

## II

### **Resolution concerning the second recurrent discussion on employment<sup>1</sup>**

The General Conference of the International Labour Organization, meeting at its 103rd Session, 2014,

Having undertaken a second recurrent discussion on the strategic objective of employment in accordance with the ILO Declaration on Social Justice for a Fair Globalization,

Having reviewed the progress made and results achieved in the implementation of the conclusions of the first recurrent item discussion,

1. Adopts the following conclusions; and
2. Invites the Governing Body of the International Labour Office to give due consideration to the conclusions and to guide the International Labour Office in giving effect to them; and
3. Requests the Director-General to:
  - (a) communicate the conclusions to relevant global and regional international organizations for their attention;
  - (b) prepare a plan of action to give effect to the conclusions, for consideration of the Governing Body;
  - (c) take into account the conclusions when preparing future programme and budget proposals and facilitating extra-budgetary activities; and
  - (d) keep the Governing Body informed of implementation.

### **Conclusions concerning the second recurrent discussion on employment**

#### I. CONTEXT AND CHALLENGES OF THE GLOBAL JOBS CRISIS

1. The world is currently experiencing an uneven recovery leaving a severe jobs crisis in many countries. Around 200 million people are unemployed at the global level with nearly 40 per cent of them young women and men. Global aggregate demand remains a concern. Long-term unemployment, involuntary part-time and temporary employment and job insecurity have increased. Wage growth has been sluggish and labour shares of national income have declined in many countries. There continues to be an uncertain environment for investment and enterprises. Underemployment continues to be a major challenge. Although much progress has been made in reducing extreme working poverty, that progress has slowed and a third of the world's workers remain poor, the majority of them in the informal economy. Gender inequality in the labour market persists. Transition from school to work is taking longer and has become more insecure and many young people are disconnected from the labour market.

2. In addition to cyclical deficits, long-term structural changes are reshaping the world of work. These include inter alia, globalization and the new geography of growth, technological change, the challenge of environmentally sustainable development, rising inequality, the disconnect between economic growth and decent and productive employment creation and a growing skills

---

<sup>1</sup> Adopted on 11 June 2014.

mismatch. In the new demographic context, societies in several countries are ageing rapidly, while many others are faced with significant challenges in attempting to reap the potential benefits of a youth bulge. Labour migration, already significant, is expected to increase further.

3. Around 600 million new jobs need to be created over the next ten years to absorb those currently unemployed and the expected 400 million additional entrants to labour markets.

4. Considering this context, the ILO and its constituents look forward with resolve to meeting the challenge of sustainable recovery and development through proactive, employment-centred, inclusive growth strategies and balanced, coherent policy frameworks, well articulated, both at the global and national levels. Investing for quality employment is crucial to revive growth and promote more inclusive societies in developed and developing economies alike. It is crucial to create a policy environment that promotes business confidence and the creation of decent jobs.

5. The second recurrent discussion on the strategic objective of employment carried out at the 2014 International Labour Conference, in the follow-up to the 2008 ILO Declaration on Social Justice for a Fair Globalization, reviewed progress in the implementation of the 2010 conclusions concerning the first recurrent discussion on employment and noted the results achieved by the Organization. It reaffirmed the importance and continued relevance of the 2010 conclusions of the first recurrent discussion on employment and other ILO employment policy frameworks, including the Global Employment Agenda (2003), and the Global Jobs Pact (2009). It noted the importance and continued relevance of the Social Protection Floors Recommendation, 2012 (No. 202), the conclusions concerning the promotion of sustainable enterprises (2007), skills for improved productivity, employment growth and development (2008), the youth employment crisis: a call for action (2012), employment and social protection in the new demographic context (2013), and achieving decent work, green jobs and sustainable development (2013). It also provided the following strategic guidance.

## II. GUIDING PRINCIPLES FOR EMPLOYMENT-CENTRED SUSTAINABLE RECOVERY AND DEVELOPMENT

6. Full, productive, freely chosen and decent employment is a necessary and achievable goal. In pursuing this goal, the following principles should guide action, taking into account the diversity of country situations and the wide range of employment challenges:

- (a) The principles contained in the body of relevant ILO standards, in particular, the Employment Policy Convention, 1964 (No. 122), and Recommendation, 1964 (No. 122), the Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169), and the other governance standards as well as the fundamental principles and rights at work.
- (b) The need to take full advantage of the inseparable, interrelated and mutually supportive nature of the four strategic objectives of the Organization: employment, fundamental principles and rights at work, social protection and social dialogue.
- (c) Promoting both the quality and quantity of employment through the combination of coherent macroeconomic, labour market and social policies.
- (d) Complementarity and coherence between public policies and services and the private sector, in the promotion of decent employment.
- (e) An appropriate balance of demand- and supply-side policies and measures, particularly in the present context of sluggish demand.
- (f) Realizing gender equality and enabling diversity.
- (g) The key role of social dialogue and tripartism in the formulation, implementation and monitoring of employment policies.

- (h) The key role of the private sector in job creation while also acknowledging the important role of public sector employment.
- (i) The combination of universal approaches with targeted interventions to redress labour market disadvantages of specific population groups, in particular young people, and to address the issues of employment insecurity and inequality.

### III. COMPREHENSIVE EMPLOYMENT POLICY FRAMEWORK TO PROMOTE FULL, DECENT, PRODUCTIVE AND FREELY CHOSEN EMPLOYMENT

7. Each member State should promote a comprehensive employment policy framework based on tripartite consultations, that may include the following elements:

- (a) Pro-employment macroeconomic policies that support aggregate demand, productive investment and structural transformation, promote sustainable enterprises, support business confidence, and address growing inequalities.
- (b) Trade, industrial, tax, infrastructure and sectoral policies that promote employment, enhance productivity and facilitate structural transformation processes.
- (c) Enterprise policies, in particular an enabling environment for sustainable enterprises as set out in the 2007 International Labour Conference conclusions, including support to micro-, small and medium-sized enterprises as one of the engines of job creation, and promotion of entrepreneurship.
- (d) Education policies that underpin lifelong learning and skills development policies that respond to the evolving needs of the labour market and to new technologies, and broaden options for employment, including systems for skills recognition.
- (e) Labour market policies and institutions, such as:
  - (i) appropriately designed wage policies, including minimum wages;
  - (ii) collective bargaining;
  - (iii) active labour market policies;
  - (iv) strong employment services that facilitate job placement, career development and address skills mismatch;
  - (v) targeted measures to increase labour market participation of women and under-represented groups, and to promote decent work and protection of disadvantaged and vulnerable groups;
  - (vi) measures – for example, conditional cash transfers, public employment programmes and guarantees – to help low-income households to escape poverty and access freely chosen employment; and
  - (vii) unemployment benefits.
- (f) Policies that address long-term unemployment.
- (g) Labour migration policies that take into account labour market needs and ensure migrants have access to decent work.
- (h) Tripartite processes to promote policy coherence across economic, environmental, employment and social policies.
- (i) Effective inter-institutional coordination mechanisms.
- (j) Comprehensive activation strategies to facilitate young people's school-to-work transition, for example youth guarantee schemes to access training and ongoing productive employment. The 2012 call for action provides the guiding framework for multipronged action.
- (k) Policies to encourage the transition to formality.

- (l) Policies to tackle the challenge of environmental sustainability, and ensure a just transition for all, as set out in the International Labour Conference 2013 conclusions on achieving decent work, green jobs and sustainable development.
- (m) Policies to tackle the employment and social protection implications of the new demographic context as set out in the International Labour Conference 2013 conclusions on employment and social protection in the new demographic context.
- (n) Relevant and up-to-date labour market information systems.
- (o) Effective monitoring and evaluation systems of employment policies and programmes.

#### IV. TRIPARTISM AND SOCIAL DIALOGUE

8. Social dialogue, including collective bargaining, and tripartism can play a key role in facilitating consensus on employment policies and response to structural changes impacting the labour market.

9. Strong, constructive engagement of social partners is key in the design, implementation and monitoring of effective employment policies.

10. Inclusive and broad-based social dialogue on employment policy should engage all relevant ministries and institutions to ensure policy coherence.

#### V. ENHANCED POLICY COHERENCE AND GLOBAL ADVOCACY

11. A high degree of coherence, collaboration and policy coordination is needed at the global, regional and national levels to sustain economic and labour market recovery and promote employment-centred sustainable development and social inclusion.

12. Members should promote the inclusion of an explicit goal on full and productive employment and decent work in the post-2015 global development agenda currently under development.

13. Members should further strengthen regional partnerships and action to promote full, productive and decent employment, including South–South cooperation for exchanging experiences and sharing lessons.

#### VI. ILO ACTION

14. The ILO should assist member States, upon request, in the promotion and implementation of their comprehensive employment policy framework as outlined above. Building on results achieved, the ILO should continue, expand and strengthen its follow-up on the 2010 conclusions of the recurrent discussion on employment. The ILO's activities in all cases should be targeted, measurable and rigorously evaluated. In the following areas (A to J), the Office should:

##### *A. Development and assistance with national policy work and action*

- (a) Expand the scope of integrated country-level employment diagnostics to include other policy areas such as wage policies, working conditions, sustainable enterprises, social protection, freedom of association and collective bargaining.
- (b) Support the development of effective monitoring and evaluation systems to assess the impact of policy development on employment.
- (c) Conduct evidence-based analysis of individual policies and the interactions across policy elements with respect to their results in terms of quantity and quality of employment and overall sustainable growth and development.

- (d) Further develop and promote the use of the policy database to provide information and analysis on employment policies.
- (e) Strengthen the capacity of constituents to participate in the design and implementation of integrated policies for employment and development.
- (f) Build and strengthen the capacity of governments to develop a comprehensive national employment policy and to coordinate across government institutions.
- (g) Support the strengthening of employment services and labour administration.
- (h) Build the capacities of tripartite employment commissions and social economic councils with respect to employment policies.

#### *B. Pro-employment macroeconomic policy*

- (a) Further develop guidance and policy tools on pro-employment macroeconomic policies as set out in paragraph 7(a).
- (b) Strengthen ILO analytical work and frame of analysis. This could include:
  - (i) industrial and sectoral policies that foster productive structural transformation;
  - (ii) how macroeconomic policies can best support the expansion of sustainable enterprises;
  - (iii) employment–productivity linkages at macro, sectoral and micro levels; and
  - (iv) resource mobilization to support pro employment policies.
- (c) Facilitate dialogue at the national, regional and international levels and build capacities of ILO constituents.

#### *C. Sustainable enterprises*

- (a) Emphasize the implementation of the 2007 conclusions on sustainable enterprises in the work of the Office.
- (b) Integrate the promotion of an enabling environment for sustainable enterprises within the ILO's priority areas as well as in the relevant activities of the ILO.
- (c) Strengthen cooperation with the OECD and other relevant international organizations concerning the promotion of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the OECD Guidelines for Multinational Enterprises.
- (d) Conduct research and develop tools on productivity–employment–wage linkages at the enterprise level.

#### *D. Skills policies and employability*

- (a) Promote social dialogue, recognizing the role collective bargaining can play, in building effective technical vocational education and training systems.
- (b) Assist countries in the formulation of skills strategies in relation to sectoral strategies and needs, including small and medium-sized enterprises (SMEs).
- (c) Deepen research on skills mismatches and policy implications.
- (d) Build the knowledge base on and develop tools for anticipating future skills needs.
- (e) Build the knowledge base and provide advice on effective systems for lifelong learning and quality apprenticeship systems.

- (f) Research and provide policy advice on systems and effective interventions in relation to improving the skills and broadening the employment options of youth, women, older workers, and vulnerable and disadvantaged groups.

*E. Industrial, sectoral, trade and investment policies  
and transition to sustainable development*

- (a) Expand the knowledge base and provide analysis of best practices on industrial policy and sectoral strategies that contribute to quality job creation, productivity increases, economic diversification and higher value production and its link to higher wages; build the capacity of member countries on these challenges.
- (b) Strengthen the capacities of constituents to evaluate the impact of industrial and sectoral policies and that of trade and investment on employment and structural transformation. Facilitate tripartite dialogue, as appropriate.
- (c) Further develop employment impact assessment methodologies of sectoral investments, trade policies and infrastructure development and build capacities of governments and social partners in the use of these tools.
- (d) Build the evidence base and undertake capacity building for effective and productive use of employment-intensive public investment in infrastructure and of targeted employment programmes. These could include employment guarantee schemes to support poor, disadvantaged and vulnerable people to move into freely chosen employment.

*F. Standards-related actions*

- (a) Further promote ratification and effective implementation of the Employment Policy Convention, 1964 (No. 122), and Recommendation, 1964 (No. 122), the Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169), and other relevant international labour standards.
- (b) Strengthen capacities of constituents on international labour standards and employment through training, research and policy dissemination.

*G. Youth employment*

- (a) Expand initiatives to better understand what works for youth employment, including through the evaluation of impact and effectiveness of policy packages and field testing of innovative approaches. Develop knowledge and policy tools and widely disseminate them.
- (b) Continue to support member States in the implementation of the policy measures contained in the 2012 call for action on the youth employment crisis.

*H. Voluntary peer review of employment policy*

- (a) Develop proposals for a voluntary peer review of employment policy with the objective of promoting knowledge-sharing and mutual learning on good practices among Members of the Organization.

### *I. Knowledge building on new and emerging issues*

- (a) Undertake policy-oriented research on new and emerging issues that are shaping the world of work and ways in which labour markets and enterprises can adapt, such as:
  - Structural/long-term unemployment and policies to address the challenge.
  - Demographic transition as guided by the 2013 International Labour Conference conclusions on employment and social protection implications of the new demographic context.
  - Technological change and implications for employment, working conditions and skills.
  - Labour market segmentation.
  - Inequality and its implications for economic growth and employment.
  - Land-use policies and practices and their impact on productivity and employment in rural areas.
  - Self-employment.
  - The impact of diverse contract forms on the quantity and quality of employment.
  - Work to better define and understand the concept of job insecurity and its social and economic implications.
- (b) Disseminate widely knowledge developed through effective public outreach programmes, capacity-building initiatives for ILO constituents and global advocacy.

### *J. Enhance integrated action and develop partnerships*

- (a) In line with the reform implemented by the Director-General, strengthen its internal coordination mechanisms to ensure more integrated and interdisciplinary support at country and global levels. Providing a good platform for a more integrated approach and cross-departmental coordination in supporting the implementation of the comprehensive policy framework outlined above is necessary.
- (b) Continue its efforts to ensure the inclusion of full and productive employment and decent work as an explicit goal in the post-2015 global development agenda and provide intensive support to the process, including through the identification of appropriate targets and indicators.
- (c) Strengthen its cooperation and promote the implementation of the comprehensive employment policy framework as outlined in these conclusions, in its engagement with the G20 process, including the G20 Task Force on Employment, and with global and regional partners, such as the World Bank, regional development banks, the WTO, the IMF, the OECD, UNCTAD and relevant regional economic organizations such as ECLAC.
- (d) Further develop its resource mobilization strategy to expand its technical cooperation activities in support of employment policies.