



United Nations Economic and Social Council

**Address by Juan Somavia,
Director-General of the International Labour Office
to the High-Level Segment
(Geneva, 3 July 2006)**

Dear President of ECOSOC, President Hachani,
Prime Minister Aziz,
Prime Minister Stoltenberg,
Prime Minister Diogo,
Minister Laroussi,
Ministers,
Deputy Secretary-General Mark Malloch Brown,
Under Secretary-General Jose Antonio Ocampo,
Friends from international organizations, Employer and Worker organizations and civil society organizations,

Dear Friends,

First of all, thank you for the excellent programme and documentation.

This session of the High-Level Segment of ECOSOC has the extraordinary possibility of mainstreaming the goal of full and productive employment and decent work for all into the regular activities of all relevant UN organizations.

It could also set in motion a process of policy dialogue within the multilateral system including the Bretton Woods Institutions in order to stimulate the necessary policy convergence behind this global goal agreed to at the 2005 United Nations Summit.

Equally, it is an opportunity to link more strongly development cooperation policies and the Decent Work Agenda.

These would be three very practical operational contributions to create an economic, social and political environment that generates enough decent work to make poverty history.

In the course of the next ten years, we will have to systematically implement the notion that “working out of poverty”, is key to the realization of the Millennium Development Goals. They go hand in hand.

Why is this so important?

Because decent work is one of the basic needs in the life of people. Too often, a need that goes unsatisfied.

We are facing a global jobs crisis that calls for a global response.

- More than 20 per cent increase in official unemployment in the last ten years and the accompanying growth of informal work.
- 430 million net increase in the global labour force in the next ten years.
- Youth in all countries – who have unemployment rates two to four times higher than adults – know well that we are not coping with the problem.

So what do we do to change the disappointing job creation record of recent years and move to a growth strategy that favours employment rich, pro-poor sustainable development and builds a fair globalization.

Among the many issues that need to be tackled, let me mention six areas of focus.

First, value work.

Prevailing policies in the last decades have tended to consider job creation as an outcome of macro policies, rather than a specific objective in itself. We all know the results.

Yet, when problems emerge and crises appear, labour is the main adjustment factor. The real life effect of these trends is that the dignity of work has been devalued.

We cannot consider labour as a simple commodity. Of course, it is part of the cost of production and there is a labour market. But the social significance of work goes much beyond that.

President Ellen Johnson Sirleaf of Liberia addressed the International Labour Conference just a few weeks ago. She made this point. Her country is facing a massive unemployment crisis of over 85 per cent especially amongst youth.

She spoke from her heart and told us that for her the Decent Work Agenda is the “sustainable route out of poverty. It is rooted in the central role of work in the lives and well-being of women and men, their families, their communities and their societies. It is key to human security and social stability.”

The present model of globalization has forgotten these values.

Second, acknowledge the political urgency to act.

As every politician knows, having opportunities for decent work is the most widespread democratic demand in the world today. Election after election, this is what citizens are saying. People vote with hope but for too many the good jobs don't come and insecurity abounds.

This is having a profound impact on the credibility of our governance structures – be it governments, the business community or international organizations.

And beyond, doubts about the ability of our institutional systems to really solve the jobs crisis and, in some regions, even of democracy itself.

At a time when we are discussing how to deal with global monetary and financial imbalances and putting so much effort into addressing trade imbalances, not dealing effectively with the global decent work imbalance would be a serious political mistake.

Unemployment is probably the biggest security risk many countries are confronting.

And we must be aware that more and more people are asking us why can't all of you, with public and private power, come together and focus on policies that will give us an opportunity to solve our employment problems.

Third, the diversity of work is almost infinite, but all countries have decent work challenges.

Solutions will vary, however there are some common elements of a policy framework – productive employment and enterprise development, social protection, labour standards and social dialogue – with gender equality crosscutting all issues.

All of them need to be reinforced, respecting the specificities of very diverse national realities. This is why real respect for national ownership is so important.

Work requires a coordination of efforts, which is most effectively achieved through dialogue. We need to strengthen the cooperation between employers' organizations, trade unions and government – tripartism.

It is a widely used and successful institutional practice for finding consensual and differentiated solutions to a wide variety of labour market issues.

Fourth, we need much better policies to promote local and community development by expanding local markets and capacities.

In addressing the issue of creating a conducive environment for decent work, the attraction of global linkages should not overshadow the need for a sound understanding of local development.

This is particularly necessary to upgrading work in the informal economy, which for many countries – particularly in Africa and the least developed countries – is probably the biggest employment challenge. It is also central to promoting entrepreneurship in smaller enterprises.

Fifth, at the same time, the policy environment must increasingly be attuned to the way in which global markets are changing.

This is key to support the development of enterprise and the creation of decent work opportunities in real time.

In all countries workers, employers and governments are constantly searching for the right balance between flexibility and security in working arrangements.

Business needs the security of property rights and contract enforcement to invest – but also the flexibility to be able to reorganize production to meet changes in the market.

Workers need the security that policies will protect them in reasonable ways from the impacts of adjustments to globalization and growing precarity – but also the flexibility to combine work and family responsibilities.

Governments need the security of a stable and fair financial and trading system – but also the flexibility to develop employment policies that meet each country's specific circumstances without undue conditionalities.

Sixth, we need much greater cooperation among international organizations of the multilateral system.

No single international organization or single government can put in place, on its own, the policies conducive to generating full and productive employment and decent work for all.

It will be the fruit of intense global cooperation and national commitment or it won't happen in many places. Unfortunately, as I have said on so many occasions, the multilateral system is certainly underperforming on this account.

Many of the component elements of a conducive global environment are dealt with in a segmented way both in national governments and the international system. The potential synergies between policy domains go largely untapped.

And the present jobs crisis will continue.

In looking at these issues, we all need to have a reform mind set. We all must contribute to an effective and revitalized multilateral system.

A renewed look at efficiency of resource management and effectiveness of outcomes of prevailing policies is essential. Simply repeating the policies of the last decades won't do.

In this respect, devising the practical ways in which the relevant international organizations can come together on policies for full and productive employment and decent work for all, may be an important guidance that the High-Level Panel on United Nations Reform could give us. It would connect to this key democratic demand of people everywhere.

As the Secretary-General said in Vienna a few weeks ago with respect to policies, we must have “an institutionalized reflex which constantly asks what can this do for jobs?”

We at the ILO, as the world's “decent work agency” have a major responsibility in developing that response. And we have oriented our strategic policy framework to focus on progressively making the global goal of decent work a national reality.

The four pillars of a decent work strategy – jobs, rights, social protection and dialogue – crosscut by the common themes of gender equality and development, constitute the drawing board for the ILO's new decent work country programmes.

These programmes are an ILO delivery mechanism for the range of our technical cooperation and policy advice activities. They are also the means for interaction with national development plans and international support frameworks such as UNDAF and PRSs.

To advance multilateral cooperation, we are developing a Policy Coherence Initiative with other interested international organizations on growth, investment and jobs – as well as a toolkit on decent work requested by the United Nations Chief Executive’s Board.

The founders of the United Nations recognized the need for policy coherence over 60 years ago when they included an Economic and Social Council in the architecture of the United Nations.

The question today is whether we are willing, politically, to actually use the strong ECOSOC mandate under the United Nations Charter and give it the role conceived in San Francisco. This is what paragraph 155 of the Outcome Document and many other statements in the past have asked us to do.

If we do, then I believe ECOSOC can and must insist on asking us all, United Nations and Bretton Woods agencies alike, the hard questions, the people’s questions:

What are your strategies doing to create more and better jobs?

How are you working with other agencies for employment rich pro poor sustainable development?

How are the international support frameworks for development contributing to increased decent work opportunities and thus the achievement of the Millennium Development Goals?

We are not going to answer all these and other questions in this meeting, but we know we must address them.

Doing so will reconnect the United Nations to the widespread democratic demand of people and families everywhere – a fair chance at a decent job.

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