



## Second sitting

Wednesday, 1 June 2016, 10.15 a.m.

*President: Ms Oliphant*

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

#### The PRESIDENT

It is my great pleasure to declare open the second sitting of the 105th Session of the International Labour Conference.

This morning, we shall begin the general discussion on the Reports of the Chairperson of the Governing Body and the Director-General's Reports on *The End to Poverty Initiative: The ILO and the 2030 Agenda* and on *ILO programme implementation 2014–15*. These Reports were presented in plenary on Monday of this week. As usual, the former Report contains an Appendix, *The situation of workers of the occupied Arab territories*. You will find full details on the rest of the plenary programme in the *Conference Guide*, available at the distribution desk and, of course, on the Conference website. The ILO Events application can also keep you informed.

Before starting the discussion, I should like to make the following statement, on behalf of all the Officers of the Conference, to remind you of the principles which we must uphold in our debate. These principles were established by the Working Party on the Programme and Structure of the ILO, approved by the Governing Body and communicated to the Conference in 1967. They remain fully valid. You can find them in paragraphs 54–58 of the fourth report of the Working Party.

The Officers of the Conference wish to draw the close attention of all delegates to paragraph 58, which reads as follows: "In periods of acute political tension, the ILO has a twofold responsibility – to uphold the values of human freedom and dignity enshrined in its Constitution, and to circumscribe rather than extend the area of international tension by ensuring the fullest possible degree of continued cooperation in pursuit of the objectives of the ILO." Every delegate to the Conference must keep these considerations constantly in mind. The debates of the International Labour Conference must not encroach on what is being discussed by the Security Council and the General Assembly of the United Nations in New York, which have responsibility for political decisions under the Charter of the United Nations. I should like to ask all delegates to comply with these principles; the Officers of the Conference are committed to ensuring that they are upheld.

I should also like to say that I rely on you all to conduct our discussions with both the openness and

the dignity that are appropriate to the highest international body in the realm of social and labour-related matters. Freedom of expression is a vital feature of the ILO. To exercise this freedom in a spirit of mutual respect, it is essential that all delegates use parliamentary language, respect the accepted procedure, refer only to the items under discussion and avoid raising any questions foreign to these matters. This discipline is necessary if we want our work to be effective and successful.

Please note that the duration of speeches is limited by the Standing Orders of the Conference to five minutes only, corresponding to approximately three typewritten double-spaced pages. This time limit will be strictly applied. It is therefore strongly recommended that delegates reduce courtesies to a minimum. The lectern is equipped with a timing device which allows speakers to see how much time they have left. A bell will sound once the time limit is exceeded. With a view to transparency, and because respect for time-keeping is a collective responsibility, the timing display is also projected onto the two screens facing the plenary hall so that delegates in the room are able to see the speaking times as well. This will also enable delegates speaking further down the list to see how fast progress is being made and to prepare themselves to make their presentations. I should point out that this strict time limit does not apply to the interventions by the Employer and Worker Chairpersons as they open the general debate with their group statements.

Every delegate will have the right of reply if he or she feels there is a need to respond in the event that his or her government has been challenged. In such cases, delegates must inform the President of the sitting, before that sitting finishes, that they wish to exercise the right of reply. Please make such requests by coming up to the podium and informing the Clerk. The Clerk will transmit the request to the President, who will agree with the delegation concerned on a time at which the reply may be made. The reply should refer only to the point under debate. It should not exceed two minutes and should be delivered in correct parliamentary language. Please keep in mind that it is not practice in our Organization to allow replies to a reply.

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

*(It is so decided.)*

We shall now open the discussion on the Reports of the Chairperson of the Governing Body and of the

Director-General, with the statement of the Chairperson of the Employers' group.

**STATEMENTS BY THE CHAIRPERSONS OF  
THE EMPLOYERS' AND WORKERS'  
GROUPS OF THE CONFERENCE**

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Mr RØNNEST (*Employer, Denmark, Chairperson of the Employers' group*)

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The Employers' group welcomes the Report of the Director-General on *The End to Poverty Initiative: The ILO and the 2030 Agenda*. It is both informative and interesting to read and, admirably, to the point. We find it highly relevant to examine the responsibilities and opportunities of the ILO and its constituents in the implementation of the United Nations 2030 Agenda for Sustainable Development and we support the full and committed involvement of constituents in that process. It is hoped that the Employers' contribution to this debate, together with proposals from all constituents, will bring us forward in our attempt to frame the End to Poverty Initiative as an important element in realizing the ambitious goals set in the 2030 Agenda.

Progress has been made in fighting poverty. In 2015, the number of people living in extreme poverty around the world fell to under 10 per cent of the global population. This evolution is due to many factors, but the commitment of the international community has been crucially important. There is no doubt that high levels of unemployment and under-employment are primary sources of poverty. The first key message is that the main drivers of poverty reduction are job creation and economic growth. In that sense, the 2030 Agenda frames decent work within the context of the overall objective of improving economic growth in a sustainable manner and increasing productivity.

The Report of the Director-General confirms that promoting transitions towards formality is crucial in many countries as one of the best ways to tackle poverty, and the ILO and its constituents need to use effectively the valuable guidance provided by the International Labour Conference last year. Furthermore, the ILO must take into account the linkages between employment policies and the environment for doing business. That linkage is absent in much of its action, in its research and publications and in major ILO technical interventions on employment-related issues, and this should not be so. Fortunately, the 2030 Agenda provides a strong and explicit recognition of the private sector and private investment as key drivers of productivity, growth and jobs, and hence of sustainable development and poverty reduction. Many of the specific targets under Goal 8 of the Agenda have to do with the existence of a proper business environment for sustainable and successful enterprises that grow and create jobs. For these reasons, the sustainable enterprise approach, based on the 2007 ILC resolution, needs to be further used for this purpose and scaled up. To date, these actions have fallen short in terms of scope and ambition. A focus on sustainable enterprise is fundamental in reducing poverty.

Goal 17 of the 2030 Agenda advocates for efficient partnerships. Public-private partnerships are needed more than ever and the ILO needs to work with more ambition on efficient partnerships for the private sector through employers' organizations in order to reduce poverty and create employment. The Global

Apprenticeships Network is an example of an effective public-private partnership with ILO involvement and support. The Network coordinates the efforts of member companies, mobilizes resources, enables and shares the best practices and platforms, and consults with the aim of developing skills for businesses and jobs for youth via work readiness programmes. The ILO Decent Work Agenda fits within the 2030 framework, but the Organization needs to define more clearly the priorities for implementing it and constituents must be involved from the outset in the planning process, as well as in implementation and monitoring. Indicators are critical for evaluating progress in implementing the Agenda. The ILO should update and involve constituents before a final decision on the selection of key indicators and the methodology for issuing them is taken. A tailored approach based on constituents' needs is required. The Office should focus on helping constituents to engage effectively and practically in designing and implementing national sustainable development strategies, bearing in mind the wide diversity of circumstances and the complexity, and sometimes the contentiousness, of the issues to be addressed. Specific programmes and resources will need to target capacity development for constituents to enable them to participate effectively. In this context, it will be essential to reinforce the ability of decent work country programmes to advise and support constituents at the national level in partnership with the rest of the UN development system. The social partners' perspective and input will also be of great importance. The Employers' group will continue to play its full role in guiding the work of the ILO in the implementation of the 2030 Agenda with the aim of eliminating poverty.

The Employers' group acknowledges the Office's effort to increase the clarity and transparency of the Report on *ILO programme implementation 2014-15*. However, the Report does not provide the evidence needed to conclude that the concentration of resources and efforts coming out of these reforms has been successful. Not only quantitative, but also qualitative, data and information on impacts will be needed to provide for the future. The group calls on the Office to increase its efforts, in future implementation reports, to better capture the impact of ILO interventions and focus on critical lessons learned from that evaluation. We want to ensure that strengthening constituent capacity remains one of the ILO's core objectives, which means providing more resources to strengthen the capacity of employers' organizations which need it.

The Appendix on *The situation of workers of the occupied Arab territories* is particularly relevant to the discussion on the revision of the Employment (Transition from War to Peace) Recommendation, 1944 (No. 71). The short but devastating war in Gaza in July-August 2014 has added further levels of pessimism to the overall situation. Since the ILO mission visited the region last year, the situation has not improved and the rebuilding of Gaza is proceeding slowly and with limited international support. As the Report explains, over a million people in the West Bank and over two-thirds of the entire population of Gaza need humanitarian assistance. Palestinian growth has been weak and unemployment and poverty are pervasive. Donor support declined by 30 per cent in 2015. As a matter of urgency, Gaza will need to build on a productive base in order to tackle what is the world's highest rate of unemployment. The

Palestinian public sector is at the limits of its employment potential and many hopes rest on resources and investment from abroad and the development of the private sector. But there are formidable obstacles to promoting a favourable investment climate for the private sector. The Employers support calls for a continued focus on real initiatives for peace and investment. Restrictions on economic activity need to be lifted and donor support ambitiously pledged, as we urged last year, after which the ILO can and should embark on large-scale technical assistance.

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Mr CORTEBEECK (*Worker, Belgium, Chairperson of the Workers' group*)

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At the outset, let me compliment the Director-General on his Report on *The End to Poverty Initiative: The ILO and the 2030 Agenda*. 2015 was the year when world leaders took two historic decisions on the Sustainable Development Goals (SDGs), now the 2030 Agenda for Sustainable Development, and the Paris Climate Agreement, which, taken together, chart a course towards a zero-carbon and zero-poverty world. As we approach the centenary of the ILO, it is timely to be reminded of our constitutional responsibilities and the vision of our forebears – reflected in the Preamble of the ILO Constitution and in the Philadelphia Declaration – for a zero-poverty world, which is at the front and centre of global demand once again. However, the grim reality is that, almost a century after the creation of the ILO, we have not realized the ambition of eradicating poverty. Our generation has, therefore, a moral responsibility to reverse that situation.

The Workers' group welcomes and supports the 17 SDGs. This is a universal agenda that calls on all countries to commit to ending poverty and hunger and combating inequality between now and 2030. We welcome, in particular, Goal 8 on promoting sustained, inclusive and sustainable growth, full and productive employment and decent work for all, through which the international community has given the ILO the responsibility to oversee the linkages between economic growth and decent work and help member States to implement growth strategies that are inclusive and deliver decent work for all.

The realization of decent work can reduce poverty and inequality if minimum living wages, secure employment relationships and collective bargaining are achieved and the rule of law respected. For women and migrant workers, this requires equal opportunity and equal treatment, including equal remuneration; for young people, inclusion and equal treatment; and for all workers, an end to the modern slavery of forced labour and the formalization of informal work. But other Goals are also important and lie at the core of the ILO mandate: Goal 10 on reducing inequality within and among countries and Goal 5 on gender equality. We also welcome the Goals' strong support for social protection, including social protection floors, and their rights-based approach and references to non-discrimination (Goal 8.5); child and forced labour (Goal 8.7); labour rights, including migrant workers' rights (Goal 8.8); and governance, the rule of law and human rights (Goal 16). Our group therefore expects ILO action on Goal 8, as well as the other Goals and issues that are linked to its mandate.

We warmly welcome the strongly normative character of the 2030 Agenda for Sustainable Development, which offers the ILO an opportunity to make a strategic contribution to its implementation and ac-

countability framework, taking into account the Organization's body of international standards and unique supervisory system. As the Director-General puts it, the Agenda "is today's integrated global agenda for social justice, and as such a major opportunity for the ILO". We fully endorse his statement that the ILO Declaration on Social Justice for a Fair Globalization, 2008 is a remarkable framework for the coordination of national and international contributions to the implementation of the Agenda.

The message of the Social Justice Declaration – that the four pillars of decent work (employment creation, social protection, fundamental principles and rights at work, and social dialogue) need to be pursued in an integrated way – is extremely relevant for the implementation of the 2030 Agenda. Rights and social dialogue, the added value of the ILO, will have to be pursued alongside employment and social protection. National implementation of decent work in its four pillars is, of course, key but it will have to be backed up by international policy coherence. This implies that all organizations of the multilateral system will have to ensure that their advocacy work and policies contribute to the implementation of the Agenda. Too often, the four strategic objectives are not pursued in an integrated way and much remains to be done to ensure that the bulk of the UN agencies mainstream decent work into their operations. Here, as well, the Social Justice Declaration provides the ILO with an important mandate: that of fostering such coherence to achieve the goal of realizing social justice through decent work and thus contributing to the eradication of poverty.

Implementation of the Agenda at the national level will require securing the involvement of the social partners and labour ministries. In most of our member States, even initial discussions with the social partners on the SDGs and climate change have not yet been held. Success in achieving the Goals set in the Agenda and positioning decent work at its centre will crucially depend on the level of coordination across different ministries at the national level. Here, as well, the Declaration provides a helpful framework. As early as 2008, it called on member States to take, and I quote, "appropriate steps for an adequate coordination between positions taken on behalf of the member States concerned in relevant international forums ...". Thus, Section II(B)(iv) of the Declaration potentially confers a very important role on labour ministries, in coordination with the social partners: that of positioning decent work as a priority across ministries. But it also calls on the ILO to support these efforts and to ensure that labour ministries and the social partners are not marginalized by other ministries. The Workers' group expects dedicated resources to be allocated to strengthening the capacities of workers' organizations to be effectively involved in national SDG processes. It is also important that the ILO recognizes the strong link between implementation of the Paris Climate Agreement and promotion of the ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all*. The structural transformation of moving to a low-carbon development model will entail profound changes for workers and society, hence the importance of securing a just transition.

If one wants to eradicate poverty, attention also needs to be paid to fighting inequality, which is now recognized as a global risk. Unemployment remains at historic levels, global growth is stagnant, austerity

policies have failed and the centrality of decent work, universal social protection and respect for trade union and workers' rights has never been a more stark challenge. As stated in the Report, the figures – and let us remember that behind them there are people – are telling: in 2015, 327 million working people were living in extreme poverty, and 967 million in moderate or near poverty, in developing and emerging economies. In the advanced economies, the share of the population living in absolute poverty increased by 1 per cent between 2007 and 2011.

The International Trade Union Confederation (ITUC) Frontlines Poll 2016, released this week, shows that around 10 per cent of the world's working families are living in desperation and cannot meet their basic needs on their income; a further 35 per cent are living on the edge, struggling to make ends meet; and the majority of the rest are just getting by. Over the past few years, we have seen the stagnation of wages and the de-linking of wages and productivity growth, which is in turn leading to a deficit in aggregate demand. This must change. The ILO needs to help reverse the decline in the wage share of output. The economic evidence is clear: comprehensive and coordinated collective bargaining has a positive impact on economic growth, employment and investment. It is also the best way to counter increasing income inequality. At a time when we are about to develop a new strategic policy framework, the ILO needs a renewed focus and a well-resourced programme of work on the promotion of collective bargaining and an adequate living wage for all. This would be an important contribution to the implementation of Goals 8 and 10 of the SDGs.

The work that the ILO has been doing on social protection is also a key tool for addressing inequality. We support the work on implementation of the Social Protection Floors Recommendation, 2012 (No. 202), although it is important to remember that this is a floor; it cannot become a ceiling. Hence, policies to extend social protection must also take into account the vertical dimension and the promotion of ratification and implementation of the Social Security (Minimum Standards) Convention, 1952 (No. 102). Another important tool is the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), which provides comprehensive guidance for promoting formal and decent jobs based on the Decent Work Agenda, thereby contributing to poverty eradication.

Let me say a few words on follow-up and review of the 2030 Agenda. During the negotiations that led to the adoption of the SDGs, the labour movement expressed its disappointment that the follow-up and review would be voluntary in nature; we would have preferred for the Goals to be binding with a system of regular national reports. Instead, we have largely voluntary processes with the danger that governments will pick and choose the Goals they want or

pick and choose within the Goals, thus undermining the level of accountability in implementation that is needed. This is why international scrutiny of national efforts will be important. We therefore welcome the fact that several countries have volunteered to present national reviews, which could offer the potential for constructive dialogue. We believe that the ILO should initiate a similar process based on Goals 8 and 10 and related decent work issues in the Agenda, following the guidance provided by the Social Justice Declaration, on both the integrated approach to decent work and policy coherence.

When it comes to partnerships, it will be important that the ILO seeks to guarantee the integrated nature of the Decent Work Agenda and its related objectives. We have, for instance, seen how work on Goal 8.7 has given prominence to child and forced labour to the detriment of freedom of association, collective bargaining and non-discrimination. This will have to be redressed. The High-Level Political Forum on Sustainable Development is expected to examine global reports on progress and to review voluntary national reports and regional reports emanating from the UN system. We expect the ILO to participate fully in all the different reviews and follow-up processes. It will be important that its inputs are rights-based, and also that they are based on reports of the ILO supervisory system.

Lastly, a few words on financing. The means of implementation will have to ensure real commitment to financing the SDGs and supporting poor countries through official development assistance. This calls for establishing and strengthening progressive taxation regimes and giving consideration to the introduction of a global financial transaction tax. We maintain doubts about the over-reliance on private sources of financing because of the danger of privatizing development. The best way that the private sector can help with development is to pay workers a living wage, secure healthy and safe working places and respect the right of workers to organize and bargain collectively.

In conclusion, the goal of social justice enshrined in the ILO Constitution remains crucial to poverty eradication, and the challenge ahead of us is to make it a reality in the twenty-first century through the achievement of decent work. We live in a world with much higher levels of gross domestic product than in 1919, yet poverty and inequality are at historic levels. The ILO, with its unique tripartite system and standards mandate, is well placed to achieve solutions if indeed we all accept responsibility. Let us not repeat the mistakes of the Millennium Development Goals (MDGs), we must ensure that the SDGs are really implemented and all Goals met by 2030.

*(The Conference continued its discussion of the Reports of the Chairperson of the Governing Body and of the Director-General.)*

### Third sitting

Wednesday, 1 June 2016, 2.40 p.m.

President: Ms Oliphant

#### REPORT OF THE SELECTION COMMITTEE: PRESENTATION AND NOTING

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The PRESIDENT

It is my honour to call to order the third sitting of the 105th Session of the International Labour Conference.

Before continuing with the discussion of the reports of the Chairperson of the Governing Body and of the Director-General, we shall turn to another item on our agenda: the presentation of the report of the Selection Committee.

I call on Mr Tudorie, Chairperson of the Selection Committee, to take the floor from the lectern and present his report.

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Mr TUDORIE (*Chairperson of the Selection Committee*)

It is my honour to present the report of the Selection Committee, which met on Monday at the beginning of this week immediately after the special sitting. The report is contained in *Provisional Record* No. 4.

As you know, the Selection Committee has responsibility for the day-to-day running of the Conference, and takes a number of decisions at its first meeting to ensure that everything goes smoothly and efficiently. One of the first of these decisions, which are all set out and explained in the report, was to adopt a plan of work, as proposed by the Governing Body, which would allow the Conference to complete its agenda in the space of two weeks. The Committee wanted particularly to stress the importance of the time management of the Conference and to complete its business in a shorter time frame this year. For this reason, my fellow Officers and I wish to send a very strong message to the Officers and secretariats of all of the committees to begin sittings punctually and to respect the schedule of meetings.

The Committee further decided that the discussion of the reports of the Chairperson of the Governing Body and of the Director-General of the ILO should begin today. The list of speakers will be closed today at 6 p.m.

The Selection Committee noted that the Committee of the Whole, appointed at the opening sitting of the Conference under article 8 of the Standing Orders to consider item VI on the agenda – Evaluation of the impact of the ILO Declaration on Social Justice for a Fair Globalization, 2008 – should be open to all delegates attending the Conference who wished to participate. The Selection Committee clarified that the delegates wishing to participate should nonetheless register in the Committee in the usual way.

With regard to item VII on the agenda – Maritime matters – the Selection Committee noted the amendments to the Code of the Maritime Labour Convention, 2006 (MLC, 2006) and the amendments to the annexes of the Seafarers' Identity Documents Convention (Revised), 2003 (No. 185), presented to the Conference in *Provisional Records* Nos 3-1 and 3-2, respectively. The Committee decided that both sets of amendments would be considered by the Conference in plenary session at 2.30 p.m. on Monday, 6 June, and that the vote on the approval of the amendments to the Code of the MLC, 2006, and that on the adoption of the amendments to the annexes of Convention No. 185, would take place on Wednesday, 8 June.

Under title 6, the report establishes the specific details of the votes and the majority required. As a result, and with a view to obtaining the quorum required on a particular day of the Conference, the Selection Committee approved the following arrangements: voting will take place at voting stations installed outside the Assembly Hall in the *Palais des Nations* and outside the Governing Body Room at ILO headquarters. The vote will remain open from 9 a.m. to 1 p.m. on Wednesday, 8 June, thereby allowing delegates to cast their votes at a time convenient for them and without interrupting the work of the committees. The President of the Conference will make a formal announcement of the results of the vote in plenary on the afternoon of Thursday, 9 June.

As I mentioned, these and other decisions taken by the Committee, including the decision to invite a number of international non-governmental organizations to be represented as observers in committees dealing with agenda items in which they had expressed a particular interest, are set out in *Provisional Record* No. 4, available on the Conference website and at the distribution desk downstairs.

In closing, I should like to express my thanks to my fellow Officers, Mr Matsui for the Employers' group and Mr Cortebeek for the Workers' group, for their excellent support. I look forward to working with them for the rest of the Conference.

With that, I submit the report of the Selection Committee to the 105th Session of the International Labour Conference.

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The PRESIDENT

May I take it that the Conference has taken note of the report of the Selection Committee?

(*The report is noted.*)

(*The Conference continued its discussion of the reports of the Chairperson of the Governing Body and of the Director-General.*)

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