that the sectors that are currently under-represented in the workforce will grow signifi-

cantly. As such, it is critical to dramatically increase their employment rates by removing supply-side obstacles and strengthening our active labour market policy. Our efforts include, among others, the creation of one-stop employment centres for the Arab population, for the Orthodox population and for persons with disabilities. We also promote subsidized nursery and day-care centres in order to facilitate mothers' availability to join the labour market.

We are aware of the obstacles from the demand side too, such as the need to convince employers of the advantages of employing these population groups, especially in the proximity of their places of residence. In this context, we are currently advancing the development of industrial, commercial and service zones in the peripheral regions of Israel, while simultaneously improving accessibility and transport infrastructure. We are also assisting with the establishment and promotion of small businesses, factories and the advancement of our research and development activities. In addition, we provide subsidies to employers that take on new additional employees in the periphery or from the targeted sectors. All these activities, as well as campaigning and disseminating information in order to raise awareness among employers and workers of equal opportunities and labour rights, will, we believe, bear fruit in the near future.

I would also like to share with you an important change that will significantly improve the enforcement of labour rights in my country. As a result of cooperation between the Government and the social partners, a new piece of legislation was recently passed and will come into force by mid-2012. The main principle of the new legislation is that administrative procedures can be brought in lieu of instigating criminal procedures to deal with infringements of labour laws. The new procedures are both more efficient and more effective than under the current legal framework. This will enable us, in general, to focus criminal procedures against employers for repeated or blatant offences. The legislation also imposes, under certain conditions, personal liability on those acquiring subcontracted services in several industries, forbids underpriced contracts and prevents public entities from contracting with subcontractors who have repeatedly infringed labour laws.

Furthermore, the Minister of Industry, Trade and Labour will significantly increase the number of inspectors in the Regulation and Enforcement Administration. These resources will be mainly focused on low-wage earners.

To conclude, we place the highest importance on achieving the correct balance between the economic principles in which we believe and the social objectives we wish to attain, particularly in the realm of the labour market. The blending of these goals remains at the heart of our policy strategy. This is a great challenge and a huge opportunity at the same time.

---

Mr USAMATE (*Minister of Labour, Industrial Relations and Employment, Fiji*)

---

The Fijian Government acknowledges the visionary and transformative leadership of the outgoing ILO Director-General, Mr Juan Somavia, and, in particular, his social justice legacy of decent work for all. I congratulate Mr Guy Ryder, the newly appointed ILO Director-General.

The global employment outlook is bleak and policy coordination is becoming more complex in our multipolar world economy. As highlighted in the Director-General's last Report on *A new era of social justice*, governments are preoccupied with financial stability and growth, with less attention being given to people issues such as employment and social protection. This preoccupation has undermined our individual and collective gains over the years.

Our decent work vision is seriously challenged and we are losing our spiritual focus on putting full employment and social protection at the heart of our wealth-creation policies. This challenge demands a response and the Fijian Government is anticipating the Recommendations of the two committees on the youth employment crisis and the social protection floor. Despite our vulnerabilities, the Fijian Government is actively addressing the global challenge of jobless growth and we are committed to reducing our unemployment rate, and the youth unemployment rate in particular. The Fijian Government quickly established a national employment centre as a "one-stop" employment creation service for all unemployed Fijians in December 2009. The centre provides national registration, professional counselling, aptitude assessment, life-skills training, employment skills training and workplace attachments to boost skills development for the unemployed, redundant workers and retirees; and to facilitate their transition to formal employment, overseas employment or self-employment, or to assist them in serving as volunteers under the new Fiji Volunteer Service.

The Government will introduce for the first time this year a national minimum wage in Fiji to complement the existing ten industry minimum wages set by the respective tripartite Wages Councils. The Government will also introduce a reformed workers' compensation scheme to provide better social security benefits with speedier payments. The Government already has in place a basic social protection floor. Apart from the Fiji National Provident Fund and Workers' Compensation Schemes, the Fijian Government has committed about \$80 million this year to further reduce poverty. This allocation provides for the following targeted social protection measures: income generating activities for the unemployed and squatters through start-up capital; monthly allowances for destitute families; a food voucher scheme for the elderly, pregnant mothers and children in remote rural areas; monthly cash grants for families and guardians supporting orphans and abandoned children; grants to NGOs supporting Government in poverty-alleviation activities; projects to enhance the social and economic empowerment of women; free or concessional bus fares for senior citizens and disabled persons; an electricity subsidy for residential customers and schools; infrastructure investments in rural areas, and access to education, health care, basic utilities and financial services; a provision to assist first-time home buyers; upgrading and resettlement of squatters; and price controls on basic foodstuffs, fuel, medicines and hardware.

The Government has also increased the tax-free threshold this year, and substantially reduced income-tax rates for all other workers. Fiji enjoys fee-free education and bus fare assistance for needy children. To facilitate the school-to-work transition, the Government has mainstreamed technical voca-

tional education training into the school system. The Fijian Government is making substantial progress towards holding a truly democratic general election in 2014. A United Nations mission visited Fiji in April and has helped us to address effectively the corrupt practices and flaws of past elections in order to ensure that we have a truly fair general election. We have commenced our Constitution Awareness Programme and will start electronic voter registration next month.

The Fijian Prime Minister has established a five-member Independent Constitutional Commission, which includes an eminent human rights expert, Professor Christina Murray, and is chaired by the world-renowned constitutional expert Professor Yash Ghai. This Commission will receive submissions from all Fijians and all sectors of Fijian society, including trade unions and employer groups. It will draft a new better non-race-based Constitution for Fiji by 2013 and the Constitution will guarantee universally accepted principles of a secular State; common and equal citizenship on a one person, one vote basis; an independent judiciary; the removal of all forms of discrimination; and the eradication of systemic corruption. We are reviewing our current labour policies, laws and practices to ensure compliance with all ratified ILO Conventions through the tripartite Employment Relations Advisory Board. A report on this will be prepared this year.

Fiji has this year ratified or adopted eight ILO instruments, including the Maritime Labour Convention, 2006 (MLC, 2006). We hope that Australia will also honour ILO Conventions and address the human rights issues affecting its indigenous population. We acknowledge the pledges by Australia, New Zealand, the European Union and the United States to assist our general election process.

---

Mr MUREKEZI (*Minister of Public Service and Labour, Rwanda*)

---

It is my great pleasure to address this 101st Session of the International Labour Conference on behalf of the Government of the Republic of Rwanda.

On behalf of the Rwandan delegation, I wish to congratulate the President on his election and to express my gratitude to the outgoing Director-General of the ILO for his big achievements.

I also take this opportunity to congratulate Mr Guy Ryder, the newly elected Director-General of the ILO. The Government of Rwanda assures him of its full support in his new duties.

The theme of this Conference, which is “Building a future with decent work” and its agenda, including the social protection floor, the youth employment crisis, and the fundamental principles and rights at work, matches well with current developments in the labour and employment sector in Rwanda.

The creation of productive employment and reduction of unemployment and underemployment among youth is a top priority for the Government of Rwanda. In this regard, the Republic of Rwanda established in 2009 the Workforce Development Authority with a mission to promote, facilitate, and guide the development and upgrading of skills of the national workforce, especially youth.

In 2011, the Republic of Rwanda established the Business Development Fund (BDF) to help youth overcome collateral constraints and start-up capital limitations. The Fund is linked to business development services providers operating in every district of Rwanda to provide business information,

guidance in project and business planning, business coaching and market access.

As for the social security floor, the Government of Rwanda put in place an inclusive social security policy in 2009 focusing on pensions, healthcare, provident funds and occupational hazards.

The Government of Rwanda has also initiated various social protection interventions and put in place coordination mechanisms to ensure that interventions reach targeted beneficiaries. Among them, we can mention the National Community Health Insurance Scheme for all *Mutuelles de Santé* established in Rwanda in 2002 with the aim of covering 100 per cent of the population. Now it stands at 96 per cent coverage of the total population of Rwanda.

To facilitate and provide an enabling environment for social dialogue and tripartite consultation, legal and institutional frameworks have been established. They include the National Labour Council, which was instituted by the Prime Minister’s Order in 2010 as a consultative organ whose mission is to provide advice and guidance on draft laws and draft policies related to labour and employment in Rwanda.

In respect to rights at work, a new law of 2009 governing labour in Rwanda clearly affirms the fundamental principles and rights at work, by including provisions to prevent child labour, a provision for the protection of workers against violence and harassment, prohibition of all forms of discrimination in the area of employment, freedom of expression, and the right and freedom to form or join trade unions.

Coordination mechanisms to ensure that these interventions reach targeted beneficiaries have effectively been put in place and we are happy to tell you, with humility, that in the last five years, the population under the poverty line has declined from 56 to 44 per cent in Rwanda, a performance attributed to changes in agriculture productivity and job creation in off-farm activities. The Government of Rwanda has adopted interventions geared towards creating new jobs through SME development, co-operatives’ organization, promotion of local and foreign investment, matching skills to the labour market needs, and development of supportive infrastructures.

I would like, in conclusion, to reiterate our conviction in Rwanda that employment creation for poverty reduction is the cornerstone of socioeconomic transformation, and the ILO is playing a crucial role in helping member States in this good direction. The Government of Rwanda will continue to fulfil its obligations in enforcing and reporting on ratified Conventions, paying its contributions, maintaining social dialogue, addressing the global economic crisis and promoting decent work for all.

---

*Original Hungarian: Mr PATAKY (Worker, Hungary)*

---

The Report of the Director-General demonstrates a clear belief in strengthening ILO activities and its role in the democratization of the world of work.

It is in this spirit that Hungarian Workers’ representatives want to participate in a genuine tripartite reconciliation of interests both at the national and international levels.

This International Labour Conference is of greater importance for the Hungarian trade unions than ever before as the legislative process in our country is introducing fundamental changes to the world of

labour. The Labour Code, as was also acknowledged by the legislator and the employers, has amended the regulations to the detriment of workers and trade unions, cutting back regulations guaranteeing security, in favour of greater flexibility.

The losers in the global crisis are lost among all these amendments. If the political will seeks to hamstring the collective representation of workers' interests, making the work of trade unions impossible, this is going against the respect of basic rights and norms, contrary to the verbal declarations on commitments to the international community.

The issues on the agenda here are also serious problems in Hungary. The youth employment crisis has deepened in recent years and a quarter of young entrants to the labour market are unemployed. The way out from this is a coherent consensus-based state of the art education and employment policy. We are ready to be active partners in this.

The issue of the social protection floor is the basis of the future of our society. We support the Recommendation. The right to social safety is a core human right. It is vital for sustainable socio-economic development, the reduction of poverty, and the elimination of inequality and social exclusion.

The agenda item on the strategic objectives underlines the importance of these issues and the fragility of the balance between words and action. Employees assess the cooperation of social partners and Governments on the basis of their own employment, working conditions and wages. The harmony between declarations and actions is measured by access to decent work that guarantees adequate living conditions and security, and by the existence of a social safety net that provides real, humane security for employees and their families, if they have to find a new job. If the system is more like the current system in Hungary, they are confronted with a system that only provides 90 days of unemployment benefits, and a public work programme that causes great pressure.

In these circumstances, there is real need for collective representation but we cannot, unfortunately, report on any positive developments in this respect. The newly enforced regulations introduced limitations on trade union work and, in some sectors, are even aimed at making it impossible. To name just a few examples, military and law enforcement workers, civil servants and certain public sector employees are obliged to join mandatory chambers with trade union rights, while in the private sector, works councils are given trade union rights.

The present Government takes measures that contravene the international agreements it had previously ratified and will make collective representation in the public sector impossible.

As Hungarian trade unions, we thank the International Labour Office for its positive response to our requests and its expert opinion on the draft Hungarian Labour Code last year. This was a real act of technical cooperation.

The discussions of this session prove that both the critics and the supporters of the mission and activities of the ILO see that reforms are necessary. We have to adapt to change but this can only be based on the standards and principles jointly developed by this tripartite body over the past nine decades. The way these are enforced in everyday life will qualify the work of the three partners cooperating here and at the national level.

In addition to its standard-setting work, the ILO has to strengthen its control over enforcement. In this regard, we reject the blocking of the work of the Committee of Experts on the Application of Standards. It is important to keep the issue of universal ratification of core labour standards on the agenda. It jeopardizes the credibility of the ILO if some of the key member States and members of the Governing Board do not ratify core labour standards or if their legislations in practice contradict the standards.

The ratification process needs to be continued; standards, norms and recommendations developed jointly are not administrative burdens or exaggerated restrictions, even if Governments and Employers like to refer to them in that way. They establish reliable relationships between individuals, companies and in society at large. It is not at all convincing, when arguing against ratification, to state that regulations in force already cover everything, as Hungary does in connection with Convention No. 176.

We take this opportunity to express our thanks to Mr Somavia for his work in promoting tripartism for a more balanced regulation of the world of work and for the attention he has given to Hungarian workers.

---

*Original Spanish: Mr CONTRERAS (Government, Guatemala)*

---

The Government of the Republic of Guatemala, which I represent in my capacity as Minister of Labour and Social Welfare, wishes to express to this Conference its frank and sincere commitment to legality and institutional democracy in the country.

The content of the policies, agendas and pacts adopted by the Government over the last few months must lead to a strengthening of the democratic institutions and the rule of law, in a sustained and permanent way, which will result in the promotion and respect for human rights, including specifically labour rights.

Among the various policies, the national employment policy entitled the Generation of Safe, Decent and Quality Work, the Integrated Rural Policy and Competition Agenda have been highlighted. The primary objectives of these is to generate quality work in the formal sector making decent work a national objective as was recommended by the Director-General of the ILO, Juan Somavia, to whose administration I wish to pay homage.

Also, the adoption of the National Security, Justice and Peace Pact seeks to create a State which provides security for all its citizens and ensures the peaceful exercise of their rights.

In each of these four main pillars, the National Employment Policy foresees the promotion of formal labour and the strengthening of institutional skills, as well as the improvement of the skills of Guatemalan workers, particularly young people and women, by providing training and skills in an environment based on democratic institutions where the State is the driving force.

Within the framework of strengthening institutions, in order to fulfil the objectives which the Government has outlined, there has been an increase of some 37 per cent in the budget of the Ministry of Labour and Social Welfare. These resources are particularly aimed at strengthening the General Labour Inspectorate thanks to the recruitment of 100 new inspectors, selected through a public and transparent process.



Social dialogue has been, since the inauguration of the Government, a central policy whose objectives contribute to reconciliation and peace in Guatemala. In addition to the dedicated use of tripartism for the adoption of structural decisions, we have established dialogue and agreements between the State and the workers in the field of health and education, thus creating a new style of relationship between the State and the trade unions of their own State institutions, so as to lead by example.

The most important aspect of the state policy, which is included in the National Security, Justice and Peace Pact, is the coordination, at the highest level, of the State bodies: the Executive, the Legislative and the Judiciary, in order to reduce violence, crime and to eliminate impunity. This Pact has specific objectives, programmes and actions that have to be developed in order to restore peace and justice in Guatemala, as well as combating impunity.

The prevention of crimes against trade union leaders is discussed in this same Pact. At the present time eight trade union leaders in the country are enjoying the protection of the authorities in order to protect their lives and physical integrity.

The Public Prosecutor's Office has been reinforced over the last few months through a 20 per cent increase in its budget, which is particularly devoted to prosecuting crimes offences against life. A select group of 50 investigators has been created who, for the past 60 days, have had the task of providing clarification on the allegations to the supervisory mechanisms of this body.

The Justice Department, for its part, has recently completed work on the labour courts and the restructuring of the Centre for Auxiliary Services of the Administration of Labour Justice with a verification and executing unit for special labour reintegration and criminal cases. The main objective of this is to guarantee the rights and reintegration of workers who have been dismissed.

In conclusion, I would like to express my thanks for the efforts which have already been made by Guy Ryder in assisting the technical assistance process, particularly as regards to Convention No. 169 and for the consultations with our indigenous populations in order to truly improve the situation in Guatemala.

---

Ms KNUPERT (*Worker, Denmark*)

---

During the last few weeks we have witnessed two historic events. First; the election of a new Director-General. Secondly; the absence of a list of cases in the Committee on the Application of Standards.

Director-General Juan Somavia has put the ILO in a more prominent position than ever before on the international map. His Decent Work Agenda is changing working life for people all over the world for the better, and we now look to Guy Ryder to build on this enormous contribution and carry forward the crucial work of the UN's only tripartite body.

Guy Ryder's background in the trade union movement and the ILO itself, his wide and practical experience and his clear sense of direction, will put the ILO in an even stronger position. But new challenges lie ahead.

What we saw in the Committee on the Application of Standards this year from the Employers' group was unbelievable. By dissociating themselves from the findings of the General Survey on the fundamental Conventions concerning rights at work,

the Employers not only questioned the Committee of Experts' interpretation of the Freedom of Association and Protection of the Right to Organise Convention, Convention, 1948 (No. 87), but also the right to strike. The Employers turned the difference of opinion into a controversy about the entire ILO supervisory system, and blocked the list of cases.

Therefore, this year, workers from Guatemala, Fiji, Egypt, Belarus, Georgia, Korea, Swaziland and many other countries, will leave this Conference empty-handed.

The Employers decided to block out any dialogue about harassment, abuses, intimidation, threats, physical assaults and even death of workers who as trade union activists only exercise their universal right to associate and assemble.

I therefore call on all governments and especially the government members of the Governing Body to defend, protect and respect this Organization, its integrity and our universal principles in the world of work.

After criticizing the unfair process in the Committee on the Application of Standards, it is important for me to stress the good results from the other committees. These committees have held meaningful, constructive and effective dialogue in the true spirit of tripartism. When all social partners try to reach the necessary compromises without losing focus, results are obtained. And I am personally very proud of the discussions held and results that have emerged on fundamental principles and rights at work.

The current draft Recommendation from the Committee on the Social Protection Floor is based upon social protection as a human right for all. I would also like to underline that the Recommendation gives important guidance on the active labour market policy, which includes labour inspections and vocational training.

Last but not least, I would like to stress the important prospect of transitioning from informal to formal employment when countries build up social security systems.

At this Conference we have also discussed the youth unemployment crisis. The financial crisis has spurred on a social crisis. Too often, young people are those paying the price.

At the moment, four out of every ten unemployed people are young women and men who are three times more likely to be unemployed. It is important to remember that the youth employment crisis is not only a question of unemployment, but also of job quality. More and more young people are forced into temporary and precarious working conditions.

In addressing the problem of youth employment, it is important that we do not create a new problem of a permanent, low-wage labour market for youth. Now, in this time of crisis, it is time for action.

I cannot leave this podium without making a few comments on the developments in Burma. Burma is only now embarking on a long path towards establishing democracy and human rights, which we of course welcome, but we also believe that much work remains to be done. We strongly believe that governments must require those doing business in Burma to uphold human rights standards. This is absolutely necessary to ensure that any new trade and investment does not contribute to the country's problems.

Allow me from this tribune at the beginning of my address to thank most warmly Mr Juan Somavia, Director-General, for all his efforts and work in organizing this Conference.

I am speaking here on behalf of all the workers of Palestine who continue to suffer from the devastating effects of the Israeli occupation and the repressive measures which have only worsened poverty and unemployment.

This is the world's last case of an occupation inflicting the worst forms of collective punishment on our workers and our people. The Israeli occupation is continuing to build a wall of racial separation that in some cases keeps the members of a single family apart and destroys Palestinian territories. Settlement-building activities are also being stepped up throughout occupied Palestine. And there is also a policy of isolating the territories and erecting road-blocks everywhere. These actions have turned our lives into a hell on earth. Then there is the policy of increasing the Jewishness of Al-Quds, demolishing houses and expelling their occupants.

We could talk for hours about the suffering of our workers and citizens living in the Gaza strip, caused by the blockade or collective punishments. The Gaza strip has been under a blockade for seven years now, and the mission sent by the Director-General was able to observe all of the practices of the occupation. As a result, our people and our workers more than ever need your solidarity and a strong stance of opposition to the occupation so that we can begin to lay the foundations for an independent Palestinian state on the Palestinian territories occupied in 1967, with Al-Quds as its capital.

In spite of the occupation, we are continuing to struggle to form an independent and democratic free trade union movement that can defend our workers, in particular those working for Israeli employers, who are victims of discrimination and the denial of their rights. The ILO mission and other international trade union missions were able to observe these facts.

We will continue to stand up for the rights of workers and I ask for your help through legal supervision and international missions in order to monitor the situation of workers. We also request the ILO to boost its presence through the office in Palestine in order to enhance its monitoring of the situation of workers and their legal disputes. Our workers need a great deal of support if justice is to be done.

We are also fighting for a minimum wage, social protection, social justice and fair laws, in cooperation with the ILO and its offices in Al-Quds and Beirut, and through social dialogue and the ongoing trade union struggle which will continue until we achieve our minimum wage and social protection goals. We will then be able to guarantee the decent work referred to by the Director-General and to which we all aspire.

We are also working to protect the rights of domestic workers by pushing for a change in Palestinian law to afford those workers legal protection, promote the role of women in the labour market, as well to guarantee employment opportunities for young graduates.

We are also continuing our long-term trade union struggle for an occupational safety and health system and for improvements in working conditions,

collective agreements, and the development of a workplace inspection system in cooperation with workers' representatives.

I would like to add, in my personal capacity and on behalf of the General Union of Palestinian Workers as well as all Palestinian workers, my congratulations to the new Director-General, Mr Guy Ryder, with whom we have worked for many years to defend the cause of Palestinian and international trade unions. I also wish to pay tribute to the Director-General, Mr Somavia and all ILO officials for everything they have accomplished for Palestine and for their reports and those of the international missions, most recently the report of the 101st Session, all prepared in a professional and transparent manner. The 2012 report is a good example since it accurately describes the situation of workers in Palestine.

The suffering of the Palestinian workers will end only when the Israeli occupation ends.

---

Mr GURNEY (*Worker, United Kingdom*)

---

It is my honour to address you on behalf of the British Trades Union Congress (although, as a quick aside, given the time, if anyone is keeping an eye on the football if you could signal me if England scores during my speech, I would be most grateful).

Turning to the substance of my speech, so far this has been a Conference of both positives and negatives, although I am bound to say that the one great positive, on 28 May, outweighs the rest. Coming from the Trades Union Congress, where our new ILO Director-General began his career, no one will be surprised to hear me say how proud we are of him. We are certain that, under his leadership, the ILO will build on the impressive legacy left by Mr Juan Somavia: the Declaration on Fundamental Principles and Rights at Work and its Follow-up, the Declaration on Social Justice for a Fair Globalization, and the setting out of the Decent Work Agenda. We are sure that Mr Ryder will take our work to the next stage, and ensure that the ILO continues to fulfil its core mandates. It was both my honour and my pleasure to be able to cast my vote for him on 28 May. It must also be said that the contest itself was a credit to this Organization. The range of excellent candidates is a reflection of the importance of the ILO's role, and the transparency and the openness of the conduct of the election is an indication of the way in which we must continue in future.

During this Conference so far, the progress on the Recommendation on the social protection floor, the conclusions of the recurrent discussion on fundamental principles and rights at work – and as a member of a drafting group, I can note the excellent spirit in which the discussions in that Committee were conducted – and the conclusions on youth employment, show that the ILO is moving forward at a good pace. We remain confident that with goodwill and commitment this Organization can continue to both develop standards which are relevant to the global economy in the twenty-first century, instruments that cover all types of workers – women and men, in the formal and informal economies, in precarious work and in permanent employment, and can continue to make sure that existing standards are ratified and their provisions realized on the ground, where it matters. In order to achieve that, we must all work together.

I must now turn to a more negative aspect of this Conference. Whilst I and my organization are deeply committed to tripartism, to working together with Governments and Employers, I have never been a believer in claiming there is a false consensus, in trying to pretend there is agreement where there is none. The fact that the Committee on the Application of Standards was unable to discuss its list this year was appalling. Some of our Employer colleagues and their lawyers have an issue regarding the interpretation of a core Convention. I take the diametrically opposed view to them on that particular issue, but I am ready to have that discussion. However, the tactics that led to the Committee being unable to conclude its work at this Conference were unacceptable. Workers in countries facing the gravest abuses and threats, from Guatemala and Fiji to Swaziland and Iraq, workers trapped in forced and child labour around the world, and those being discriminated against for many reasons, received no chance here to explain their situation or seek redress and assistance via this Organization. This cannot be allowed to happen again; we must find a way forward. The Employers must decide whether they support the full work of this Organization, and Governments and Workers must commit to use the tools that the ILO provides to deliver decent work for all. The constituents must work together and the Office must be focused or refocused, where needed, to deliver in a unified and coherent way on the core mandates of the ILO.

The task before us all, with the leadership of a new Director-General, is not an easy one, but then if it were, we would not need the ILO in the first place. I hope that we will all recommit to the task in front of us.

---

*Original Spanish: Mr FERRER DUFOL (Employer, Spain)*

---

It is a great honour to share with you all our vision on the important role played by the International Labour Organization in the setting of a standards framework for labour relations and social dialogue.

Before I go into briefly describing some aspects that I find important to highlight in my brief speech, I would like to first of all, offer my most sincere congratulations to the President on his election to preside over the 101st Session of the International Labour Conference, Mr Rafael Francisco Alburquerque de Castro, who comes from a country so well-beloved by the Spanish, the Dominican Republic. Just as much I would like to thank the Director-General, Mr Juan Somavia, for his intense work at the head of this Organization to keep deepening the development of human rights associated with labour rights and to continue strengthening social dialogue. Finally, I would like to congratulate Mr Guy Ryder on his recent election as Director-General of the ILO and we wish him every success in his new term.

Spain is going through a deep economic crisis which has had a very negative impact on employment and in particular on our young people. In order to deal with the serious consequences of an economic crisis unlike any other in our recent economic history, a series of very important and firm measures are being implemented with a view to reforming the labour market, consolidating the accounts of our public administration and recapitalizing our financial system. Although these measures are not always favourable to business leaders, they

are on the right track when it comes to recovery and job creation.

This package of reforms is also intended to send a clear message of confidence in the economy by the Government, and is accompanied by a series of measures aimed at reactivating economic growth and creating new sources of jobs.

The results of this major national effort to overcome the current economic crisis are indissolubly linked to the more flexible and forceful adoption by the European Union of a series of institutional and structural reforms that bolster the measures adopted by the member States.

Spain, as His Royal Highness the Prince of Asturias mentioned here in this very room a few days ago, has a highly diversified economy with a large industrial and commercial base and large tourist and service sectors, as well as a highly qualified labour force capable of driving the economic recovery of our country. Within this very difficult context in which it is not easy for the social partners to reach agreements, we in the Spanish business community continue to be convinced of the importance of social dialogue to kick-starting the reforms our country needs. Despite the difficulty of achieving fruitful results, and with an awareness of the relevance of social dialogue as a way of introducing long-lasting reforms in a climate of social stability, we in the business community in Spain have reached important agreements with the trade unions in highly relevant areas such as the Second Agreement on Employment and Collective Bargaining and the Independent Settlement of Disputes, among others.

Nevertheless, it must be recalled that in a democratic system such as ours, the ultimate responsibility for decision-making lies with the democratically elected Government.

I cannot finish my speech without recognizing and reaffirming the essential role of the ILO, in particular as a tripartite body which creates unique spaces for dialogue and the search for solutions.

Like all other employers' organizations, we cannot accept that the Committee of Experts, which is a technical body, should interpret Conventions as in the case of Convention No. 87, thereby overstepping its mandate. This position reflects the need to avoid setting a precedent which would undermine the tripartite nature of the ILO, an Organization so cherished by us in the Spanish business community and by our country, and remarkable for its global leadership in the ratification of Conventions and the highest levels of compliance with their application.

---

*Mr IBRAHIMI (Deputy Minister of Labour and Social Policy, The former Yugoslav Republic of Macedonia)*

---

Allow me to express how pleased we, the representatives of the Government of the Republic of Macedonia, are to have this opportunity to take part in, along with the other social partners, and address this Conference organized by the ILO.

In my brief address, I shall refer to the ongoing global issues facing not only the global economy, but also the Republic of Macedonia.

The Government of the Republic of Macedonia has detected the youth unemployment issue, although in comparison to the year 2005, there is some progress, in contrast to the other countries in economic crisis which show a reverse dynamic.

The data for the Republic of Macedonia shows that the participation of young people in the labour market is at a low level. The activity rate in 2010

was at 33.3 per cent; the employment rate, 15.4 per cent; and the unemployment rate, 53.7 per cent. Unfortunately, the situation deteriorated in the fourth quarter of 2011 when the activity rate was at 33.6 per cent; the employment rate, 13.6 per cent; and the unemployment rate, 59.4 per cent.

As I mentioned, we have certain positive trends in comparison to the year 2005. However, the situation is unfavourable, and it is mainly due to the following. There is an insufficient number of jobs to absorb the supply of young people; a mismatch between the needs of employers and the qualifications of the workforce emerging from the education system; an unwillingness among employers to provide funds to cover the cost of training young people with no experience; a lack of work experience; a lack of a system providing internships to people registered as unemployed; and a lack of informal education and training.

Bearing in mind the situation of young people, the Government of the Republic of Macedonia, as well as other youth opportunity initiatives to develop employment programmes, youth education and skills, are undertaking national policy with a national employment policy and believe that complex harmonized measures need to be taken in order to provide quick inclusion of young people in the labour market and to facilitate the transition of young people from school to work.

As I have already mentioned, bearing in mind the problem of youth unemployment, which has also deteriorated in the Republic of Macedonia during the crisis, the Government established a National Unemployment Strategy 2015, adopted in 2011, in its priority objectives, which included the objective of achieving an employment rate of 29 per cent among young people between the ages of 15 and 29 and an employment rate of 70 per cent among young people between the ages of 15 and 24.

The anticipated economic growth and development that will lead to greater job security for young people, as well as the process of having young people more quickly and better included in the labour market in accordance with the demands of employers, will be supported by matching the education system with the demands of the labour market; internships and volunteer work; active employment programmes; increased mobility; preventive action through training and advising active jobseekers; and promoting entrepreneurship, etc.

In order to foster and support young people so that they may be introduced to the labour market more easily, every year the Government of the Republic of Macedonia defines young people as an individual target group when drafting the annual active employment programmes. These programmes provide non-refundable grants for setting up businesses, support for small and medium-sized enterprises to open new job positions, and employment subsidized with the disbursement of funds covering the cost of six months' salary.

Bearing in mind the situation of youth and unemployment, we recommend that the International Labour Organization support the preparation of the National Action Plan for Youth Employment. This document is prepared in cooperation with several ministries, the Ministry of Education and Science, the Ministry of Finance, and the Ministry of the Economy, along with the social partners. It shall be a sublimation point of the existing youth employ-

ment policy and shall provide for a new policy for the period up to 2015.

---

Mr WOGU (*Minister of Labour and Productivity, Nigeria*)

---

The Nigerian delegation congratulates the President of the 101st Session of the International Labour Conference on his well-deserved election to guide the affairs of this session. We commend the Office for submitting a comprehensive report on *ILO programme implementation 2010–11*. We note the critical role played by the ILO in stabilizing the world economy through its numerous policies, advice, capacity-building, and feasible projects used for testing new ways of dealing with employment and labour-related issues. This cannot be overemphasized.

We also note with interest and commend the Chairperson of the Governing Body for a well-articulated report on the activities of the Governing Body for the period 2011 to 2012. The progress made by the ILO, as contended in the report under review, across the 19 outcomes of the ILO resource framework, is an indication of the success story of the ILO in building a better world of work.

Permit me to acknowledge also the laudable role of the outgoing Director-General of the ILO, Mr Juan Somavia, for his tireless efforts in providing services to governments, employers and workers in all member States and for promoting comprehensive policies for the realization of the Decent Work Agenda in the global multilateral system.

Let me further commend the Office for focusing the Conference's agenda on the areas of youth employment, social protection, and fundamental principles and rights at work, which form the basic work of the ILO. These issues are still germane to the current efforts of the ILO at addressing the world economic crisis, especially against the background of the recent austerity measures being adopted by many countries.

These core issues also have relevance to the transformational agenda of the Nigerian President, His Excellency Dr Goodluck Ebele Jonathan, which aims at building sustainable national development based on an egalitarian society and justice for all. This is reflected in some recent, but modest, efforts by the Government to address youth employment in the country, which is also in tandem with the ILO framework. Some of the programmes and projects we have are as follows: first, the Subsidy Reinvestment and Empowerment Programme, otherwise known as SURE-P. The objectives of this programme, among others, include laying a foundation for successful physical and social infrastructure development through employment. SURE-P provides a national safety net that is better targeted at the poor and most vulnerable on a continuous basis. The target is to create 10,000 jobs in each state of the Federation of Nigeria and the Federal Capital Territory, totalling 370,000 jobs.

Second is Youth Enterprise with Innovation in Nigeria, also known as YouWiN. This programme provides young people with an entrepreneurial platform to showcase their business acumen, skills and aspirations to become business leaders, investors and mentors in Nigeria. It is targeted at creating jobs, and from this, in the next four years, we are going to create about 110,000 entrepreneurs.

Next we have the Enterprise and Finance Counselling Clinic. This programme is for young entrepreneurs with special talents and passion for self-

employment and wealth creation. These young people are motivated by personal interest and have already acquired competences.

Permit me to place on record the various technical assistance Nigeria has received from ILO, during the period under review, towards our development efforts. These advancements in the Decent Work Agenda include improving social dialogue in the utilities sector, that is, electricity and water, developing a national migration policy, which is being implemented by the Federal Ministry of Labour and Productivity and other relevant agencies, supporting innovative work to ensure the impact of social finance interventions through school fees loan schemes and decreasing the high incidence of child labour, and a review of our country scan, with a view to activating the full adoption of the strategies recommended in the Global Jobs Pact.

In this regard, an employment mission was undertaken to Nigeria by the ILO Executive Director of the Employment Sector and his team. This aspect of our joint effort is being finalized, along with the articulation of the second phase of the Nigerian Decent Work Country Programme. Currently, the ILO is collaborating with the National Directorate of Employment to mainstream labour-based, light-equipment-supported approaches to infrastructure development and road maintenance in 36 states of the Federation.

In addition, we hope that the laudable achievements of the ILO in the recent past will not only be sustained by the incoming Director-General, but will be greatly improved upon. In this regard, Nigeria strongly endorses the need for policy integration in favour of the informal economy, which has the potential to absorb the large army of unemployed young people in most developing countries of the world. Fostering the ILO Decent Work Agenda in the informal economy promotes productivity, employment, sustainable enterprises, and social protection.

Finally, the Nigerian delegation congratulates the incoming Director-General, Mr Guy Ryder, for a well-deserved victory. We wish him a successful term.

---

Mr RAJA (*Government, Pakistan*)

---

It is a matter of immense pleasure for me to address this august gathering on the occasion of the 101st Session of the International Labour Conference. I take this opportunity to express gratitude to Mr Juan Somavia for his contribution as Director-General. I also congratulate his successor, Mr Guy Ryder, the Director-General-elect, and am confident that, under his leadership, there will be a special role for the ILO at the international level in the days to come.

Today the world is passing through difficult times. A number of economic and social factors, along with scant resources, have unleashed a spiral of stagnancy and declining growth. No nation, whether developed or developing, is being spared from this onslaught. Additionally, in many parts of the world, climate change and national disasters have brought more problems. As a result, poverty, unemployment and unequal distribution of resources are on the rise and it has become difficult to sustain even minimum standards of living.

Like so many other countries, Pakistan is facing these multiple challenges. The challenges of energy and water scarcity coupled with inflation and high

population growth have made it difficult to sustain economic and social development effectively. The effects of an unprecedented earthquake in 2005 and floods in 2010 and 2011 have made matters worse still. Nevertheless, despite all these difficulties, the pursuit of social justice and economic growth remain high on the government agenda.

Our Government is keen to promote employment and ensure the promotion and realization of the fundamental principles and rights at work. A number of constitutional and institutional measures have been put in place in recent years aiming to ensure the achievement of these objectives. I am happy to inform you that we have enacted the Industry Relations Act 2012 and established the National Human Rights Commission. Both these measures will ensure the promotion and protection of workers' rights and help realize industrial peace. Respect for women's and children's rights remains a top priority for the Government, which is drafting new laws and regulations in this regard. The Government is also ensuring the promotion of education, making schooling at least up to secondary level compulsory and free of charge.

Pakistan has a large youth population. Our young people are known for their hard work and have played a great role both in Pakistan and abroad. We consider youth education and skill development to be not just an element of productivity, but also of social justice and peace within society. To promote employment, the Government of Pakistan has made youth development and community engagement one of the pillars of economic growth, and has taken a variety of measures to harness the capacities of young people through vocational and technical training programmes. We are also promoting public-private partnerships in this area. The Benazir Income Support Programme is another initiative which aims to improve the lives of the poorest of the poor by supplementing their income through direct cash grants. It is one way in which the Government aims to provide a social safety net to the poor sectors of society. With particular focus on empowering the women of Pakistan, the Government is also helping to provide technical skills to one female from eligible families and to provide financial assistance to start up businesses.

In order to cover the needs of those engaged in the informal economy, the Government, despite the socio-economic challenges, considers social protection for all as one of the top priorities. In Pakistan, we have the Employees' Old-Age Benefits Institution and social security institutions. The Employees' Old-Age Benefits Institution functions at the federal level and takes care of issues pertaining to old-age pensions. The Institution has been able to cover 4 million workers under this scheme. In order to address the concerns of workers in the informal economy, the current Government has extended the coverage of the old-age pension to workers in the informal economy. Even those who are self-employed can now register under this scheme. Provincial social security institutions provide health and related benefits through registered employers. They provide indoor and outdoor medical care to eligible workers and assistance to eligible workers through several workers' welfare programmes, providing housing facilities, marriage grants and scholarships for children. The Government has recently increased the old-age pension by 20 per cent.

To conclude, I would like to say that it is our firm belief that we can overcome the challenges of the twenty-first century only with the economic growth that comes with social justice, not without it.

---

*Original French: Mr TODJINOU (Worker, Benin)*

---

Thank you for giving me the opportunity to take the floor at the 101st Session of the International Labour Conference and to congratulate the President on his election to chair this Conference. I also wish to congratulate our good friend Guy Ryder, a highly-experienced trade unionist and the first Secretary-General of the ITUC, for his election as Director-General of the ILO. We wish him every success in his new duties.

Social dialogue is one of the essential foundations on which decent work rests. However, in Benin, this mechanism for preventing social crises is suffering from a grave ailment. For this reason, my intervention is going to focus on three essential points which emphasize the dangerous regression of democracy in Benin.

Firstly, the repeated violation of the Constitution and the laws of the Republic which have become the current Government's favourite activity. For example; calling into question the established rights of Beninese customs officers to strike. These rights are enshrined in the Beninese Constitution and had been confirmed by the Constitutional Court.

Secondly, the Government's failure to honour its commitments. This applies to the salary increase negotiated between trade unions and Governments and confirmed by a decree adopted by the Council of Ministers. This agreement will exclude teachers who have protested through strikes that could have put the whole school year in jeopardy. Had the Secretary-General of the CGTB, the CSTB, the COSI-Benin, and the CSA-Benin not intervened by calling on the strikers to suspend their strike action in order to prevent our country from wasting a whole academic year, these strikes could have continued much longer with those very consequences. The request to resume dialogue made by the aforementioned organizations has not been followed up.

Thirdly, the denial of the basic freedoms is being established at breakneck speed, and if nothing is done about this Benin will become the centre of dictatorship in Africa.

This can be seen in the way that marches and strikes are effectively prohibited through the docking of wages following legal strike action, in violation of the law on the right to strike, which is still in force in Benin. There are also threats of dismissal; psychological and physical brutality; the opening of registration centres in barracks and police stations to record the names of those seeking to become teachers; beating up strikers; beating up teachers and students who are engaged in peaceful protest.

As I speak and no later than 31 May, the workers of a private company called Benin Controle SA and PVI were organizing a mere sit-in in the Ministry of Finance. They were charged with batons and dispersed with tear gas by armed men even though they were simply demonstrating peacefully to keep their jobs which were under threat.

There is only one thing left to be done in Benin to completely destroy our democracy: to destroy the most credible trade unions, which are the only organizations still upholding democracy. This process has begun, give that fundamental trade union rights are already under attack from bills that constitute a death sentence for trade unions. The hunt is on for non-acquiescent trade union officials.

In summary, social dialogue has broken down in Benin. The country is under reconstruction and the only clue to the contents of this process or the effects it will have is the challenge it represents to the hard-won democratic gains the people of Benin had achieved.

The CGTB felt it necessary to speak out here to prevent this and we call on the ILO, particularly the Director-General, to send as a matter of urgency a high-level mission to Benin in order to assess the excesses which are taking place, before it is too late.

*(The Conference adjourned at 7.10 p.m.)*





## CONTENTS

Page

### *Eleventh sitting*

Reports of the Chairperson of the Governing Body and of the Director-General:	
Discussion ( <i>cont.</i> ).....	1

### *Twelfth sitting*

Reports of the Chairperson of the Governing Body and of the Director-General:	
Discussion ( <i>cont.</i> ).....	15

### *Thirteenth sitting*

Reports of the Chairperson of the Governing Body and of the Director-General:	
Discussion ( <i>cont.</i> ).....	22

.....  
: This document is printed in limited numbers to minimize the environmental impact of the ILO's activities and :  
: contribute to climate neutrality. Delegates and observers are kindly requested to bring their copies to meetings :  
: and to avoid asking for additional ones. All ILC documents are available on the Internet at [www.ilo.org](http://www.ilo.org). :  
:.....