

**Third sitting**

Monday, 7 June 2004, 3.15 p.m.

*President: Mr. Ray Guevara and Mr. Wade***SUPPLEMENTARY PRESENTATION BY THE DIRECTOR-GENERAL OF THE REPORT, A FAIR GLOBALIZATION – THE ROLE OF THE ILO***Original Spanish: The PRESIDENT*

I declare the third sitting of the International Labour Conference open. This is the first meeting at which the important reports before the Conference will be debated. As you know, we will be looking at the Report of the Chairperson of the Governing Body on the work carried out by this body since the last session of the Conference and at its two valuable appendices which contain the oral report of the Chairperson of the Working Group on the Social Dimension of Globalization to the Governing Body, as well as the record of the discussion of the Report of the World Commission. We will consider the Director-General's Report on *ILO programme implementation for 2002-03* and we will also be looking at its Appendix, *The situation of workers of the occupied Arab territories*. We will examine the report entitled *A fair globalization – The role of the ILO*, which the Director-General will present to the Conference in greater detail in just a few moments.

The debate on these two reports and on the Director-General's Report will begin after that on Thursday, 10 June, in a special plenary session, when we will be looking at the Global Report, *Organizing for social justice*, which deals with the freedom that offers bread and real recognition of the right to collective bargaining and when we will continue our evaluation which began with the first Global Report which, as you will recall, was entitled *Your voice at work*.

Before I give the floor to the Director-General for his detailed presentation of his Report on the role of the ILO in the quest for fairer globalization, I would like myself to say a few words to you.

Once again, I would like to thank you all for having elected a representative of the Dominican Republic, on the proposal of the Central American and Caribbean group, to preside over the work of this Conference. The Dominican Republic is a small country, often known for its difficulties – and the natural tragedy that my country is experiencing at present is only one of those difficulties. Nevertheless, I believe that it also deserves to be known for its hospitality, its tourism, its baseball players, the catchy rhythm of the merengue as well as for its achievements and its values which I would like to share with you briefly.

The first of these is democracy, which has already demonstrated its maturity in an exemplary way. We

Dominicans have organized successive elections, all of them highly transparent, which have permitted genuine political alternation. Democracy is a value which is often taken as a given. Nevertheless, we should realize that democracy is a precious asset, which must be cultivated and protected. We believe that we can only rely on stable and protected democracies when the latter are based on a framework of justice and, above all, of social justice.

Without social justice our democracy is in danger and our peoples may yield to the temptation of authoritarianism or populism, which offer bread without freedom.

The second of our values is the tolerance of our society towards differences. In our country, a very wide variety of political opinions, beliefs and religions, national origins and colours of skin coexist in complete harmony. We are convinced of the right of each and every person to equal treatment and equal opportunities and this is why we have ratified not only all of the core Conventions of the ILO, but also regional and international instruments which refer to basic human rights, including, obviously, the right to equal treatment and non-discrimination. The membership of our tripartite delegation at this session of the International Labour Conference is very eloquent proof of the mutual respect which we all have in the Dominican Republic for one another. I must add with special pride that, for the first time, our governmental delegation is composed of more women than men. I reiterate emphatically, that, in my country, the only thing we do not tolerate is intolerance itself. No discrimination will be found in our laws, in our culture, or in our society.

Our society's third value which, I think, it is important to share with you all, is our faith in the power of social dialogue to identify our problems and to come up with a solution to them, with the participation of all the interested sectors. It is customary to say that in Latin America an effort is made to solve problems by finding a scapegoat rather than a solution. I think that today this idea is part of a catalogue of stereotypes which have little to do with reality. We are convinced that problems need solutions rather than finding someone to blame. Nevertheless, these solutions must be legitimate. And in my view, this legitimacy cannot stem from ideological speeches, or cabinets full of technocrats, or economic adjustment programmes which confuse monetary stability with social stability. Legitimacy is to be found in the democratic institutions of society, first and foremost in the upper and lower houses of parliament and also in social dia-

logue. My country has set up a Consultative Labour Council and in my former position as a senator of the Republic and today as Minister for Labour, I have promoted the establishment of an Economic and Social Council.

We believe that social institutions are just as important as political institutions and that they are vital for the good governance of society.

In the Dominican Republic, social dialogue and agreement have enabled us to begin to create a new labour culture. We recognize the leading role played by the National Trade Union Council (CNUS) as well as by Dominican employers and their representative bodies. I earnestly beg the ILO to help our subregion to send out a call that will stimulate social dialogue, not only at a national level, but also at the regional and international levels, since we are convinced that when we are faced with global problems, we have to try to find broader frameworks than that of each separate country for discussing solutions. I especially ask the ILO to invite to this discussion, not only the public authorities responsible for social issues – the ministries of labour and social affairs – but also the authorities responsible for economic questions – the ministries of the economy and finances. Just as social concerns must not ignore economic realities, so economic policies must not forget the needs of the people. We say “yes” to the market economy, “no” to the market society.

Within this dialogue, I would like very special attention to be paid to the social and labour issues covered by free-trade agreements. The social dimension must be an ongoing concern in processes of economic integration and not the poor relation of the economy. Free-trade agreements between the United States, Central America and the Dominican Republic are valuable tools for the protection of the working class. If globalization does not have an ethical and social dimension, then I wonder who would be interested in globalization and for what reason. I have very serious doubts that this type of globalization might be of any interest or might offer any hope to our peoples. As for globalization, we are told that there is a need to promote competitive economies, but we ought to remember that a competitive economy is not a goal in itself, but the means to create a competitive society.

I wish to warmly congratulate the Office for the quality and content of the reports submitted at this plenary sitting. Once again, the ILO has done an impeccable job that does credit to its professional competence. Rather than referring specifically to one report, I would prefer to recall some passages of the Preamble to the ILO Constitution written some 85 years ago, but which looks as if it could have been written yesterday. The Constitution reminds us, I quote, that “universal and lasting peace can be established only if it is based upon social justice”. It also reminds us that “conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled”, and last but not least, that, “the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries”.

It seems difficult to explain why, 85 years later, our society, which is becoming more globalized every day, still has not been able to find an answer

to the concerns which led to the creation of the ILO back in 1919. The twentieth century has brought big scientific advances and technical discoveries and in recent years an amazing ability to communicate across borders. It has also brought us great possibilities of increasing the wealth that our economies are able to produce. Nevertheless, it has been unable to produce wider distributive justice.

In rich countries the differences between rich and poor have grown in recent years. In poor countries the wealth of a privileged few and the poverty of the great majority have increased as well. The growth of global wealth has been distributed unevenly between the north and the south and very few countries in the south have really been invited to share in the north’s feast. And in the small number of countries in the south which are no longer poor this new-found wealth tends to be distributed most unequally.

If this is the case, then, why should we find it surprising that, as the Director-General said when he opened this session of the Conference, migrant workers together with their families represent today a population equal to that of the fifth most populous country in the world? There is no indication that the south to north flows of migrants in search of better standards of living for themselves and for their families will diminish in the coming years. On the contrary, there is every reason to believe that until the factors that push migrants to emigrate disappear, then this migration will only increase. We all know what problems arise as a result of efforts to control migration flows; and we are all deeply concerned about the conditions of exploitation and abuse suffered by so many migrant workers and their families; but we also know that the effective management of migration can be mutually beneficial for both the host countries and the countries of origin. The agreement on migratory flows between Spain and the Dominican Republic is one example of cooperation in this area. We are anxious to know what conclusions will be reached by the Committee on Migrant Workers after its general debate at this session of the Conference.

The Report of the World Commission on the Social Dimension of Globalization reminds us that, unfortunately, the public debate on globalization is at an impasse. Opinions is frozen in the ideological certainties of entrenched positions and fragmented in a variety of special interests. The will for consensus is weak. Key international negotiations are deadlocked and international development commitments go largely unfulfilled.

The least we can say is that the World Commission has reached some alarming conclusions. It is our duty to examine these conclusions with care. I strongly believe that the debate over the next few days will provide us with the opportunity to move towards a future where an organization such as the ILO, strengthened by the social legitimacy that its tripartite structure provides, can enrich the world debate on globalization by adding elements that will not only have an economic content but also the, human and ethical content that is still lacking.

In this context, and with this I will conclude, the opportunities that are offered by the ILO’s Decent Work Agenda provide us with a perspective that my Government supports wholeheartedly. The four areas – or four strategic objectives – referred to by the Director-General, Mr. Juan Somavia, in his 1999 statement to the Conference, constitute four pillars

on which we are confident that it is possible to build a fairer and more human type of globalization.

Obviously, there cannot be decent work without employment, and employment must be our main concern. Nevertheless, having a job is not, in itself, a guarantee of decent work, and the reports presented by the Director-General to the Conference since its 1999 session demonstrate that there is an alarming shortage of decent work in the world. The issue of employment is at the heart of the concerns of the Council of Ministers of Labour of Central America and the Dominican Republic.

This is why we should be concerned, not only about employment, but also about the quality of employment. In this respect, we must once again reiterate our faith in this standard-setting approach of the ILO. We are aware that the ILO standard-setting system has room for improvement and we are prepared to participate in international dialogue in order to improve both its effectiveness and its credibility. Nevertheless, we are by no means willing to adopt the idea that has occasionally been put forward in some media, namely that ILO standards reflect an organization of labour and the economy pertaining to the twentieth century – a century of industrialization of national borders – and are therefore poorly adapted to the twenty-first century – a century of information and globalization. Nothing can convince us to share this type of reasoning. On the contrary, much of what we see before us leads us to believe that those who call into question the ILO's standards, and state that they belong to the twentieth century rather than to the twenty-first century, are, in fact, only trying to propose solutions that belong to the nineteenth century. I do not need to point out that it was precisely the approach taken in the nineteenth century that gave rise to the injustice and the absurd conflicts that in fact led humankind to consider, in 1919, the need to create organizations such as the International Labour Organization.

In 1969, the year in which the ILO received the Nobel Peace Prize, His Holiness Pope Paul VI stated before this very Conference that this Organization was more than an economic conception and better than a political conception and that rather it was a moral and human conception that inspired the establishment of social justice on a day-to-day basis, freely and by mutual agreement. In sum, His Holiness the Pope said that the Organization was fine-tuning and promoting the moral conscience of humanity. I think that, in the twenty-first century, it is our duty and our responsibility, more than ever before, to be this moral conscience that humankind needs so badly.

I would like, once again to thank you, on behalf of the Government of President Hipólito Mejía, and on behalf of the people of the Dominican Republic – especially those of Jimaní, and on my own behalf, for having elected me. May God bless you all.

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*Original Spanish:* The SECRETARY-GENERAL

Mr President, Ministers and friends, I cannot imagine a better introduction to our debate than the conversation we had this morning with the presidents who were with us – with their words of wisdom, their experience and, of course, with the speech we have just heard from our President.

*(The speaker continues in English.)*

Today, I want to seek your guidance as we move forward to fulfil the challenge of building a fair globalization that creates opportunities for all. This, I think, is a defining moment for the ILO. The report of the World Commission on the Social Dimension of Globalization offers many rich insights for strategic reflection and practical action. What does it mean for us? How can it help shape our future activities? I have submitted some ideas for your consideration on the role of the ILO in the light of the report and I think that it poses a central leadership challenge for us as an institution and a fundamental test for the relevance of tripartism in this first half of the twenty-first century.

Our task is to deal with globalization through the lens of decent work – entrepreneurship, investment and productivity on one side, and decent jobs and social protection on the other, all bound together by rights, the practice of social dialogue and tripartism. And, by putting fairness and opportunity at centre stage, the World Commission clearly engages our institutional values.

The report is balanced: it is critical, positive and shows commonsense. It is critical in that it clearly states that the benefits are not reaching enough people and the present path is not sustainable. It is positive in that the point is not to stop globalization but to manage and shape it – fair rules, greater expansion of opportunities, benefits that are broadly shared, costs that are effectively minimized. It shows commonsense in that the recommendations are feasible and realistic. Some may be more difficult to implement than others, but they are all doable.

In sum, it proposes a wise governance of globalization in the interests of all, and it says that this can be done. As the members of the World Commission declare, we are convinced that a better world is possible.

The report has been welcomed in all regions of the world. It is not seen as the last report on globalization, atop a pile of many others, but as the first report that is based on real dialogue. It closed the dialogue divide, identified common ground and, through convergence of ideas, opened new avenues for practical solutions. It showed that dialogue is today the only true path to sustainable change.

I want to focus on three messages of the report and four challenges for the ILO. First, start at home. Much policy advice has been given to facilitate global finance, trade and investments, but very little to reinforce local communities and local markets where people live and want to stay, if given the opportunity. There cannot be a successful globalization without a successful localization. Sound local and national policies in a democratic setting are crucial to enhancing the benefits for its people of a country's integration into the global economy, particularly, in support systems for the workers and enterprises, which are most affected by globalization, but we are seeing the limits of national action.

Second, focus on fairness. We know that a fair globalization starts at home, but it does not end at home. Unbalanced patterns in investment, trade and labour markets are prime sources of today's political turbulence. We need fair rules for trade, capital, technology flows, migration and labour standards. Dealing with unstable commodity prices, excessive debt burdens and greater access to markets are all urgently needed. All of this will provide more policy space for developing countries to have real na-

tional ownership of development policies, especially the least developed countries.

Third, rethink global governance. Global markets are moving ahead at full speed. Economic and social institutions are lagging far behind. We need to improve the way global institutions perform and talk with each other and to adapt the post-World War architecture to twenty-first century priorities.

I think that it is key, and I see this particularly from the developing countries' point of view, that to reap the full benefits of good national governance we need good global governance. A lot of emphasis has been put on good national governance, but what about good global governance, and the responsibility of those with greater capacity to give global governance so that national governments can perform better in favour of their people? We need good governance – transparent, accountable, democratic, efficient and equitable. If not, power imbalances produce all sorts of conditionalities.

I see four challenges for us as we seek to do our part to create a fair globalization and make our contribution to meeting the Millennium Development Goal of reducing poverty by half: making decent work a global goal, making the ILO a global player, mobilizing tripartism for global action, and making the Organization as a whole a truly global team.

First, making decent work a global goal.

This is the most far-reaching implication of the World Commission's work for us. It stresses the importance of work as a major prism through which people view and interpret globalization and the way it impacts on their lives. By acknowledging that decent work, in its four strategic dimensions, is a widespread democratic demand of women and men everywhere and the best recipe for stability in all societies, the World Commission calls on the ILO to play a leading role in shaping globalization.

For us, meeting the challenge in our own work takes a combination of things. In some cases, it means deepening the effectiveness of existing programmes and mandated activities such as strengthening the labour-standards system, servicing constituents on employment policy issues or promoting gender equality. In others, it means a new way of looking at things; for example, addressing global production systems or building a socio-economic floor for the global economy.

The road to decent work as a global goal is through policy coherence, nationally and internationally, backed by advocacy at all levels. A fair globalization will not come about only through disjointed decisions on trade on one side, finance on the other, or labour, education or health policies conceived and applied independently. It is an integrated phenomenon and it takes integrated solutions. Coherence must grow from the local to the global level. You build coherence through dialogue. The more voices and interests that participate in the formulation of policies, the more balanced and efficient the results will be. I think that this is a major lesson to draw from the work of the World Commission itself.

Many sound national efforts are under way; for example, to implement the Millennium Development Goals and to make poverty reduction strategies more in tune with social and employment priorities. There is increasingly better coordination of international organizations at the country level. But, as the World Commission has said, when it comes to international policy coordination, we need an

upgrade. The need for more integrated and balanced policies has never been more urgent as globalization has intensified.

Among other proposals, the report calls on the relevant international organizations to work together on sustainable growth, investment and employment creation through Policy Coherence Initiatives.

The World Commission states that this would respond to a major political demand in all countries and demonstrate the capacity of the multilateral system to find creative solutions to address the uncertainties in the lives of workers, families, enterprises and communities.

The stakes are, of course, high. We all know that if we do not solve the employment challenge global stability is at risk. This is one of the most serious conclusions of the World Commission: 26 consultations worldwide, and everywhere decent work and jobs were at the heart of the way people would like to see globalization respond to their needs.

As the World Commission proposes, if there is to be a successful outcome, the results of the Policy Coherence Initiatives would be submitted to the respective boards or governing bodies of the participating organizations for their consideration. So, this is not about creating new structures or institutions, it is simply about more efficient methods of work.

I have to tell you I keep being asked, worldwide, why these institutions, the Fund, the Bank, the WTO, ILO and the relevant United Nations bodies, cannot work and talk together. People want to know why we cannot work together. I think that this is one of the most important challenges that the multilateral system has laid before us. I am talking about this particular recommendation, and now the whole system has that challenge. I personally believe that if we move forward on this recommendation, with a serious commitment to make it work, we will significantly enhance the credibility of the international organizations.

Second, making the ILO a global player.

There is a hunger today for the type of global problem-solving approaches that the ILO stands for, that all of you represent and have developed together: the notion of dialogue as a vehicle for change, the idea that more voices must be part of the practical solutions.

With the exception of the ILO, the current multilateral system is exclusively intergovernmental, but globalization, as we see every day, is being shaped by many forces other than governments.

We need mechanisms that, like the ILO, move us from an international community of governments towards what the World Commission calls an emerging global community of diverse actors. This means, for example, governments plus business, trade unions, parliaments, local authorities, private international organizations, the international cooperative and consumer and other movements, Porto Alegre and Davos, citizens' organizations and so many others.

We are also the only major international organization with a presence in both worlds. I believe that we are, in many ways, the bridge to the future.

The World Commission suggests this might be the time and place for a globalization policy forum that brings the diverse actors of the emerging global community together. We should help organize this,

together with other interested international organizations.

We should not forget that if we want decent work to become a global goal we will not be able to do it alone. We need partnerships to be developed, shared hopes to be expressed, common understandings to be deepened. We cannot be global players unless our team is working at full capacity.

If we believe that the ILO has a key role to play in shaping globalization, then the next step is to shape our own programme to give us the means to do it. In my report, I suggest six major policy areas identified by the Commission where the ILO is well placed to take the agenda forward: national policies to address globalization, decent work in global production systems, global policy coherence for growth, investment and employment, constructing a socio-economic floor, the global economy and the cross-border movement of people, and strengthening the international labour standards systems. I definitely welcome your comments.

Third, mobilizing tripartism for global action.

Tripartism is the key that can open the lock to a fair globalization. Much tripartism has been about securing social peace and productivity, a fundamental role that must expand, but now it also needs to reach out: a tripartism open to the world.

The world needs your voices not only as constituents of the ILO but as vital instruments of a stable global community.

Tripartism has the right to demand a greater voice in national and international policy-making. Its future influence will depend on making that happen.

The challenge in our hands is not simply to react individually to the forces of globalization but to help shape them together in open economies and open societies. We must move ahead with self-assurance, based on the many assets of tripartism.

Look at your potential. You represent the productive forces of the economy. You have the knowledge of what is happening in enterprises and the workplaces around the world. You represent people's issues in the seats of governments dealing with social and labour affairs and, increasingly, economic questions. You constitute one of the biggest global networks representing millions of enterprises and millions of workers, the community of work. You have shown the power of dialogue tested throughout the 85 year history of the ILO.

Yes, you have differences, sometimes strong differences, and you reflect diverse interests, but that is the richness which ensures balance when you decide to move together. Together you can be a powerful lobby for decent work in a fair globalization.

All of this leads to our fourth and final challenge.

The Organization as a whole, the constituents and the Office, must become a truly global team: clear in our strategic choices; efficient in our operations; committed to our values; confident in our message.

Of course, we cannot do everything. The Commission has put a lot on the table. If we try to eat our way through the whole menu we will certainly get indigestion. If we go slowly, when globalization is moving forward by leaps and bounds, we will miss our chance. We must push ahead decisively with measured ambition and aware of the means at our disposal.

Fortunately, our Governing Body has the necessary institutional instruments to forge our response after your discussions: the strategic policy frame-

works; the next budget cycles; and the Working Party on the Social Dimension of Globalization.

Let me conclude by saying that, in this 85th anniversary year, our history both inspires us and empowers us. But it is also demanding.

We are the heirs, after all, of those who made it possible for the ILO to receive the Nobel Peace Prize. They show us the way.

Recently the media has shown programmes on D-Day and the closing chapters of the Second World War. This also permits us to have a rich insight into our own history, because it was also sixty years' ago, almost to the day, that ILO delegates gathered in Philadelphia.

I would like you to know that a few days ago we had an anniversary luncheon and we honoured five former ILO officials who served our institution sixty years ago, precisely during the Philadelphia era. They devoted their lives to the values and the cause of our institution. They are veterans in the global fight for social justice. I am pleased to tell you that four of them are here with us today: Angela Butler; Alejandro Flores; Carol Lubin; Mirjam Newman-Staal, and I think that they merit being honoured not only at a luncheon at the Office, but at the whole Conference.

So, as bombs were dropping and soldiers and civilians were dying, our predecessors in Philadelphia were charged with an awesome task to look beyond the boundaries of the day, to help to find the values of peace and to plant the seeds of hope, and they produced one of the most significant social documents of our times. Poverty anywhere constitutes a danger to prosperity everywhere. Labour is not a commodity. All human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity. The war against want requires to be carried out with unrelenting vigour.

The host in Philadelphia was one of the first female Labour Ministers in the world, Frances Perkins. She welcomed delegates with these words: "the ILO", she said 60 years ago, "is an assembly of those who are charged in the midst of war to lay one of the foundation stones of the great peace – the stone of social justice – on which human hope and human life can be rebuilt". That is our foundation.

But why do I review our history: our birth 85 years ago, the Declaration of Philadelphia, the Nobel Peace Prize? Because institutions that forget their past cannot build a sound future.

In the midst of the opportunities and imbalances of globalization described by the report of the World Commission, we are again challenged to look ahead, to imagine our tomorrow, by building today a fair globalization where decent work is possible for all.

My friends, there are precious moments in history when opportunities come and go. Seizing them requires vision to chart our actions, commitment to face the obstacles and courage to take decisions. We are at such a moment today. Our future is in your hands.

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*Original Spanish: The PRESIDENT*

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Thank you very much, Director-General, for those thoughts that you have shared with us this afternoon. They are a summary, a consensus, of the document you provided for us: *A fair globalization – The role of the ILO.*

I think that I speak on behalf of all delegates, ministers and those present here today when I thank you for your participation and for the way in which you deal with all these issues, and for the very pleasant surprise which you have provided us by having these four veterans share with us this afternoon's debate.

I am certain that all the delegates present here are going to keep in mind the content of the contribution made with regard to a fair globalization and the role of the International Labour Organization in creating that globalization.

**SUSPENSION OF CERTAIN PROVISIONS OF THE  
STANDING ORDERS OF THE CONFERENCE (CONT.)**

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*Original Spanish:* The PRESIDENT

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You will recall that at the first plenary sitting last Tuesday the Conference took a number of decisions regarding the suspension of certain clauses of the Standing Orders of the Conference in order to allow for a more lively, interactive discussion on the Global Report on freedom of association and the effective recognition of the right to collective bargaining. Under article 76 of the Standing Orders of the Conference, we are now called upon to confirm the decisions taken last Tuesday. Are there any objections? I see that there are no objections so I take it that the Conference adopts the proposal to suspend the relevant clauses of the Standing Orders.

*(The proposals are adopted.)*

Before I open the debate, I would like to remind you of the rules that the Vice-Presidents and myself have agreed to apply. A certain degree of discipline is required so that our discussion may flow smoothly. However, I would like to state here and now that, in periods of acute political tension, the International Labour Organization 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.

I would also like to recall here that 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 United Nations Charter. I trust that I can count on each one of you to ensure that our discussions are carried out 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 International Labour Organization. However, in order to exercise this right in a spirit of mutual respect, it is of utmost importance that all delegates use parliamentary language, respect the accepted procedure, refer only to the items under discussion and avoid raising questions alien to these matters.

Each delegate can exercise the right of reply if he or she feels that there is a need to respond in the event that his or her government has been challenged. In such a case, the request for the right of reply should be submitted to the President of the sitting before that sitting is over. This request should be transmitted to the President through the Clerk and not by asking for the floor at the sitting.

They must not ask for the floor during the session in order to raise a point of order. The President, assisted by the Clerk, will agree with the delegation concerned on a time when the reply will be made.

The reply should refer only to the point under discussion. It should not exceed two minutes, and it should be delivered in correct parliamentary language. I must stress also that in order to avoid endless debate, it has been a practice of the presidents to refuse to allow replies to a reply.

The Standing Orders of the Conference set out that the maximum length of all speeches is five minutes. I would ask all delegates and ministers who are attending the Conference, when they prepare their speeches, to take into account this five-minute time limit so that the President will not be obliged to stop speakers before they have finished their speeches.

As is our customary practice, the speeches made by our special guests are, of course, not subject to this five-minute rule.

I would like to remind you that the list of speakers for the discussion of the Report of the Chairperson of the Governing Body and the Reports of the Director-General will close on Wednesday, 9 June at 6 p.m.

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

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Mr. FAHEY (*Minister for Labour Affairs, Ireland*)

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It is indeed a great honour for me to address the 92nd Session of the International Labour Conference in my capacity as Minister for Labour Affairs of Ireland as well as the presiding Minister for Employment and Social Affairs of the European Union.

I want to congratulate the President and the Officers of the Conference on their respective appointments and wish them well in their work. I also want to congratulate the Director-General, Mr. Somavia, on his very focused, succinct and indeed provocative speech in which he outlined three messages and four challenges for all of us.

But, firstly, on 1 May 2004, Ireland was privileged to host a Day of Welcomes in Dublin to mark the accession to the European Union of ten new Member States. We look forward to working together in Europe, and within the global structure of the International Labour Organization, to promote the harmonious development of programmes with our partners across the globe. The International Labour Organization, given its unique tripartite nature, belongs to all of us and we share the responsibility of ensuring that it remains vibrant and dynamic as we move into the twenty-first century.

I was both struck and heartened to note the similarity between many of the themes of the Irish Presidency of the European Union and the recommendations contained in the Director-General's Reports which are before us today. Let me explain.

Over the past five months, the Irish Presidency of the European Council has focused on the issues that we believe engender and sustain innovative and high performance workplaces. Innovation, adaptability and most of all people-centred policies have all featured in the Irish Presidency programme.

The overall theme of the Irish Presidency is "Europeans – Working Together". This theme captures the accession of ten new Member States into the European Union on 1 May. This enlargement of the European Union has been a major factor for our

Presidency, both in terms of preparing for the accession and then ensuring the effective integration of the new Member States into the workings of the Union.

Our Presidency theme also captures the need for all stakeholders to work together. Whether at European level, national level, or at individual enterprise level, the Irish Presidency is convinced of the importance of the process of partnership.

If we are to meet the challenges presented by the globalized twenty-first century, our workplaces must be geared towards constant change and innovation. All involved – employers, employees, policymakers and social partners – need to create a shared understanding of what needs to be done, particularly at the level of the workplace. We also need to embrace new ideas and ways of working.

In Ireland, for many years now, we have had a tradition of partnership between trade unions, employers, the Government and NGOs. Involving all the stakeholders in the processes of decision-making has paid dividends in the form of a more stable industrial relations climate and in particular the possibility to get beyond conflict to a shared approach and I want to acknowledge the contribution of the Irish social partners in this respect.

In March this year, the Spring European Council stressed that Member States should give urgent attention to four particular challenges: adaptability; attracting more people into the labour force; improving the quality of employment; and investing in human capital.

The Employment and Social Policy Council that I have been chairing has concentrated on the themes of *Making Work Pay; Adaptability and Change; Investment in Human Capital; and Lifelong Learning* – all culminating in the workplace of the future.

The Spring European Council also emphasized that support and advocacy for change must reach beyond governments. In order to generate this support, the Council called on Member States to build reform partnerships involving the social partners, civil society, and the public authorities, in accordance with national arrangements and traditions. In Ireland, we have already started this process. We have undertaken to strengthen our social partnership process as part of the New Reform Partnership in Europe. Through this mechanism, the Irish Presidency hopes to add renewed dynamism and drive to the process of reaching the Lisbon goals.

It was for this reason, as I stated earlier, that the Irish Presidency priorities mirrored closely the contents of the Director-General's Report and indeed his very fine speech today. Themes such as making work pay, or decent work, to use the ILO's terminology, increasing adaptability of both workers and employers to change, investing in human resources and ensuring reforms through dialogue and better governance are very much to the fore in the Director-General's Report. These two reports constitute documents of major importance in relation to the activities of the ILO and in progressing the debate on the report of the World Commission on the Social Dimension of Globalization.

The report *ILO implementation programme for 2002-03* is an assessment of the work of the Organization as a whole, of the relevance of its strategic objectives and the effectiveness of the means used to attain those goals. The second of the Director-General's Reports, *A fair globalization: The role*

*of the ILO*, is the key issue before us at this session of the Conference.

I wish to acknowledge the contributions of President Halonen of Finland and President Mkapa of the United Republic of Tanzania, who chaired the Commission and who addressed us so eloquently this morning. I want to compliment all 26 members of the Commission for their time, wisdom and work.

It was refreshing to see that such a diverse range of actors represented on the World Commission, who were drawn from a wide spectrum, including governments, civil society, trade unions, as well as multinational companies, were able to reach a common accord in their report. They have, in the words of Giuliano Amato, the former Prime Minister of Italy, shown that debate on globalization can be moved forward from rhetoric and acrimony to dialogue and cooperation.

Just in conclusion, can I say that we have been presented with some challenges by the Director-General this afternoon. He mentioned this morning the need for change and the vital involvement of leadership, which is a prerequisite to that change. I think it is incumbent on all of us, if this 92nd Session of the Conference is to be successful, that we take up the challenge from the Director-General and that we achieve the objectives to which all of us aspire.

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*Original French: Mr. LARCHER (Minister Responsible for Labour Relations, Ministry of Employment, Labour and Social Cohesion, France)*

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First of all, I would like to congratulate the President on his election to steer the deliberations of this 92nd Session of the International Labour Conference – a session whose agenda is dominated by the theme of the social dimension of globalization. The introductory remarks of Mr. Juan Somavia, illustrates more than ever the loyalty of our Organization to its mandate and its ability to adapt constantly to a changing world.

I would like to thank the Director-General for the excellence of the reports submitted to us, for the wealth of information provided and the diversity of the lines of reflection that have been proposed. But first of all I would like to praise the quality of the Report: *A fair globalization: Creating opportunities for all*, and I would like to thank the World Commission – and in particular its two co-chairpersons – Ms. Halonen and Mr. Mkapa. Globalization brings with it progress, but since we have not been able to place human beings at the centre of process, it has produced some perverse effects which today have to be corrected. This is the precondition that has to be met if we want to build a model of society which should not just be an economic model but which should also remain a social model for all men and women. The report of the World Commission concludes that it is necessary to strengthen governments at all levels and it advocates measures to improve the consistency of policies and to ensure a better balance between the economic, social and developmental aspects. This report, which is going to help us structure better the discussion on globalization in our various countries, has the merit of encompassing all the aspects of globalization by decompartmentalizing them. The result of several years of reflection it is, as the Director-General has correctly stressed, not an outcome but indeed the starting point for a process in which the ILO has a

decisive role to play in the implementation of future mechanisms or instruments. In his report, the Director-General examines ways and means of giving an impetus to ensure the convergence of all the other players in the search for a fairer form of globalization. The ILO has the assets and as a result of the elements which support its legitimacy to act in this direction, this legitimacy is doubly supported by the ethical and social basis of the organization and in its original tripartite dimension. The organization is, as part of its mandate, responsible for evaluating the economic policies in the light of their impact on social and labour policies. Making decent work a global objective seems to us to be a concrete implementation of this responsibility and we can only endorse it. As the only tripartite organization in a multilateral system, the ILO brings together real economic players. It is the ILO which brings together men and women at a daily level, who are best able to gauge the effects of the transformations which our world is undergoing. No other body has this expertise or such precise "hands-on" knowledge of today's problems. This gives us an idea of the importance of the role which it has to play today. I am thinking in particular of the idea of a forum on the policies of globalization which follows on immediately from the declaration by the Ministers of Employment of the G8 in Stuttgart in December 2003. According to France, overall regulation of globalization and the improvement of consistency between international organizations requires strengthening in multilateralism and the creation of an Economic and Social Security Council. This idea was in fact expressed in the communication of the European Commission and is one which we support. In this respect I would like to remind you in conclusion of the strong words uttered by the President of the French Republic when speaking on 28 May this year at the Summit between the European Union and the Latin-American and Caribbean countries. He stated that although it was rich in promise, globalization had not found a solution for the exclusion of whole countries and peoples. He went on to say that half of humanity lived on less than \$2 a day and nearly 1 billion women, men and children were confronted daily with the fear of starvation at a time when the world had never been as prosperous.

Faced with this situation, I can only share the diagnosis of the report on the social dimension of globalization which the Director-General of the ILO has made public. Social cohesion is indeed a question of global interest. We have to mobilize ourselves so that our actions are always inspired by concern for justice and solidarity. It is in this way that we will ensure cohesion in the world. This then is the position of France on these issues. You can rely on the support of France to ensure that this social dimension of globalization will not simply remain a dead letter, but will enter the daily lives of women and men and be loyal to Albert Thomas' message, "let us build world peace".

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*Mr. SOODHUN (Minister of Labour, Industrial Relations and Employment, Mauritius)*

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I wish to congratulate the President on his election to preside over this 92nd Session of the International Labour Conference.

This year's Conference will certainly be remembered for the historic report of the World Commission on the Social Dimension of Globalization. This report comes at an opportune time, when we mem-

bers of the African Union are in the process of formulating a social policy framework for Africa and are planning to meet with regard to employment and poverty issues at the Summit to be held in September in Burkina Faso.

With this report, the link between poverty and unemployment is now being understood in its proper perspective. While new opportunities have emerged with globalization, there are also numerous threats, in terms of job losses, with increasing delocalization, resulting from the quest for achieving greater competitiveness. It is the most vulnerable people who are losing jobs and dropping back into poverty, which itself is aggravated by problems of AIDS, illiteracy and lack of skills, while fast technological changes increase their insecurity and restrict their employability.

To what extent is the imperative of cost reduction and competitiveness compatible with the labour standards and the dignity of human beings? As a follow-up to the report of the World Commission, the ILO could conduct a study on the positive impact of labour standards and human rights on competitiveness.

In response to the numerous challenges facing it, my own country has restructured the sugar sector and is developing new sectors such as ICT, a sea-food hub and a knowledge hub. Interesting incentives exist for investors so as to create an environment that facilitates job creation. At the same time, government spends about 44 per cent of its budget on social expenditure, which includes free education and health services, social security benefits, social housing programmes, special assistance for the education of children from poor families, community development projects and microcredit schemes.

Employment creation is our main priority. Government has set up an equity fund and a textile emergency support scheme as a means of preserving employment in the Export Processing Zone. A redeployment programme has been introduced to assist retrenched workers in finding a new job. Self-employment is being promoted to job-seekers as an alternative and sustainable form of employment.

In order to give a new impetus to the small and medium-sized enterprises sector, the Government has recently set up a ministry for small and medium-sized enterprises, and a hawkers' palace is being built with a view to offering a safe and customer-friendly market to the street operators of the informal sector.

Despite all the economic constraints, the Government of my country has taken great care to adjust the wages of the lowest income groups by granting an annual increase in wages which is higher than the Consumer Price Index (CPI). This year, an increase of 4.5 per cent was granted while the CPI was only 3.9 per cent. The same increase also applies to social benefits.

The Government of Mauritius has, in addition, given special attention to fundamental labour standards and has ratified six ILO Conventions over a period of two years. It is currently examining the ratification of Convention No. 87 and the replacement of the Industrial Relations Act by new legislation, as well as the modernization of the Occupational Safety, Health and Welfare Act and labour legislation. It is our aim to reinforce structures for conciliation and mediation and the practice of col-



lective bargaining, and to strengthen workers' participation in productivity gains.

As a country whose population is based on labour migration, we are very pleased that migrant labour is on the agenda of this session of the Conference. We have been ensuring that the rights to decent wages and decent accommodation of migrant workers are protected. We shall continue to strengthen administrative and legal mechanisms so as to improve the management of migrant labour.

The Government of Mauritius wishes to reiterate its commitment to promoting tripartism and social dialogue, as advocated by the Director-General, as a means of addressing emerging social and economic issues effectively. We wish also to assure the Director-General, Mr. Juan Somavia, that we fully support him in his crusade to make decent work a global objective. This is not a dream, but an objective that we shall attain together guided by the clear vision and strong leadership of the ILO.

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*Original Arabic: Mr. EL AMAWY (Minister of Manpower and Emigration, Egypt)*

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It is a great honour for me to congratulate the President upon his election to preside over this session of the Conference. I would like to wish him every success.

We have read very attentively the Report of the Director-General, *A fair globalization – The role of the ILO*, and we agree with this Report in that decent work should be the focal point of our work at the international level. The management of globalization itself should be based on collective respect for human rights on the international scene.

The greatest challenge henceforward will be to find a balance between trade liberalization and social progress, particularly as regards the establishment and protection of international standards, and without opting for selective policies – or brandishing certain rights that are sometimes used as weapons to serve certain interests that are far removed from their true objectives.

The achievements of globalization have been unevenly distributed throughout the world, with the African continent benefiting the least. The marginalization of African countries is clearly shown in the small share that they hold of world trade and foreign investment. This situation is exacerbated by the reduction in development aid and the burden of foreign debt, which is limiting the continent's ability to develop.

Developed countries must remove protectionist barriers against exports from developing countries and put an end to subsidies which are harmful to exports from developing countries. Furthermore, dialogue between countries of the North and South must push ahead to establish a fairer system of world trade.

We agree with the idea that achieving democracy is essential, at both the international and national levels. Egypt has undertaken a commitment to the development of a free democracy nationally through policies that take account of the social dimension in our economic structure.

We welcome the report, which deals with issues relating to emigration. Indeed, emigration is an integral part of development and growth, and the rights of migrant workers are one of the essential components of the ILO Declaration. Discrimination based on national citizenship is an important areas, which we must deal with under the follow-up to the

ILO Declaration. We therefore urge the Organization to increase its efforts to encourage countries to immediately ratify the Conventions relating to migrant workers and their rights, and to implement the recommendations of the World Commission on the Social Dimensions of Globalization as regards holding a third global forum to establish a global and fair system for migration.

We would agree with the Director-General, who states in his Report, *The situation of workers of the occupied Arab territories*, that the restrictions imposed on the freedom of movement of Palestinians have been aggravated by the construction of the separation Wall which is impeding the economic activity of the country. We agree with the reference made in the Report to the need to lift these restrictions so that the fundamental rights of workers are respected.

Allow me to state the importance of supporting the ILO programme of technical assistance in the occupied Arab territories and the need to increase the amount allocated by the Organization's budget. Similarly, we urge donor countries to finance the funds established for this purpose.

Allow me to say too that all the efforts aimed at guaranteeing workers' rights and providing them with decent work, will be in vain unless we create a climate conducive to peace, security and stability in the Middle East. It is essential that a just and comprehensive solution to the Arab-Israeli conflict be found, through Israeli withdrawal from all the occupied Arab territories, including the occupied Golan, and the establishment of an independent Palestinian State. It is also essential to put an end to the tragic situation in Iraq and to ensure that the rights of the Iraqi people are respected. We would also recall that we reject all practices which are detrimental to the Syrian people and prevent Syrian workers and employers from exercising their rights.

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*Original French: Mr. PANAYIOTOPOULOS (Minister of Employment and Social Protection, Greece)*

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I should like first of all to express my sincere congratulations to the President of the Conference on his election to this office, as well as to the other officers. I should also like to thank the Director-General, as well as the International Labour Office, for the quality of the reports submitted to us for discussion.

We are meeting here at a time when the world is facing a number of challenges. I should like to commend the initiative of the Director-General, who has so ably organized an objective dialogue on the problems arising as a result of globalization. All of the debates on the immediate future as aimed at seeking a more fair globalization, one that is synonymous with opportunities for all.

The European Union, with its characteristic social model, intends to keep its place in the world by becoming most competitive knowledge society, creating more and better jobs, thus strengthening social cohesion.

We consider that this determination to bring together development, employment and social cohesion is entirely consistent with the studies that have been carried out by the International Labour Office.

Allow me to highlight some of the aspects upon which we should focus our efforts towards more fair globalization.

Two recent reports, that of the World Bank and that of the World Commission on the Social Dimen-

sion of Globalization, emphasises the danger inherent in the effects of globalization on cultural diversity in our world. I sincerely believe that such concerns will only be allayed when globalization succeeds in ensuring that the uniqueness and identities of the world's peoples are protected.

Only if it is based on a sound economy will there be a globalization in which lasting social cohesion is a priority and the social benefits of globalization are equitably shared among all.

I should also like to mention three points which are essential for Greece.

The first is a more effective and more dynamic governance. The idea of a State created in the interests of its citizens implies not only that the economy must be healthy but also that those who govern the country must be attentive to the needs of the social partners and civil society.

Better governance means first of all combating bureaucracy, which constrains and stifles small and medium-sized enterprises and the entrepreneurial spirit. It also means fighting against corruption and improving public finances. And lastly, it means ensuring that the public sector responds more quickly to investors, needs and hence contributes to development.

Better governance means ensuring that everyone has access to the benefits of development.

Secondly, I should like to raise the issue of small and medium-sized enterprises. We are happy to note that the ILO's strategy calls for supporting small and medium-sized enterprises, upon which the creation of more and better jobs depends.

Thirdly, I should like to highlight the importance of establishing a global minimum level of social protection. We are convinced of the soundness of the approach adopted by the ILO, which aims to provide priority coverage of the most vulnerable population groups, such as the elderly. We support the action undertaken by the ILO to develop and disseminate the principle of a minimum level of socio-economic security for the world economy. We are ready to take such initiatives at the national level and in the Balkan region.

Another important issue I should like to address is that of migration. Since this issue is already on the agenda of this session of the Conference, I will merely note that our country, which has experienced a huge wave of immigration in a very short time, urgently needs a policy which is both reliable and respectful of human rights.

The strength and effectiveness of a State are measured in the first instance by its ability to offer assistance and support to its most vulnerable citizens.

By the same token, the development of globalization and in the way in which it is perceived by the peoples of the world will depend on whether it can offer opportunities for everyone where they live and work. It is the task of all of us here today to shoulder this responsibility.

We are determined to do everything in our power to achieve this. Accordingly, I should like once again to thank the Director-General for the initiatives he has taken and to assure him of my support. Allow me to say a few words in my native language and to say ... (*the speaker continues in Greek*).

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Mr. MARONI (*Minister of Labour, Italy*)

This year, the International Labour Conference is focusing on globalization. Let me express the sup-

port of the Italian Government for this initiative, considering how important good governance of globalization is for its economic and social effects on both industrialized and developing countries. We greatly appreciate the work done by the World Commission on the Social Dimension of Globalization and the Report presented today by Mr. Somavia on the implication for the activities of the ILO. We believe that the analogies and the guidelines for action depicted represent a good basis for designing the organization's next strategic policies.

Italy is aware of the risks that an unfair globalization carries for international situations – improving the conditions of the richest and more developed countries and worsening those of the poorest. To counter these effects, we are committed to promoting a large programme to help the countries lagging behind, particularly in Africa. The first results are encouraging but a more comprehensive strategy needs to be developed. For this reason, the work done by the World Commission should be strongly sustained, especially when focusing its attention on new policies necessary to ensure a fair and equitable globalization. The ILO must act quickly, strengthening the social dimension and the role of the multilateral system. A fair globalization can be obtained only by reinforcing the role of core labour standards and promoting stronger actions to respect them in production systems, firms or export processing zones. Globalization should produce growth and employment and reduce the differences between countries. Decent work should be made a global goal and pursued through coordinated international policies. The Italian Government shares these conclusions, but expresses its concern over the low quality of working regulations in many countries. Lowering labour standards is not a safe policy for promoting growth and jobs. It undermines international competition and can push industrialized countries to adopt defensive strategies and restrict the offshoring of manufacturing and services.

The consequences on international trade could be negative in terms of financial flows and wealth. Therefore, we reaffirm the central role of the ILO for promoting core labour standards and for addressing governments, firms and other parties, in considering social issues in their international cooperation practices. The ILO is the most suitable United Nations agency to develop a multilateral system of cooperation based on integrated and balanced economic, social and environmental policies. We encourage the ILO to continue, together with social partners and in close cooperation with the other international organizations. At the same time, we appreciate that the World Commission envisages the ILO's role as promoter of a multi-stakeholders' forum, a proposal that Italy made some months ago at the G8 conference in Stuttgart. This initiative is aimed at developing a culture of corporate social responsibility. A fair globalization that respects the dignity of each human being can obtain relevant results only if it is accompanied by a stronger social responsibility worldwide. Decent work should be accessible to everybody and core labour standards should be respected by each country, even in the poorest areas of the world. Only under these conditions can globalization substantially improve the wealth of our societies and peoples, increasing the level of social cohesion.

I hope that this Conference can make important steps in this direction and contribute to developing a

new era of relations between our countries and peoples.

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Mr. DIMAS (*European Commissioner for Employment and Social Affairs, European Union*)

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First of all, it is a great pleasure and honour for me to address the 92nd Session of the International Labour Conference.

The overall economic gains from globalization are visible and tangible. However, such gains have not always been evenly distributed among various regions of the world. Therefore, we need to strengthen the social dimension of the current process of globalization, otherwise it may not be sustainable.

I am glad to see that these ideas are developed in the recent report of the World Commission. In reply to this report, and as a first contribution to the ensuing debate, the European Commission has recently published its own communication on the social dimension of globalization.

The European Union is well aware of the advantages and risks of greater economic integration. After all, the European construction has been in itself a process of globalization, of a smaller geographic scale, of course. The elimination of internal frontiers and the creation of a single economic area should be accompanied by policies which promote both economic progress and social cohesion.

The European Union's economic and social model cannot be transposed simply in other parts of the world. But, as the World Commission's report points out, it can be a useful source of inspiration. Indeed, there has always been a strong social dimension in the economic integration of the European Union. In the early years, this took the form of workers' rights, gender equality, and social cohesion through structural funds. But as integration developed, the social dimension expanded to encompass a broader range of objectives. For instance, full employment, higher quality jobs and training, adequate and sustainable social protection, promotion of social dialogue and the struggle against discrimination and social exclusion. The integrated strategy, known as the Lisbon Agenda, serves a most audacious and challenging project: to make the European Union the most dynamic and knowledge-based society and economy in the world by the year 2010 with more and better jobs and increased social cohesion. And it does so by promoting, at the same time, competitiveness, employment, social progress and environmental protection. In its external actions, the European Union objective is to maximize the benefits of globalization for all social groups. The European Union has negotiated agreements with virtually all countries of the world. Most of these agreements contain bilateral or multilateral commitments to achieve social goals. Its open trade commitments can be used to support more socially equitable development. The European Union already secures high levels of access to its markets for developing countries through initiatives such as the "Everything but arms" initiative and the Cotonou Agreement and its generalized system of preferences.

In addition, the European Union is the world's largest donor of development aid, much of which is focused on support for social development. However, much of the responsibility for social development lies with the partner countries themselves. Their domestic policies must respect the rule of law and human rights and ensure transparent and ac-

countable governments. National development strategies should integrate trade and secure a better distribution of its benefits.

Responsibility for social development does not lie only with governments. The private sector too can play a part in the complementary conduit for change. Companies, the wider business community, trade unions and the broader civil society can advocate more social governance.

Finally, globalization presents challenges for all international institutions. The European Commission strongly believes that the World Commission's report should be a part of the agenda of other international forums which have responsibility for financial, economic and trade issues. Achieving all these objectives will require 'joined-up' global governance.

The time has come to turn the results of our debate into a concrete action plan. We all have a duty to contribute to bringing the World Commission's report to life. To do that, we need the full commitment, as the Director-General said previously, of all stakeholders: international organizations, governments, social partners, civil society and the business community. They all need to join forces to promote better global governance and to ensure that even the low-income groups of the poorest countries can enjoy the benefits of globalization.

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*Original Portuguese: Mr. BERZOINI (Ministry of Labour and Employment, Brazil)*

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I should like to congratulate the President on his election. Brazil would like to express its satisfaction with the report from the World Commission on the Social Dimension of Globalization, not simply because of its balanced diagnosis, but, above all, because of its recommendations for initiatives to achieve a fairer, more equitable and inclusive globalization, giving rise to less inequality and suffering.

We would also like to thank the constituents of the ILO and its Director-General for this initiative and for their support of the Commission's work. The diagnosis of the devastating social effects of a globalization process, dominated by the financial market is the first step in getting back on course towards a process which is focused on individuals and the opportunities offered to them.

The World Commission on the Social Dimension of Globalization has tackled key issues for our countries in a balanced and objective manner and has stressed the following points. The process of globalization as it has developed today is extremely unfair, and has exacerbated the inequalities between rich and poor. The way in which it has developed up to the present means that the process of globalization has contributed significantly to the increase in the decent work deficit. An international system of governance must be an essential element in a globalization which has any prospect of bringing about social inclusion and the reduction of inequalities, and this requires greater democratization of multilateral institutions. It is necessary to strengthen and facilitate access for all countries to all multilateral bodies. The problems which affect the most vulnerable, such as hunger, unemployment, child labour, slave labour and forced labour, must be tackled by state policies in partnership with society.

We believe that the creation and promotion of decent work is both the best way of bringing about social inclusion and the most appropriate way of

achieving sustainable development, from the point of view of the economy, society and the environment. It is essential to combine macroeconomic policies with employment policies, that is, to work towards economic growth in conjunction with social development and environmental protection. To do so we need to be consistent in our action, both nationally and regionally, to think globally and act locally. This can be done by: integrating economic, social and employment policies, increasing both the efficiency with which the labour force is deployed and its level of professional qualification and skills; linking local and regional development policies with the creation of job opportunities, jobs and income; promoting and strengthening social dialogue at all levels, beginning with the workplace; reforming systems of social security to include the many workers who have been displaced by informal labour; increasing the capacity of labour administrations, particularly in order to eradicate child labour and forced labour, through assistance and horizontal technical cooperation, without creating new structures and with the objective of reducing the decent work deficit; and increasing government action with regard to those groups who are most subject to exclusion from the labour market, particularly young people and workers who are less than 40 years old and have a low level of skill or qualification.

The Brazilian Government is committed to this agenda. At national level, under the leadership of President Lula da Silva, the Government's policies on public investment, credit and industry, are being orientated towards activities with the greatest possible potential to create jobs and income. Within the Americas, we have the Inter-American Conference of Ministers of Labour, MERCOSUR mechanisms such as the Socio-Labour Commission and the Economic and Social Consultative Forum, and direct relations between the Ministers of Labour of Argentina, Brazil, Paraguay, Uruguay, Chile, Peru, Bolivia and shortly, we hope, also Mexico.

I would like, however, to stress that the necessary progress in the process of globalization will have to involve aspects of international trade relations. Notwithstanding internal actions, which each country must undertake responsibly; we need an environment of greater cooperation and less protectionism, within which the integration of markets can be an effective and fair instrument to create the conditions for an increase in decent work and social inclusion.

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

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I congratulate the President and the two Vice-Presidents on their election and wish them every success.

I thank the Director-General, Mr. Juan Somavia, for his Report, *ILO programme implementation 2002-03*, in which the developments in member States regarding the four strategic objectives of the International Labour Organization are indicated in an objective manner. We consider the report, *A fair globalization: Creating opportunities for all*, by the World Commission on the Social Dimension of Globalization, published last February, as a significant study that is in line with efforts to establish a better world order, by truly implementing tripartism and social dialogue, as indicated in the report. I would like to stress that I share the view of the Director-General where he indicates that decent work

should be adopted not only as an ILO objective, but also as a global one.

The *Report on the situation of workers in the occupied Arab territories* shows once again the seriousness of the economic, social and humanitarian costs of the chronic conflict accompanying the Middle East question. The Report also underlines the necessity of the ILO's continued interest and support for this issue. In this connection, I am glad to mention that my Government has decided to make a humble contribution to the Palestinian Fund for Employment and Social Protection. Turkey attaches great importance on the implementation of the Road Map, and to reaching a peaceful solution through negotiations as soon as possible.

Globalization, which has emerged as a result of the rapid developments in information and communication technologies in the economic and social fields, has increased international competition and, consequently, working life has become more flexible so as to adapt to changing conditions. In the globalization process enterprises have to adapt themselves to the newly emerging conditions which govern their organizational and production patterns.

With this in mind, our Government launched a series of important reforms and legislative arrangements. The new Labour Act No. 4857, which came into effect in June 2003, is one such reform. The economic, social and political conditions closely related to labour, the problems encountered in actual practice, the need for flexibility, and the need for harmonization with ILO standards and European Union legislation all necessitated radical amendments of the provisions of the old Labour Act, along with changes to the laws on Social Security and on Turkish Employment Services. Our country has ratified a total of 56 ILO Conventions, 16 of which within the last year (including all the fundamental ones).

Promoting employment and combating unemployment constitutes one of the top priorities of the agenda of my Government; therefore, the year 2004 has been declared "The Year of Combating Unemployment".

In this context, the Turkish employers' organizations have been strengthened and modernized with a view to taking the necessary active employment measures in line with the European Employment Strategy. In addition to these general measures regarding improvement of our national economy, a series of active employment programmes and projects have been implemented.

In order to maintain industrial peace, further promote trade union rights and freedom of association in the country, and to enable the full harmonization of national legislation with ILO norms and European Union legislation in this field, a draft law prepared by a board of academics including the amendments deemed to be necessary to the Trade Unions Act and the Collective Agreements, Strike and Lock-out Act, has been submitted to the social partners in order to obtain their respective views.

We believe that social dialogue, based on effective exchange of views, cooperation and consensus between social partners, is one of the fundamental mechanisms of a peaceful industrial relations system. With this in mind, we ratified the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), in 1993. In this context, necessary amendments have been made in the new Labour Act and the Regulations on the Working

Methods and Principles of the Tripartite Consultation Board relating to Labour Life were put into effect.

With the sincere belief that new ideas and reflections to be introduced in this house would help us further to improve our labour legislation and its implementation, I hope that this 92nd Session of the International Labour Conference will yield very successful conclusions.

*(Mr. Wade takes the Chair.)*

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*Original Farsi: Mr. KHALEGHI (Minister of Labour and Social Affairs, Islamic Republic of Iran)*

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In the name of God, the Merciful, the Compassionate! I would like, at the outset, to congratulate the President on the occasion of his election.

The report of the World Commission on the Social Dimension of Globalization has, by offering logical and realistic recommendations, opened up a new way for the ILO constituents to ensure that globalization begins at home. This includes: creating more viable macro-level policies to better run their respective countries; promoting democratic institutions; promoting human rights; fostering gender equality; offering social opportunities; incorporating adequate employment and labour provisions into macroeconomic plans; taking more serious steps to protect workers' fundamental rights; bolstering social protection; and promoting tripartism and social dialogue.

Even though all the delegates consider reform of national macro-level policies to be main prerequisite for enjoying the fruits of globalization, many States are extremely concerned over the present crisis in governance of the globalization process. This concern stems from the fact that globalization cannot lead to sustainable development, international security and peace unless it promotes more equitable access to commercial and economic opportunities. The necessary political infrastructures needs to be put in place at the international level, and hurdles and unjust commercial tariffs need to be removed to facilitate access to the global market, especially in regard to commodities such as textiles, clothes and agricultural products, for whose production and supply the developing countries currently enjoy an advantage.

Developing countries are delighted that 0.7 per cent of the industrialized countries' GDP is to be allocated in the form of official development assistance. This will form an effective tool for the fulfilment of the Millennium Development Goals and for the consolidation of North-South relations. The efforts of Norway and other countries in this regard are to be applauded; however, it is regrettable that these commitments have not been fully implemented by all countries. The rational globalization model should offer all countries, especially the developing States, a fairer chance at a national level to prevent political, economic and social reforms from heading towards a stalemate.

Post-September 11, labour force migration is fast developing into a major concern for both countries of origin and destination. It is my hope that the

92nd Session of the International Labour Conference will address the growing concern regarding labour force migration at the global level and encourage the ILO member States, especially those hosting immigrants, to reach an international consensus on sustainable policies to bring an end to illegal migration and boost legal emigration. Migration has undergone a dramatic change over the last decade, so much so that today, a huge number of immigrants are educated people in highly skilled vocations, especially from the developing countries. As a result, devising more open national laws, especially in countries hosting immigrants, and advocating the rights of the immigrant workforce are among the principal issues that should top the ILO's technical cooperation programmes.

To foster globalization, the Islamic Republic of Iran has placed development and tripartism at the top of its socio-economic agenda, deeming it a solid bridge to the link the social partners. In this regard, the Islamic Republic of Iran has chosen dialogue as the most effective means to bring down the walls of distrust among these partners and to promote confidence-building. The fact that numerous workshops, in collaboration with the Geneva-based ILO experts, as well as with the Sub-Regional Office in New Delhi, have been held, both in the past and, particularly during this year, is indicative of the Islamic Republic of Iran's serious commitment to this.

Thanks to the Iranian President's efforts and the Government's firm resolve, the Fourth Economic Development Plan aims at generating employment. Enjoying a 7.4 per cent economic growth rate, the Iranian Government created around 700,000 jobs in 2002-03. The material and spiritual needs of workers are of the utmost importance to the Islamic Republic of Iran and, as such, I am pleased to announce that the Decent Work Agenda has been incorporated into the Fourth Economic, Social and Cultural Development Plan for implementation and that the measure will gradually be extended to the informal sector.

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*Original French: Mr. TOU (Minister of Labour, Employment and Youth, Burkina Faso)*

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It is an honour and a pleasure to take the floor and, first of all, to congratulate on behalf of my country, Burkina Faso, and on my own behalf, Mr. Ray Guevara and the other Officers of the Conference on their election to preside over our Conference.

Allow me also to congratulate the Director-General of the International Labour Office for his excellent Report, *ILO programme implementation 2002-03*.

Although considerable progress has been made, the Report also reflects the concerns of the international community, including poverty reduction and the issue of employment. The Report comes at a very special time, marked by the setting up of the World Commission on the Social Dimension of Globalization.

The establishment of the Commission has been widely acclaimed and its work has highlighted the numerous needs and challenges facing our Organization and the international community, in particular unemployment, the protection of migrant workers and social protection for all.

On the same subject, I am happy to report that the Commission has enabled our Organization to enhance the clarity and impact of its work. As the Director-General so aptly put it in his Report, *A fair Globalization: The role of the ILO*, by putting fairness at centre stage, the Commission clearly engages the institutional values of the ILO. As a member of the Commission, I am proud of my modest contribution to its work, and entirely satisfied with its main conclusions, in so far as the report takes into account the major concerns of the African peoples for a more equitable globalization bringing opportunities for all.

As regards the other items on the agenda of this session, allow me to make a few remarks.

The Director-General's Report, *ILO programme implementation 2002-03*, bears witness to the substantial progress made in the implementation of the four strategic objectives.

As regards the promotion and application of standards and fundamental principles and rights at work, my country commends the special attention given to child labour. By addressing this problem and contributing to its solution, the usefulness of standards in the development process is confirmed yet again. My country takes a keen interest in following the implementation of cooperation programmes in this field.

The importance of tripartism and social dialogue in the development process cannot be overemphasized; neither can the need to strengthen it by providing it with a sound framework.

Despite the real difficulties hampering its effectiveness, social dialogue is a key component of the design and implementation of economic and social policies in our countries. Promoting social dialogue and tripartite cooperation is a priority for the Government of Burkina Faso.

To this end, my country has set up appropriate machinery taking due account of the concerns put forward by the social partners, in particular through an annual meeting between the Prime Minister and the representative of the country's trade unions; an annual meeting between the Government and the trade unions to hear the workers' grievances; an annual meeting between the Government and the private sector to hear their concerns in the context of promotion of entrepreneurship and business; and involvement of employers and workers in the design of sectoral policies, in particular through promoting the activities of the Consultative Labour Commission.

Allow me to point out that, if social injustice is a danger to humankind, it is high time for us to mobilize against poverty and unemployment, which are its principal manifestations.

Hence the relevance in this context of the Global Employment Agenda approved in 2002, aimed at more and better jobs worldwide.

While the fact remains that poverty is incurred through a multitude of different factors, such as crises and upheavals, the spread of AIDS and poor governance, it must be borne in mind that employment is the key factor in the fight against poverty.

My country, Burkina Faso, is keenly aware of this. At national level, a number of measures have been taken in this respect, in particular, the elaboration of the national employment policy, the national social protection policy and the mobilization of re-

sources to support job creation, vocational training and apprenticeship.

My country has also embraced employment promotion as a key element in poverty alleviation. To this end, our Head of State, His Excellency Blaise Compaoré, has proposed an Extraordinary Summit of Heads of State and Government of the African Union on Employment and Poverty Alleviation in Africa, to be held in Ouagadougou on 8 and 9 September this year. This summit will be preceded by a forum of the social partners and a ministerial meeting on the same subject.

I would like to commend African leaders for their support for this initiative, which will certainly be an important milestone in the determination of Africans to identify and implement themselves the concrete solutions that can free African populations from poverty, unemployment and underemployment. This will certainly be Africa's way out of marginalization.

I would like to convey here all my thanks to the International Labour Office for its constant support in the preparations for the abovementioned meeting.

To conclude, I hope that our deliberations here will give a new impetus to the fight for social justice and lasting peace.

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Mr. KJØRVEN (State Secretary, Ministry of Foreign Affairs, Norway)

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Fair globalization, creating opportunities for all, is indeed one of the more pressing issues of international affairs at the beginning of this millennium. Fairness and inclusion are not only ends in themselves, but equally important as a means to achieving social stability and sustainable peace.

On behalf of Norway, I would like to thank Presidents Halonen and Mkapa, and all the members of the World Commission, including the Director-General Juan Somavia, for making these points abundantly clear to all of us.

Knowing the Director-General and what he stands for, I was not at all surprised to receive his impressive Report on the role of the ILO in the follow-up of the Commission's Report. Congratulations!

You have given us ample food for thought – on the issue as such, on the role of the ILO, and, not least, on our own roles as member States and ultimate owners of this and all other relevant intergovernmental organizations.

Norway fully agrees that the time has come to make the social dimension and, particularly decent work for all, a global goal. We agree that we must move beyond the current state of affairs, where quality employment is treated as merely an expected outcome of our pursuit of economic targets. Decent Work for All must be made an end in itself, not only in the corridors of the ILO and in labour ministries or trade unions, but throughout economic policies, at both national and international levels.

As recent surveys show: if you ask the poor themselves, access to work, or starting a business on their own are the most important avenues out of poverty. Thus, the relevance of the ILO in today's world is clear as day.

Director-General, we welcome your call for revitalizing the ILO. To Norway, such revitalization should have two dimensions, recalling that you have an integrated economic and social mandate and, not least, recalling your unique tripartite structure.

Firstly, on the action of the ILO: recognizing that respect for core labour standards, in each and every

country of the globalized economy, is vital to achieving fair and sustainable development; you should strengthen your efforts in promoting decent work and labour standards at the country level, in close cooperation with member States, workers and employers, and within the framework of the overall UN efforts, thereby contributing actively to achieving the Millennium Development Goals.

A more vital and action-oriented ILO, promoting labour standards, not only implies more technical assistance and improvement in supervision, monitoring and promotional work. It also implies, as you rightly point out in your Report, a more active use of the full normative mandate, including in the reaction to cases of grave and persistent abuse, in accordance with the ILO Constitution's article 33.

We agree that this also calls for increased effort on behalf of member States, workers and employers. We agree that decent work, socio-economic floors and proactive employment policies should be given higher priority – in national poverty-reduction strategies and in international development cooperation.

Let me now turn to the second dimension of a revitalized labour organization, ILO the advocate: we agree, as you also point out in your Report, that the ILO, in staying true to the mandate, has an obligation to interact with other relevant organizations.

We therefore welcome the more proactive role you personally have taken in the follow-up of the Commission's report, advocating this message both in other relevant organizations, such as the United Nations, the World Bank, the IMF and the WTO, as well as in member States. A more integrated approach to socio-economic policies through better coherence is crucial.

We find several of the proposals to promote such policy coherence worth considering. In the first instance, we would welcome constructive reflection around the suggested Policy Coherence Initiative on global growth, investment and employment.

And again, Director-General, as the globalization agenda goes way beyond the ILO, the fruits of your efforts ultimately depend on us, the member States. Coherence starts at home. Norway will therefore actively contribute to bring this agenda forward in all relevant organizations, not least in the United Nations.

Finally, I would like to bring special attention to a cross-cutting issue of the utmost importance – an issue which both you and the Commission in your reports have emphasized as fundamental to combating poverty and achieving a fair globalization. The issue is formalization of the vast, and in many developing countries rapidly increasing, informal economy.

As eloquently explained by one of your fellow members of the Commission, Dr Hernando de Soto, the lack of access to secure property rights deprives hundreds of millions of the world's poorest people from participation in the formal economy, indeed, they fear participation in globalization. This is, in itself, a key barrier to employment creation and to decent work.

This needs our immediate attention and should be addressed at both the country level and at international level, and the ILO should play an important role.

Today, peoples and leaders in developing countries and economies in transition in many parts of the world seem to understand the importance of

property rights for economic development far better than most industrialized countries – perhaps because we have forgotten their impact on our own history.

I thank you, Mr. Somavia, for taking on this challenge and inviting everyone present to join in the debate on how best to respond to the call from the poor: "Give us the chance to make a living!" Most poor people are not asking for handouts. They are asking for the opportunity to open a business or to find a decent job. Let us pay attention. This is fundamentally a question of governance, and, as the Director-General pointed out, good governance at both national and global levels must go hand in hand. We must all accept and embrace responsibility. This is the road to fairer globalization.

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*Original Arabic: Mr. AL-HAJJI (Minister of Social Affairs and Labour, Minister of Electricity and Water Supply, speaking on behalf of the Cooperation Council for the Arab States of the Gulf, Kuwait)*

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In the name of God, the Merciful, the Compassionate! I want first of all to take the floor on behalf of the countries of the Cooperation Council for the Arab States of the Gulf and I would like to congratulate the President on his election and to convey to Mr. Somavia my appreciation for the way in which he is conducting the work of this Organization. The Director-General has played a major role in directing the work of this Organization with determination and resolve in order to ensure social protection, social justice and equality.

Likewise, I wish to express my appreciation for the technical assistance granted by the Beirut Regional Office.

Our countries have carefully studied the Report presented by the Director-General concerning the situation of Arab workers in Palestine and in other occupied Arab territories and we would all here again like to express our appreciation for the interest shown and the efforts made by the Director-General in this area. We also appreciate the role played by the Commission of Inquiry and the participation of the ILO in the financing and the support of the Palestinian Fund for Employment and Social Protection. We emphasize the importance of continuing the support of that fund.

We are following with concern the deterioration of the situation in the occupied Palestinian territories because of the policy of aggression and destruction adopted by the Government of Israel and also because of the unilateral policies such as the attempts to block the road map and the construction of the separation wall in flagrant violation of international law. The Palestinian cause does not only concern the suffering of a people but is in itself a humanitarian issue which requires the concerted efforts of the international community in order to put an end to the occupation of the Palestinian territories and the Arab territories that have been occupied since 1967, including the Golan Heights and the Lebanese territories, so as to enable the Palestinian people to build its own independent State with its capital in Al-Quds.

With regards to Iraq, we congratulate the Iraqi people on having chosen their President and for having appointed a transitional Government. We hope that full sovereignty will be handed over at the end of this month.

I would like to underscore the importance of migration for employment, given that this is extremely

important for this session of the Conference. Indeed, it is an important and sensitive issue due to the rapid growth in immigration, the increase in unemployment, the deterioration in living standards and the multiplication of armed conflicts and wars. So far as migrant workers are concerned, we have to say that our countries have a unique composition. We have a very large number of migrant workers in the countries of the Cooperation Council for the Arab States of the Gulf, sometimes reaching 60 to 80 per cent of the total workforce.

In our countries we have the good fortune of being able to provide job opportunities. A large number of people of all nationalities come to our countries, skilled and unskilled labour. They do not intend to stay permanently but to have short-term contracts to work for limited periods of time on development projects in the Cooperation Council countries, which, of course, have very great advantages, both for the countries of origin of migrant workers as well as for host countries.

When speaking of the remarkable Report of the Director-General concerning the Social Dimension of Globalization, that is before us for consideration, we would like to give our support to its content and to the conclusions of the Commission on Social Dimension of Globalization about the need to allow all peoples to benefit from globalization. We must establish a multilateral framework with clear, transparent rules regulating cross border movement of persons so that we can strike a balance between migrant-sending and host countries to achieve more effective cooperation in the regulation of international migration.

In conclusion, I would like to assure you that our countries wish to give their support to all ILO projects which involve strategic goals for justice and progress.

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

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It is my pleasure to extend, on my own behalf and on behalf of the delegation of the Syrian Arab Republic, my heartfelt congratulations to the President of the Conference for the confidence that has been placed in him and to wish him every success in his mission. We hope that the work of the Conference will be crowned with success under his wise leadership, and that it will be able to adopt proposals and recommendations that will contribute to the promotion of decent work, the application of occupational safety and health standards and the creation of employment opportunities for all.

I would like to commend the efforts made by the Director-General of the ILO, the ILO Regional Office for the Arab States in Beirut and the mission which prepared the Report entitled *The Situation of workers in occupied Arab territories*. It is an objective report, which calls things by their name. It reports cases of discrimination between Palestinian and Syrian Arab citizens in the occupied Arab territories, on the one hand, and Israeli settlers who have seized lands and resources, on the other. It also cites the arbitrary imposition of taxes and penalties, adversely affecting citizens' lives.

The ideal solution to redress the economic and humanitarian situation of Arab citizens lies in the eradication of its chief cause, namely the Israeli occupation.

To quote the preface of the Report presented by the Director-General of the ILO, Mr. Juan Somavia, on the situation of Arab workers of the occupied Arab territories, "the situation prevailing in the occupied Arab territories continues to be a source of tension in the region and beyond: this at a time when all available energies and resources need to be harnessed for dialogue to improve the overall political, economic and social conditions in the region".

The Report examines "the impact that the heightened state of tension in the territories has on the daily life and work of Palestinian women and men and their families, and on their institutions". The Report documents in detail the many obstacles Palestinians face in trying to earn a living and support themselves in dignity and independence. It also shows the extraordinary resilience of the human spirit in overcoming the barriers to a normal life to make a space for physical and mental survival".

The expression uttered by one of the Syrian citizens in occupied Syrian Golan gives us in a nutshell the essence of the case. He said, and I quote: "We are strangers in our own house".

Despite the difficulties it is experiencing, the Syrian Arab Republic has improved and modernized working conditions in accordance with the instructions given by President Bashar El-Assad and with the method followed in the process of modernization and improvement, this being done in close cooperation between the Government, the workers and employers in an effort to modernize legislation and labour relations.

The Syrian Arab Republic has managed to honour its commitment to the ILO and respect its Constitution and principles. Syria has ratified the eight core Conventions, the most recent of which were Minimum Age Convention, 1973 (No. 138), and the Worst Forms of Child Labour Convention, 1999 (No. 182). Thus Syria has ratified 48 Conventions in all and several legislative texts have been amended in order to comply with those Conventions.

The Syrian Arab Republic is the cradle of civilization and of humanity and it is duty-bound to denounce all violations of international law, or of the Constitution of this Organization.

This Conference is meeting at a time when the Middle East is experiencing a considerable deterioration in the working conditions and living conditions of its citizens. This situation is characterized by the barbaric practices of the Israeli occupying forces who starve and murder, destroy infrastructure and home and build settlements and this wall which divides the territories. These practices seriously harm workers and employers alike. They constitute a flagrant violation of the Fourth Geneva Convention, of international law and of the Charter of the United Nations. This requires a firm and determined stance by the international community to bring this occupation of the Arab territories to an end.

In conclusion, we reiterate our support for the Palestinian people. We call for support for the Palestinian Fund for Employment and Social Protection so as to reduce poverty and unemployment. Thank you for your attention and I wish you every success in your work.

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*Mr. SWAIN (Minister of Labour, New Zealand)*

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I would like to congratulate the President on election to preside over this 92nd Session of the International Labour Conference. I would like to congratulate



late the Director-General on his Report, *ILO programme implementation 2002-03*, and particularly on the assessment of the progress made and the challenges faced by the International Labour Organization in implementing the Decent Work Agenda. I would also like to congratulate the Director-General for sponsoring the World Commission on the Social Dimension of Globalization.

As the recently appointed New Zealand Minister of Labour, I look forward to continuing New Zealand's tradition of active engagement with, and support of, the activities of the ILO.

I would like to share with you a few aspects of New Zealand's progress with implementing the Decent Work Agenda in areas that complement the activities described in the Report and that demonstrate that New Zealand is facing similar organizational challenges.

New Zealand supports the introduction and implementation of strategic budgeting and results-based management into the ILO. The integration of an outcomes approach to government activity is a current challenge being faced by New Zealand.

As the Minister of Labour, I am focused on helping New Zealanders achieve high quality working lives in thriving and inclusive communities. I see very clear linkages between this outcome and the Decent Work Agenda. To achieve this outcome, the Department of Labour's work is broken down into four areas of focus: the workplace, the workforce, work opportunities and international participation. The Department is undergoing a structural change to align itself with these outcomes, much as the ILO has done in respect of the four strategic objectives of decent work. The focus is ensuring that the greatest connections are made within our organization so that we are best placed to provide information, services and support to everyone in the labour market.

Improving workplace relationships and productivity are priority areas for New Zealand, as we see them as key factors in sustaining economic growth. Productivity is not about employees working harder for less pay. It is about businesses operating smarter. New Zealand's focus is on finding business practices that improve timeliness and quality, minimize costs and waste and involve employee participation in innovation and technology. We have set up a Workplace Productivity Working Group to stimulate debate, collect information and help identify priorities for future action. This working group relies heavily on input from our social partners, and we look forward to sharing what we have learned with you in the near future.

The Report notes that one of the strengths of the ILO is its tripartite structure. New Zealand has traditionally had a strong tripartite dynamic. The New Zealand Government is currently looking at ways to encourage tripartite structures. One example is that the Government has recently endorsed a five-year plan of action to implement pay and employment equity in the public service, together with the public health and education sectors. Worker and employer representatives are on the steering group that will oversee and monitor the implementation of this plan.

The debate that occurred today on the report of the World Commission, *A fair globalization: Creating opportunities for all* revealed the diversity of issues faced by individual countries in working to maximize the social benefits arising from globalization. Our Prime Minister, the Right Honourable

Helen Clark, has outlined New Zealand's views on the report and the proposals by the World Commission. As our Prime Minister said, the theme of the report is within the existing mandate of the ILO but there is also a need for all relevant organizations to work together to ensure that the benefits of globalization are enjoyed by all.

This is a time of increased demand for the ILO to be involved in international debate, while also maintaining momentum on its core activities. The Director-General's Report rightly acknowledges that competing resources will require prioritization and a reassessment of current activities.

In conclusion, New Zealand supports the Director-General's ongoing efforts to reform the ILO. We believe that the ILO is in a strong position to contribute to the challenges of work in the twenty-first century. New Zealand looks forward to continuing its support for the ILO's programme implementation.

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Mr. DIMOVSKI (*Minister of Labour, Family and Social Affairs, Slovenia*)

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First of all, I wish to welcome the excellently prepared report of the World Commission on the Social Dimension of Globalization, which includes a series of concrete proposals focused on equalizing opportunities arising from the process itself. I strongly believe that the report will provide an important basis for future action at global, regional and national levels to extend the benefits of globalization to all. In this regard, I would like to associate myself with the statement already presented by the Irish Minister on behalf of the European Union.

We are all aware that although globalization brings numerous benefits, they are not equally distributed among countries and individuals. In order for the advantages of globalization to be experienced by as many people as possible, carefully planned management of the globalization process is needed. This consequently requires coordinated action and broad-based dialogue among the various actors.

In line with this, I wish to mention the significant role of international institutions responsible for shaping and implementing international policies. In contrast to the often-discussed economic dimension of globalization, one could argue that, at the international level, its social consequences have been relatively neglected until recent years. In this respect, the ILO's initiative to establish a World Commission on the Social Dimension of Globalization has not only brought about a necessary counterweight to the prevailing trade-oriented discussions, but will also significantly contribute to more integrated views of economic and social objectives in the future. In addition, the already broad-based internal dialogue enabled by the ILO's unique tripartite structure should be supplemented by enhanced coordination with other institutions. This would enable effective monitoring of the different aspects of globalization.

Despite the fact that international institutions are taking over some of the responsibilities traditionally in the hands of nation States, the latter continue to be the basic and essential facilitators of balanced development. It is important to be aware that, in the case of Slovenia, the State as an aggregate of various political interests, was the decisive factor in ensuring that stable economic growth was also accompanied by the relative equality in society. This

argument is very important at a time when we are more and more often confronted with pressures that suggest that globalization requires radical reform of the social state. In most cases, States continue to determine the extent to which policies agreed at the global level are in fact implemented, depending on their commitment to universal values. Slovenia accords great attention to the full implementation of international commitments, including those arising from membership of the ILO.

I would like here to highlight the important role of the ILO as an Organization which sets standards to ensure women and men decent work and successfully promotes their implementation at State level. With its system of monitoring, it also provides one of the means of monitoring respect for the social dimension of the globalization process. Slovenia has ratified all of the eight core ILO Conventions which provide a social grounding for the global economy, and also 65 other Conventions. Their implementation provides a firm basis for the successful path towards accomplishing the four strategic objectives of the Decent Work Agenda.

Together with its endeavours to achieve the aforementioned aims, Slovenia has gained considerable experience during the period of transition to the market economy, which it will gladly share with the countries that could benefit from it. I am thinking in particular of good experiences in the area of social partnership, reform of the pension system, reform of the labour market and measures for reducing poverty and increasing social inclusion. These have already been presented on a number of occasions to countries of south-east Europe, confronted with similar challenges. Slovenia wishes to enhance these activities so that they become an integral part of regional development cooperation policies.

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*Original Spanish: Ms. ROSAS PÉREZ (Government delegate, Panama)*

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The Republic of Panama wishes to take this opportunity to congratulate the President and Vice-Presidents elected to preside over this 92nd Session of the International Labour Conference, which began its deliberations on 1 June and will conclude on 17 June 2004.

We express our pleasure and satisfaction with the scheduling on the agenda of the Report of the Chairperson of the Governing Body and the Report of the Director-General, Mr. Juan Somavia. We note that the Director-General's Report provides details of programme implementation and activities carried out by the Organization during the financial year 2002-03, together with proposals on long-term planning, information on the steps taken by the Governing Body and the office of the Director-General to give effect to the decisions adopted by the Conference at its previous meetings, and the results achieved.

We also welcome the tabling for due consideration in this forum of the document entitled *A fair globalization – The role of the ILO* also put forward by the Director-General. The Report draws on the conclusions contained in the Report of the World Commission on the Social Dimension of Globalization, which in our view is of crucial importance, given the evident inequalities that result from an inadequate governance of globalization. That governance of globalization in the way it has been implemented in terms of its rules and policies has become disjointed from considerations of social equi-

librium, and the rules and policies widen the existing poverty gap with inevitable consequences for our peoples.

In this regard, we agree with the view set out in the proposal by Director-General in the sense that, in order to achieve positive change in the globalization process and in order to achieve fairness, equal opportunities and social justice, we need to pool the determination, efforts and commitment of all social actors, with a view to planning and implementing international policies that promote the incorporation of a social dimension that would generate good governance and that would also favour nations that until now have benefited less from the globalization process.

According to information from the Panama's Ministry of the Economy and Finances, the Republic of Panama is one of the ten most globalized Latin American countries. Nevertheless, because of the inequalities caused by the implementation of a system of governance designed by more economically developed countries with the limited involvement of developing countries, when it comes to negotiating regulations there is a disadvantage: Panama is struggling against the consequences of this subjection and understands that the key to our countries joining the globalization process on equal footing is integration, through the adoption of joint strategies and by strengthening our regional position so that we are able to exercise specific influence on the implementation of new rules and policies for a fairer and more equitable globalization.

This is the direction of and the message contained in the second Panama Declaration which resulted from the special meeting of the Council of Ministers of Labour of Central America and the Dominican Republic, and which was signed in Panama on 20 May 2004. The Declaration proposes that we participate actively as a group in harmony with the different groups that already exist in the Americas, namely the group of the Americas (GRUA) and the group of Latin American and Caribbean Countries (GRULAC), by tabling initiatives that will enable our peoples to adapt successfully to the global economy.

By way of conclusion, my delegation wishes to thank the Organization for the interest it has shown in considering and finding a solution to this issue of great importance for the whole world and more particularly for developing countries. We reiterate our willingness as a country to join forces in this great mission, namely that of achieving a fairer globalization for all.

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*Original French: Mr. PERIGOT (representative of the International Organisation of Employers)*

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On behalf of the IOE, I would like to congratulate the Director-General on his Report on the implications of the report of the World Commission on the Social Dimension of Globalization for the work of the ILO. Over the last two years I have had the privilege of participating, in a personal capacity, in the work of the Commission and I would like to take the opportunity given to me today to express IOE's position on the way the ILO should react to the recommendations in the Director-General's Report.

The report of the World Commission recognizes the potential benefits of globalization and also recognizes its potential in terms of economic and social development. The conditions needed for this entail

giving real and serious consideration to the basic principles and values that must imbue the democratic market economy model. Essentially, this means that all the actors of a society resting on private initiative and a free market must shoulder their responsibility. They must all practise good governance and demonstrate commitment, be they citizens, governments, national institutions or international institutions.

The report recognizes the central role that business creation and growth play in economic development, job creation and hence, poverty alleviation. This is not a lone view. The Director-General was able to ascertain this as a member of a commission established by UNDP, which in its recent report *Unleashing entrepreneurship*, also clearly noted this fact.

*(The speaker continues in English.)*

The ILO response therefore needs to reinforce the fundamental message and the Director-General's statements in his Report that call for more to be done on employment creation and the creation of the economic conditions that would allow business to succeed have our full support. We have long argued that employment creation should lie at the heart of the work of the ILO. The Employment Sector should reinforce its programmes as part of the ongoing development of the Global Employment Agenda. Similarly, existing focuses on youth employment, the informal economy and skills development provide a ready-made response by the ILO to the recommendations of the World Commission. The World Commission also stressed the fact that the best way to respond to globalization was by first taking action at the local level. Again, the ILO is currently well placed, on account of its presence through a large national and regional network, to focus on the needs of its constituents. Each country is different, each country's needs and priorities are different. The strength of the ILO and its mandate lies in harnessing that national potential through strong social partners. The Director-General also emphasized this and we welcome his idea of paying more attention to strengthening the social partners so as to enhance their capacity to contribute to their national development.

The IOE believes that a major opportunity now exists for employers to intensify their efforts and give more focus to the numerous initiatives companies are taking on corporate social responsibility. The IOE is ready to actively explore areas of collaboration with the ILO in the labour field, including the international forum suggested in the World Commission report.

Over the last few years, the ILO has also provided a unique forum where topical issues related to the social dimension of globalization could be discussed in open and frank exchanges with governments and multilateral actors. The Governing Body's Working Party on the Social Dimension of Globalization should be further encouraged to bring to the attention of the ILO the views and issues that require debate. It is through this forum that the ILO and its constituents can really have an impact on achieving a better understanding among international and multilateral actors of the need for more collaboration and cooperation in meeting challenges of the future. The ability of the ILO to bring various actors together, its unique tripartite structure and its

relevant mandate combine within the Working Party to provide an avenue for dialogue which would be difficult to replicate elsewhere.

This discussion here is but one step in a process of working out ideas on how the ILO should respond to issues of relevance to its mandate. The debate will continue in November at the Governing Body where these ideas will be considered alongside others in the melting pot of the Programme, Financial and Administrative Committee. The ILO does not have unlimited resources and is unlikely either to have the luxury of resources sufficient to meet all the aspirations of its three constituents, so it will have to focus, be realistic in its expectations and give greater recognition to the tools and means of action it already has to respond to the issues that will, through social dialogue and consensus, be identified as being the business of the ILO.

The IOE is a network of 138 national employers' organizations in 133 countries, most of them in developing countries. It is the largest network of organizations both large and small representing the private sector, throughout the world. The IOE regards this report and its recommendations as an opportunity and it takes a positive proactive approach. We will strive to involve our members and to promote a debate within our organization on the Report's recommendations and its implications for IOE members at the national, regional and international level. The IOE now intends to engage with other international actors, such as the World Bank, UNDP, OAS, OECD and the development banks in exploring ways to spread the benefits of globalization to all.

We believe that there is, through effective follow-up, a great opportunity to show that the work of the ILO over the last 85 years was relevant and remains relevant to the world and that, by implementing that mandate, ongoing labour and social policy challenges can be addressed by the right actors of the world of work.

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*Original: Bosnian: Mr. HALILOVIĆ (Minister of Civil Affairs, Bosnia and Herzegovina)*

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I have the particular honour and pleasure of attending this 92nd Session of the International Labour Conference and of having a chance to extend regards to this Convention on behalf of the tripartite delegation of Bosnia and Herzegovina, Council of Ministers of Bosnia and Herzegovina and in my personal capacity. In this brief address I would like to congratulate the ILO for its decision to initiate preparation of the report of the World Commission on the Social Dimension of Globalization, to place it on the agenda and to launch a dialogue on issues pertaining to the economic and social objectives of the economy.

The reason for my pleasure in launching the global dialogue on this matter is the fact that globalization affects developing and poor countries in particular and the report seeks to highlight a need for the global processes to lead to enhanced justice and consequent global stability. As you are aware Bosnia and Herzegovina is a country in transition, in addition to being a country that emerged from the war several years ago and, among other things, it still has to cope with structural problems, mass unemployment and poverty. The devastating aftermath of the war is still evident, not only in its physical and economic structure, but also in its rapid accession to global processes. Furthermore, the war affected its most valuable asset, human resources,

human potential, the foundation of every society. Therefore, the report's emphasis on the effects of globalization on people's life and work, not least in the context of fairer socio-economic relations, makes the report particularly important for us.

The role of the ILO in shaping just globalization is not only part of its ongoing efforts to contribute to global stability, but also confirms its capacity to identify and react to the challenges of the modern world in a timely manner. I would like to take this opportunity to refer to the constant support the ILO has extended and continues to extend to Bosnia and Herzegovina which has yet to recover fully from the destruction of the war. During the war and in the immediate post-war period, international aid to Bosnia and Herzegovina was targeted primarily towards humanitarian aid and physical reconstruction and now it reflects more of a necessity to support the democratic processes in the country.

Through active partnership between the government and social partners, the ILO has drawn up and implemented the technical cooperation programme. This assistance has continued up until now and I would like to take this opportunity to extend, on behalf of the Council of Ministers of Bosnia and Herzegovina, words of thanks to both the ILO and bilateral donor countries, for their financial support in this regard.

I sincerely hope the assistance will continue, particularly bearing in mind the numerous challenges which Bosnia and Herzegovina is facing now, including those stemming from globalization. We are also fully aware of the delay concerning our fulfilment of some of the obligations in respect to ILO membership, particularly reporting on the implementation of the Conventions we have ratified.

On this occasion I would like to appeal for your understanding, taking into account the complex nature, the structure of Bosnia and Herzegovina and its slowness in forming its new institutions and fostering existing state institutions because the funding of these is a serious obstacle to the effectiveness and the speed with which we have delivered our commitments.

Finally, I wish this session of the International Labour Conference every success in its work.

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Mr. RYDER (Representative, International Confederation of Free Trade Unions)

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The International Confederation of Free Trade Unions (ICFTU) welcomed the report of the World Commission on the Social Dimension of Globalization, and today we welcome the Report submitted to the Conference by the Director-General. It serves well the purpose for which it was written: to enable the ILO's tripartite constituents to meet the challenge of putting this Organization at the forefront of the struggle for a fair globalization. The Commission and the Director-General have helped to take the globalization debate out of the crossfire of polemics and the halls of academia. They have offered a way to break the policy impasse which has allowed the injustices of the status quo to persist long after its dangers and its dysfunctions have become so flagrantly obvious.

We have before us today not another discourse on globalization, but a set of concrete proposals of the utmost significance. They are realistic; they are practical; they are pertinent to the key policy issues of the day; they deserve our support and our engagement. So the ICFTU's answer to the challenge

that the Director-General puts to us is yes; we are ready to play our role in improving the key initiatives he outlines and, more importantly, in making their implementation successful. The ICFTU is preparing for its own World Congress dedicated to the task of organizing and strengthening the capacities of our international movement to meet the challenges of globalization, and we will equally mobilize those capacities behind this agenda for justice in the global economy.

It is a strength of the Report that it recognizes that the values resoundingly proclaimed in the ILO Constitution and 60 years ago in the Declaration of Philadelphia have to be at the heart of any approach to globalization today. They call on us to prosecute the war on want with unrelenting vigour. It is a call that has frankly gone unheeded by the policy orthodoxies of the last quarter century which, with unrelenting monotony, have served up the same mantras that have got us to where we are now. Now, if we choose to act, we can put that right. It is a strength too that the Report argues so strongly that tripartism and social dialogue are essential tools for fashioning a fair globalization. Together these two constitute a tremendous statement of confidence in the objectives and the potential of our Organization. But it is clear equally that the ILO cannot and should not do the job on its own. Its mandate is wider than some have interpreted it as being. For different reasons, large parts of the ILO's mandates have been left untended for too long and that is to the detriment of the ILO and of the international system's work on globalization. Because just as different policy dimensions of globalization intersect, so too do the mandates of different international organizations. That does not have to lead us into a series of institutional frontier wars; instead, as the Report says, it points to the compelling and urgent need for cooperation and coherence between organizations.

So, let us set up the policy coherence initiative on growth, investment and employment. If it works well, then others must follow. Equally we urge the Director-General to act on the Commission's call for the ILO to take the lead in the establishment of the Globalization Policy Forum. We welcome too, the idea of policy development dialogues on foreign direct investment flows, and on corporate social responsibility and the vision of a global framework for migration, which can be advanced by work being done already at this session of the Conference.

The Commission rightly did not shirk its responsibility to call for acceleration of the universal realization of workers' fundamental rights. No issues, no challenge is greater than that of reversing those workings of the global economy which today offer reward for violation of workers' rights, for example, in the world's export processing zones, which do so little to promote their respect. So, the ICFTU welcomes the Commission's call to strengthen the ILO's international labour standards system and stands ready to explore constructively, with the Director-General, the specifics of how it might more effectively capture the essentials of the Decent Work approach.

This is of course at the very centre of the ILO's mandate. The Director-General is right to point to that respecting the rights of the world's workers depends on the commitment of numerous global actors and institutions. Trade unions understand and support the concept of decent work as a package of objectives of which universal respect of fundamen-

tal rights is but one. It is a logical, yet innovative step in making decent work a global policy objective to propose, as the Director-General does, that it be given form in a worldwide social economic floor for globalization. And so by placing full employment generation, generating a secure income, and universal access to basic social protection firmly at the centre of our agenda, the Director-General has reminded us of our responsibilities, and today there are global responsibilities to fight together the war on wants and against poverty and exclusion. And as we weigh today the likely results of acting on these challenges, let us ponder also the consequences of inaction. At this time of deep insecurity and conflict in the world, we should recall that social justice remains the surest guarantee of universal and lasting peace. And joining together to fight this war is our best contribution to making sure that we and our children will not fight others.

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*Original German: Ms. DEMBSHER (Government delegate, Austria)*

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In the wake of the discussion this morning, I would like to focus on the recommendations of the World Commission and the contributions of the ILO to the implementation of those recommendations in so far as they are covered by the ILO mandate.

The World Commission's report is a comprehensive picture of the socio-economic aspects of globalization and the proposals which have already been discussed with regard to strengthening the social dimension.

It goes without saying that Austria is also prepared to support other ways forward which have been proposed to allow decent work to become a goal for all international players. And in this respect, I would like to say a few words with regard to the recommendations of the World Commission.

Effective initiatives for a joined-up political approach are necessary – urgently necessary. Mechanisms must be defined more precisely with regard to how the core principles can become part and parcel of the activities of the Organization. The steps we have already taken in terms of growth, investment and employment are to be welcomed. A more joined-up, coherent approach can be achieved through recourse to and better use of existing structures. New bodies should only be set up in exceptional cases, where they can add some valid input to existing bodies.

A multilateral framework for investment is something that Austria has been calling for some time now. The WTO would indeed be an appropriate forum for such negotiations. At the same time, it is vital that social and ecological principles be taken into account.

With regard to the recommendations in the trade sector, I would like to point out that, in the WTO and at EU level, intensive work is being carried out with regard to solutions to this, in order to achieve the aim of the Doha Round – effective integration of the developing countries into the multilateral trade system. Now is not the time to go into the details of that, but what I will say is that the main and crucial factors here will be what consensus can be achieved to eliminate trade-distorting agricultural subsidies or to improve market access for agricultural and industrial goods. What will also be important is the degree of readiness of the more devel-

oped countries to provide improved conditions of market access for the developing countries.

It is vital that measures be taken with regard to respect for the human rights of all labour migrants and to ensure that migration can occur in a legal, well-ordered way and to combat human trafficking, racism and xenophobia are necessary or vital. However, before we generously encourage legal migration, the absorption capacity of the labour market and the implementation of minimum standards when hiring workers should be a priority.

Austria would be prepared to give its constructive support to a multilateral framework for a transnational mobility agreement, a formal mobility of persons which would indeed be comprehensive and balanced and be in the interest of the countries of origin and of reception. Because the low ratification rate of existing international standards is sometimes because of their inappropriate provisions. I could mention, for example, the United Nations Convention on the Protection of Migrants' Rights, which equates illegal labour migrants with legal ones.

The setting up of formal consultation structures, on the OECD model, with the international labour movement and the business community in the WTO, the IMF and the World Bank is something that Austria would basically not oppose, but we do raise the question of the value added of such a consultation procedure. In Austria, the social partners are very closely involved in shaping the position of national government with regard to those organizations anyway. And that seems to us to be a better way forward.

Since the Declaration of Philadelphia, the ILO's mandate has included an analysis function and a warning function with regard to the social consequences of international economic and fiscal measures. To do justice to this part of the ILO mandate, we must strengthen the economic expertise of the staff in the Office. Country audits with regard to the effects of fiscal and trade policy on social development should be carried out regularly by the ILO and appropriate international organizations and the results of those audits must be discussed and negotiated in coordination between all parties.

I have not been speaking only about ILO measures because, of course, an organization cannot rebalance globalization on its own. That is why it is important that governments should stand up for the integration of the aim of decent work and the protection of core labour standards in all international forums.

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*Mr. SWEENEY (Workers' adviser and substitute delegate, United States)*

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I want to thank the Director-General for his leadership in addressing one of the most difficult questions of our time: how do we bring the benefits of globalization to all people throughout the world? I am honoured to have served on the World Commission and to have had the opportunity to learn from and work with so many distinguished colleagues. A special thanks is owed to the co-chairpersons of the Commission, President Mkapa of the United Republic of Tanzania and President Halonen of Finland. They tackled a mission impossible. They had to focus Commissioners with very different perspectives, analysis and political realities to look at globalization through the eyes of people everywhere. The single most significant conclusion of the report was simply this: that decent work is the cor-

nerstone of creating a fairer globalization. The Director-General urges us at this session of the Conference to take this central conclusion “decent work for all” and help to make it a global goal, not just an ILO goal. This is the right challenge and the right question to put to this 92nd Session. The mandate of the ILO to influence all national and international policies of an economic and financial character with a view to promoting social justice has been reinforced by the recommendations of the Commission.

For what does that mean for our practical work? Let me highlight a few of the specific proposals: at the national level, it means that realizing the rights of workers to form and organize unions. In my own country that would mean that millions of workers would have the opportunity to form unions, to live their lives and have a voice on the job without the intimidation and harassment that is so pervasive in our organizing campaigns. A vibrant labour movement can then work to achieve many of the objectives laid out in the report, including constructing an economic floor to stop the widening income gaps between rich and poor that are evident in all regions; extending social security to the excluded; promoting living wages; reforming minimum wages, income taxes and welfare benefits for low-waged workers. At the global level, it means creating global growth through decent work coordinated through the multilateral system. This means taking on all the obstacles to fair and equitable development; influencing poverty reduction strategies (PRSPs) and the economic framework underlying traditional adjustment, budget and fiscal policy; eliminating labour abuse in the global production systems; and calling for far-reaching activities for the ILO in the export processing zones; improving the quality of employment in small- and medium-sized enterprises, and broadening activities to provide incentives and technical cooperation on all aspects of job quality; supporting the work of this Conference in addressing a new multilateral framework for migration; and, most significantly, we much achieve respect for international labour standards worldwide.

We need to establish global coherence in the multilateral system and to look at macroeconomic financial trade investment and labour market policies through a global policy forum. The ILO should also undertake decent work audits of the World Bank, International Monetary Fund and World Trade Organization, to review the impact of their policies and programmes on core labour standards and employment. There is much to do: we have a mandate and a mission, and the Director-General has asked us to mobilize for change. Now is the time to go out and organize for a world of decent work for all.

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*Original Russian: Mr. EREMEEV (Employers' delegate, Russian Federation)*

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The Report of the Director-General, *ILO programme implementation 2002-03*, which we have before us, gives us the opportunity to take a critical look at the main results of ILO activity in the last two years, particularly from the point of view of the practical implementation of the Decent Work Programme. We would like to applaud the way the Report is set out: it is very concise but informative, and it sheds light on the state of play with regard to each of the four strategic objectives. Of course, this document is something that we are seeing as if through the prism of pressing concerns which need

to be addressed by Russian employers, and also taking into account our experience of cooperation with the ILO.

If asked whether we have made any headway in terms of developing labour relations in The Russia Federation over the last two years, and whether our relationship with the ILO has been useful, we would answer “yes” without any hesitation. For two years now The Russian Federation has been living and working with a new Labour Code, incorporating the provisions of many ILO Conventions. By ratifying Convention No. 182, which bans the worst forms of child labour, The Russian Federation has completed the process of ratifying all eight core Conventions of the ILO. We are still working on the ratification of several other Conventions. We draw on ILO experience in our national programmes for poverty eradication, and in working to modernize our social, pensions and medical programmes, using insurance principles. Hand in hand with the ILO, Russian social partners are working on a series of practical projects, for example, to assess the social consequences of the Russian Federation’s accession to the WTO. The fact that there is a good relationship between the Russian Federation and the ILO can be seen from the recent extension of the cooperation programme to 2004-05.

At the same time, in discussing the question of the implementation of the ILO programme for 2002-03, I have to express a certain amount of concern, at least on three counts. Firstly, we object to the complete lack of corresponding assessments in the Report from the social partners; we feel that their opinions should be represented in some form, particularly with regard to the implementation of projects, and that this would enhance the objectiveness of the document and the effectiveness of the work of the ILO itself. Secondly, we feel some of the aims and indicators used in the programmes are too subjective and contrived, thus becoming devoid of any practical meaning in terms of assessing the activity of the ILO; and finally, as was also the case two years ago, we once again regret the lack of attention paid to the opinions of employers in drawing up and implementing ILO operational programmes. On the one hand, some projects are launched which we do not feel bear any relation to priorities, and on the other there is an attempt to finance programmes of great importance to Russian employers on a “left-overs” basis, and we must and will continue to object to this practice.

We would like to express our gratitude to the Director-General, Mr. Somavia, for this very informative Report on the possible ways and means of implementing the recommendations of the World Commission on the Social Dimension of Globalization. The broad programme of ILO activity contained in the Report, seeking to strike a better balance in the process of globalization, deserves serious consideration at meetings of the Governing Body. We are planning to play a very active role there. Here, however, we would like to make two general remarks. First of all, we feel the need to warn against too broad an interpretation of the mandate of our Organization; this is something which is contemplated in some sections of the document. We feel that the ILO should focus its attention primarily on creating effective jobs, through stimulation of and support for enterprise, training for staff and developing human resources. With regard to the need for a better balance in the process of globalization,

we feel this task should be achieved through the combined efforts of all the relevant international organizations.

We support the World Commission's report on the primordial importance of improving national methods of governance. In our opinion, the best contribution the ILO can make to fulfilling the World Commission's recommendations is not to broaden the theoretical debate but to provide practical assistance to the tripartite partners in achieving the aim of decent work.

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Ms. KNUSSERT (*Workers' adviser and substitute delegate, Denmark*)

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On behalf of the Danish Workers' delegation, I am proud to have the opportunity to congratulate you on having been elected President of this year's International Labour Conference.

The main theme for this year's Conference: *A fair globalization: Creating opportunities for all* is so comprehensive and so complex that we cannot cover it by focusing on a few individual issues. Generally speaking, all aspects of the way our societies act must be included in the discussions. Globalization is not an end in itself. Today, it is a precondition for the economic and social development of our society. Fair globalization can provide us all with invaluable benefits in the form of democracy, economic growth and equal opportunities for populations and nations.

Fighting globalization will prevent us from solving the world's most important problems and would create far more losers than winners.

I would like to thank the ILO for taking the initiative of setting up a World Commission on the Social Dimension of Globalization. The composition of this Commission alone contributes to giving the report political weight and promotes the discussion of and interest in the project. The proposal cannot be rejected simply on the grounds that it is yet another expert report. The challenge we all face is to secure the ILO initiative nationally. We need to define our own contribution to a national policy that provides the preconditions for globalization that creates opportunities for all.

My organization supports the initiatives of the ILO in favour of decent work, poverty reduction strategies and the promotion of regional cooperation.

Naturally, globalization is an issue which is also debated in Denmark. In our view, economic growth and low unemployment rates have always been closely linked with the possibilities of having free access to the European and global markets. This fact is hardly ever questioned in Denmark but there are, of course, many suggestions as to how Denmark should react to the effects of globalization. In Denmark, worst-case scenarios, such as millions of jobs will be moved abroad, have been proved wrong. Fears were, up to now, out of proportion. At the moment, Denmark has an unemployment rate of about 5 per cent, which is too high, of course. This contributes to increasing the fear of seeing workplaces moved abroad. The surveys made by the trade union movement show that, from 1993 to 2000, 126,000 new jobs were created in spite of the fact that imports and foreign investments rose considerably. This development primarily hit unskilled workers while there were more jobs for skilled workers and those who were highly educated.

My organization does not dismiss the possibility that outsourcing in workplaces may accelerate. However, we are of the opinion that a lot can be done to avoid any increase in the unemployment rate, but it requires taking conscious priorities.

The present Danish Government has given low priority to training and education and it has introduced user fees for adults and continuing education. The Danish trade union movement wants all young people to get a higher level of education. Those already in the labour market should have better opportunities of getting continuing education. Research and technology should, to a higher extent, support future development in the corporate sector. In Denmark, we traditionally have good cooperation between the social partners. The Danish Confederation of Trade Unions and the Danish Employers' Confederation, the two largest organizations in the Danish labour market, have recently concluded a collective agreement. In this agreement, we agree to jointly prepare a report on the international competitiveness of Danish companies with a view to examining how we can contribute to supporting a stable labour market. The continuous development of an efficient system of cooperation, bargaining and training is to be part of these discussions.

Allow me to mention a very concrete matter which is of importance to the Danish labour markets and relevant in connection with the ILO and globalization. In 1989, the organization I represent lodged a complaint with the ILO regarding the implementation of the Act of the Danish International Receipts Register. The Act discriminates against foreign seafarers without permanent residence in Denmark who work aboard Danish ships. These seafarers cannot be covered by a Danish collective agreement. The ILO Committee of Experts has asked the Danish Government to amend this Act time and time again. However, the Danish Government continues to refuse to bring the Act into conformity with the ILO's fundamental labour standards. I mention this example in order to illustrate that you cannot ignore problems in the international labour market by discriminating against certain workers and by ignoring fundamental rights that have been established by the ILO.

In my view, the ILO, the Heads of State from Finland and Tanzania, the Director-General of the ILO and the staff have provided an important contribution to improving international cooperation.

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Mr. SZIRMAI (*Employers' delegate, Hungary*)

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On behalf of the Hungarian Employers' delegation, I would like to congratulate the President on his election.

The year 2004 is an important year for Hungarian society. The first of May saw Hungary's accession to a Europe of 25. We Hungarian employers and entrepreneurs are aware of the enormous challenge this accession poses for us. In our ability to meet this challenge, a key element has been the fact that for a decade and a half now, we have been practising labour dispute prevention through a democratic reconciliation of interests and tripartite conflict resolution, with help from the ILO.

In the discussions in the National Council for the Reconciliation of Interests, which are in many cases hard and heated, we often complain about the limited time we have to formulate a professionally sound position reflecting often highly differentiated entrepreneurial interests. In addition, the lack or

unreliability of statistical data measuring the performance of the economy is another obstacle to arriving at a carefully considered position.

The Hungary of today is a stable market economy and a stable political democracy. A considerable part of its problems now stems less and less from the legacy of socialism and is familiar to advanced market economies as well. Yet, as employers we disapprove of the lack of resolve of successive governments over the past 15 years to carry out a reform of the transfer systems. Despite a pressing need for fundamental reforms, they continue to be delayed not only in public finances and health care but also in agriculture. The lack of reform perpetuates the need for a strong centralization of revenues and high taxes, which are detrimental to the ability of Hungarian businesses to withstand intensifying global competition. Centralized revenue concentration and redistribution induce tensions and contradictions at the regional level, while entrepreneurs continue to have a limited say in the decisions of institutions and organizations of regional distribution.

High taxation, and especially the high cost of labour, have led to the emergence in Hungary of a significant informal economy with its attendant labour market implications, including illegal employment and atypical forms of employment on the "shady side of the law". We receive a lot of help from the ILO, and in particular from the Budapest-based Central and Eastern European Multidisciplinary and Advisory Team, in managing these issues. Allow me to highlight an exchange of views on the questions of productivity and poverty which took place a few weeks ago in my country. We find that on many issues employers' interests and positions do not differ from the interests of society and the Government's position. On the contrary, in many cases employers tend in fact to be impatient, try to hasten decisions, and find that reforms and the Government move too slowly.

With its accession to the European Union, Hungary has once again become a border fortress (by "once again" I refer to a part of our history a few hundred years ago); therefore the problem of migration, handling the influx of a multitude of people seeking jobs in our country or just transiting through it is, and will be, of particular relevance to us. We have no doubts that the discussion at the 92nd Session of the Conference will be of assistance to us, as will the ILO's European Regional Meeting in Budapest, scheduled for early next year. As a host of the latter, I can assure you on behalf of the Hungarian employers that we will do our utmost for the success and smooth conduct of that European Meeting to make sure that the community of which we are now a full member finds its interests well served by it.

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Mr. MANGWANA (*Minister of Public Service, Labour and Social Welfare, Zimbabwe*)

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Allow me to commence my address by congratulating the President and his officers on being elected to preside over this session of the International Labour Conference. Their combined wisdom and experience in labour matters are essential to ensuring that the objectives of the Conference are met.

I would also like to congratulate the Director-General of the International Labour Office and his team for producing a Report, *ILO programme implementation 2002-2003*, which chronicles the Or-

ganization's activities over the period in a systematic manner. While the Report is informative about what took place, it also suggests in some instances action for the future. It is the forward-looking nature of the Report that interests us most.

The manner in which the activities of the Organization, in the context of the four strategic objectives, the pillars of the Decent Work Agenda, are presented, gives us hope in our collective endeavour to achieve social justice.

In the context of Zimbabwe, we are addressing some of the challenges posed by the Director-General as follows.

Firstly, to promote decent work: the issue of decent work does not arise without reference to the provision of work in the first place. Zimbabwe is a developing nation whose primary resources are its land and its people. Zimbabwe has recently finalized the land redistribution exercise, which has seen a reallocation of land from 4,000 farmers controlling seventy per cent of the most arable land to the black majority. This programme can only enhance decent work in the context of our nation, in which the majority of our people are either unemployed or in the informal sector.

Besides providing the resources for employment generation, we have been reviewing laws to ensure the well-being of workers at the workplace and in retirement. In this regard, we have undertaken the following: Firstly, we have reorganized and revamped occupational health and safety to refocus its activities on core business in order to reduce accidents at the workplace. Secondly, we have increased contributions and benefits in the national social security authority to meaningful levels. Thirdly, we have refocused the national social security authority to invest in policies to favour housing developments in order to provide workers with decent housing.

We are also in the process of introducing a national youth fund under the auspices of national social security to cover the provision of basic health and medical care to our workers.

As regards the role of the ILO, we see the ILO's role in globalization as a bridge between the developed and the developing nations. The structures and processes of the ILO must be sensitive to the expectations of both the rich and the poor. The tendency has been to understand the needs of challenges of the "first world". If this does not change with the times the role of the ILO may be threatened.

We are ready to work with the ILO to forge a partnership to embrace the challenges of globalization.

As regards the mobilization of tripartism, in Zimbabwe we have well institutionalized tripartite forums which can be harnessed to ensure that the local and global challenges of globalization can be met to foster decent work.

Good governance is the enemy of bad globalization. The ILO therefore must strive to build a global team with universally applied rules and sanctions to ensure the success of the decent work programme through proper globalization governance.

I wish to point out that as a member of the African Group of the ILO Zimbabwe welcomes the initiative of the Director-General to engage the African Heads of State and Governments under the auspices of the African Union, on employment and poverty. Unemployment and poverty are the major



challenges confronting Africa today, in addition to HIV/AIDS.

We look forward to meeting you in Burkina Faso.

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*Original Spanish: Ms. MUÑOZ (Employers' adviser and substitute delegate, Venezuela)*

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We are certain that the President's wide experience will ensure that this tripartite event will be successful because it will help confirm the values and objectives that we share, in order to bring about full freedom, genuine democracy, respect for human rights as well as for obligations, responsibilities and rights which are required of members of this Organization within the United Nations system.

It is the first time that I have had the honour of addressing this assembly and I do so as president of FEDECÁMARAS (the Venezuelan Federation of Chambers and Associations of Trade and Production), which is the most representative employers' organization in Venezuela, founded in 1994, sixty years ago.

FEDECÁMARAS has shared and supported the activities of the International Labour Organization in the quest for social justice advocated by the ILO, whose objectives are clearly identified in the statutes governing our organization.

As has been stated time and again by the representatives of FEDECÁMARAS in the ILO and in the Governing Body, I wish to affirm our deepest respect, acceptance and support for everything covered, both directly and indirectly, in the Declaration on Fundamental Principles and Rights at work.

We believe that freedom of association and the right to organize, as well as building democracy with due respect for private property and due respect for both national and international investment are fundamental pillars that we have to require from our governments as a prerequisite to foster development.

It is impossible to think of the existence of a government that calls itself democratic and which portrays itself as such in the international community, when it fails to respect or undermines, overtly or covertly, what is the very *raison d'être* of the ILO, that is to say, the application of tripartism and fruitful social dialogue with the most representative organizations of workers and employers in an atmosphere of freedom, not only of association, but also of expression.

With regard to globalization, Venezuelan employers agree with IOE and offer our most sincere support for a process of integration.

However, due to the radical opinions which this subject has prompted, I would like to stress that at FEDECÁMARAS, globalization is not a rigid dogma; that is, we understand this process as an integral part of our time, with both positive and negative elements, which each country has to adapt to its own national reality.

At FEDECÁMARAS we are very clear that, in order to capitalize on the advantages of globalization, to minimize its risks and to fulfil its social role, it is indispensable that it is founded on an effective democratic state, supported by the balance of powers, with autonomous institutions, and that the rules be applied transparently and fairly by respecting the abilities and needs of each country.

Likewise, we are convinced that globalization must encompass a concept of solidarity in order to help remedy the unacceptable inequalities between countries, with the aim of eradicating poverty in all

its forms through decent work fostered by the ILO, to which each human being has the right to aspire.

We consider that the tripartite deliberations and decisions which brought the ILO to approve unanimously the Declaration on Fundamental Principles and Rights at Work, as well as the culmination of the excellent work of the World Commission on the Social Dimensions of Globalization, which was rightfully appointed by the Director-General, are today, as never before, guiding examples and cornerstones to channel and guide the tripartite components of the ILO in its future action.

This global forum has the full support of Venezuelan private-sector employers, to ensure that in this, the twenty-first century, the gap between rich and poor countries is reduced, for the benefit of all, achieving real growth which allows economic growth in all societies, improving the quality of life for individuals, while preserving the spirit and the cultural values of every nation, all within a framework of democracy, freedom and peace.

I must conclude with a brief mention of my country, Venezuela, by asking for your firm support for the complaint made jointly by the IOE and FEDECÁMARAS to this distinguished Organization, so that it may receive the backing of this Conference.

Venezuelan employers hope that our country can overcome, through growth, and as quickly as possible, the political, social and economic crisis we are currently experiencing.

I hope that you understand the urgent need for support in the areas mentioned.

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*Mr. DOWLA (Employers' delegate, Bangladesh)*

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I congratulate the President and the Vice-Presidents on their elections at the 92nd Session of the International Labour Conference.

I also congratulate the Director-General on his excellent Report to the Conference. The Report does justice to the task given to the ILO under its 1919 Constitution and the 1944 Declaration of Philadelphia, stating that poverty anywhere constitutes danger to prosperity everywhere. It is correctly stated in the Director-General's Report that work is the principal route out of social injustice and that, to create work, the economy must generate opportunities for investment, entrepreneurship, job creation and sustainable livelihoods.

Since there is a strong correlation between social justice and poverty, South Asia has the misfortune of having the worst scenario of social justice, as the highest number of poor people live there. Despite the improving GDP growth rate, progress in poverty alleviation has been slow in most of the countries. In fact, the number of poor people – that is, those living on less than one dollar per day – has remained roughly unchanged over the last decade. Most of the South Asian countries have taken up major economic reforms to reduce poverty and inequality, but the basic problem is that the poor, being assetless and unskilled, are not able to respond adequately to the new opportunities. Thus, there is a need for empowerment and skills development, but most of the South-Asian countries are handicapped in this regard, due to constraints on resources.

The fact remains that the poorer South Asian countries are finding it difficult to have the requisite access to markets in the developed countries. There are empirical studies on the reasons for this.

The ILO should have major involvement to ensure that, as per the Doha Declaration, the international community provides substantial resources for trade-related technical assistance to needy countries. The ILO and other international development organizations must ensure that these commitments are honoured.

It is a fact that the share of the Least Developed Countries (LDCs) in world trade has not increased as a result of globalization. Studies show that in recent years globalization processes have adversely impacted on poverty and on the LDCs which adopted an open trade regime. Poverty is increasing. It is feared that this trend will continue until such time as the poorer countries are provided with higher levels of development assistance and greater inflow of private capital.

What is particularly alarming for us is the scheduled phasing out of the Multifibre Arrangement (MFA) by January 2005. This will cause serious dislocation in our textile sector, which employs more than 20 million people in our country of which 75 per cent are women. Regional trade also seems to be in jeopardy due to tariff and non-tariff barriers. While improved market access and technical assistance by the developed countries can make important contributions to decent livelihoods, it is important to note that the poorer countries themselves need to undertake appropriate reforms and create a congenial investment climate in their own countries.

Also, LDCs should make greater investment in rural infrastructure so as to increase agricultural productivity, and promote industries in rural areas, where the bulk of their poor people live.

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Mr. ZARB (*Workers' adviser and substitute delegate, Malta*)

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I want to congratulate the Director-General for his well sounded and fine-tuned Report and for his clear vision of how globalization can be fair and how it can be adjusted to benefit all.

Today, the world is still entrapped in a global recession and a global crisis, which have led to the creation of a lot of imbalances between and within many countries. This will certainly remain a very serious worry in the twenty-first century.

Very often we hear that globalization is more or less solely associated with economics and that it forms the worldwide free-market economy. However, the greatest impact of globalization seems to be on the worker, who is made to shoulder the worst consequences without any hope of reaping the benefits.

Globalization tends to undermine national protection of workers' fundamental rights, which are being weakened in many countries. Such a situation entirely substantiates the Director-General's assessment of globalization.

The General Workers' Union of Malta thus fully agrees with the proposals made in the Director-General's Report and also with the main conclusions of the World Commission on the Social Dimension of Globalization, which stresses the need for well functioning labour markets and appropriate restructuring processes together with wider adjustment policies.

In fact, this year, the General Workers' Union launched its national campaign on the right to work, in order to achieve two objectives. The first is to increase awareness of the rising level of unemployment while at the same time pushing for immediate decisions to be taken to lessen the hardships on the unemployed and to increase our competitiveness and thus create new job opportunities. This campaign is based on the same lines as the ILO is proposing.

We especially emphasize the need for more training to have a more employable labour force which attracts higher value-added industries. This is based on our belief that the solution to more competitiveness is not cheap labour through the worsening of the conditions of work, but to have a better-trained workforce which is then prepared to be employed in high-tech modern industries.

But, to achieve this aim, we need a framework of social dialogue and social justice. Social dialogue is needed, as all social partners must feel that they are stakeholders in this process, and it must be ensured that the approach will be such as to avert unnecessary hardships.

The last remark I want to make is that of social justice. Social justice highlights the need to reinforce rather than dismantle the social security system. This is contrary to the current strategies promoted by most governments, for we have, unfortunately, been witnessing for a long time the implementation of policies to curb the welfare State.

The impact of such policies is to inflict hardship and social injustices on pensioners, workers and their families.

The threat to the welfare State has not only caused hardships to these sectors of society but also insecurity to all strata, which, in turn, has had the effect of creating a downturn in economic activity, which had produced rising unemployment.

As the Director-General's Report stated, good support systems are needed to combat social exclusion, smooth out structural changes and enhance workers' skills and productivity and the competitiveness of enterprises. We believe that this will be the win-win situation.

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*Original French:* The PRESIDENT

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Before closing this sitting I would like the Clerk of the Conference to take the floor to make an important announcement.

#### **RATIFICATION OF AN INTERNATIONAL LABOUR CONVENTION BY CUBA**

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*Original French:* The CLERK OF THE CONFERENCE

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I am pleased to announce to the Conference that on 1 June 2004, Cuba deposited the instrument of ratification of the Maternity Protection Convention, 2000 (No. 183). This Convention will enter into force in that country on 1 June 2005.

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*Original French:* The PRESIDENT

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We have reached the end of our sitting for today. I should like particularly to thank all speakers for complying with the allotted time limit on speeches, and I now declare this sitting closed.

*(The Conference adjourned at 7.15 p.m.)*

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