



## Third sitting

Monday, 20 February 2006, 10.20 a.m.

*President: Mr. J.-M. Schindler*

### PRESENTATION OF THE REPORT OF THE DIRECTOR-GENERAL

*Original: French* – The PRESIDENT

It is a great honour for me to open this third sitting of the 94th (Maritime) Session of the International Labour Conference. It will be the first sitting dedicated to the discussion of two reports: the one that has already been introduced to us at the first plenary sitting by the Chairperson of the Governing Body; and that of the Director-General on developments in the maritime sector which will be introduced to us now.

I now give the floor to Mr. Somavia, Secretary-General of the Conference and Director-General of the International Labour Office.

*Original: French* – The SECRETARY-GENERAL

I feel bound to say that I am not going to be talking about the Convention exclusively, but other innovations as well, such as the bell which the President has placed at the centre of our meeting. He has just told me he is going to appoint me “keeper of the bell”. This is very important for the Director-General of the ILO.

*(The speaker continues in English.)*

Let me extend a special welcome to our friend Mr. Mitropoulos, Secretary-General of the International Maritime Organization.

The presence of so many ministers and high-level representatives of workers and employers is testimony to the importance you give to this moment. Thank you for taking the time to be here.

I now have the privilege of presenting my Report to this Conference. It deals with the activities of the Organization in the maritime sector and recent developments affecting that sector. I welcome your comments, but in fact, let me concentrate on just one issue. You are actors of the most significant development of this very juncture. Maritime labour history is being made here and now, and it is being made by you. Ten days ago, I said you have the potential to make history, and this is not very often given to us in our professional work. Well, with the end of the Committee of the Whole, you will have in fact made history once the Convention is approved in this same hall.

This Maritime Session of the International Labour Conference, the tenth in our history, is the culmination of five years of international social dialogue, and I would like to touch on four areas: your ac-

complishment in agreeing on a text for a Maritime Labour Convention; the implications of the Convention for dealing with globalization; the cooperation needed for ratification and implementation; and some short comments looking ahead from the perspective of the ILO.

What you have accomplished is truly remarkable. You have crafted a modern Convention based on the historical values of the ILO; an instrument consolidating 38 Conventions and 30 Recommendations focusing on the needs of the industry.

It is impressive to observe the synthesis of innovation and good common sense learnt from your shared experience of work and life at sea.

Let me say how much I admire one defining aspect of your work. You have conducted your business with a sense of community, of mutual understanding and respect, of shared identity, ultimately, of common interests. That is the real foundation for cooperation and healthy and beneficial competition. You have shown what a truly global community at work, the maritime community, can achieve.

In our competitive world, you are winning the competition for innovation and relevance in standard setting and you are showing the way to other employers’ and workers’ organizations and to the ILO’s tripartism. You are showing the advantage of creativity, cohesiveness, imagination and, of course, daring – not being afraid to tackle new ideas, look at new options and thus creating new opportunities for your industry.

Your industry is highly globalized. The tremendous increase in the volume of world trade over the last 50 years has not come about just because of reduced import barriers or better telecommunications or infrastructure. It is also a direct result of the massive increase in productivity of the shipping industry.

The speed with which goods are moved around the world has increased dramatically and the cost has fallen exponentially. Without you there would be no globalization as we know it today.

You have tackled difficult issues that derive from the pressures and tensions that accompany globalization. You have responded by seeking ways to ensure that justice and dignity for those who work at sea are integral to strategies for achieving competitive and quality shipping. So, beyond the special features of your industry, many of the challenges you have to deal with – and the framework in which you operate – are also faced by others.

Governments everywhere are trying to manage and develop national economies as specific sectors while also dealing with the demands of adjustment to financial and trade liberalization. They fear loss of competitiveness or unfair competition and its consequences for national economic prospects. They also fear its impact on people and their jobs.

Enterprises are themselves struggling to succeed, grow and survive in the face of intensifying competition in domestic, regional and global markets.

And workers often feel that they are at the receiving end of these tensions. We see increasing pressure on them at the workplace: pressure on their income, their stability and working conditions and opportunities and, while some thrive where the going is good, too many experience globalization as uncertainty and loss of opportunity.

This reality is compounded by diverse national situations, as well as different and competing socio-economic expectations and demands within our societies.

Thus, the social dimension of globalization, what happens to people, families and communities in globalization is now at the heart of political debates everywhere, and I believe that the ILO has played a certain role in putting that issue on the global agenda.

Governments must confront the policy dilemma of how best to serve and represent the common interest of their citizens. They ask: "What is the national interest in dealing with globalization?" Their experience of globalization and of the international trade and financial regime may lead them to conclude that few options are available. Their response can sometimes include calling into question the value of international labour standards – even those aimed at ensuring decent working conditions for their own people, whether in developed or developing countries. Yet poor working conditions and jobs at any cost, we know it well, cannot be the basis of a sustainable development strategy or of international competitiveness. In the face of the pressures and tensions that have accompanied the benefits of globalization, what we hear is not rejection of globalization, but a call for globalization to be fair, and I think that this is very important – beyond all of the criticism and all of the problems that you know globalization is facing. When you go down and ask people, "Well, what is it that you want?" they say, "Look, we want it to be fair, we want to be able to be part of it with fair rules of the game. I am not afraid to compete, but let us make sure that I have the opportunity to compete." So fairness is at the heart of what the whole issue of globalization is about. If it continues on a track that does not ensure fairness for people, people are not going to believe in it. They are going to turn away. If they have the feeling that efforts are being made to bring fairness to globalization, they will say, "Yes, I would like to be part of the benefits of globalization, I would like to be part of what globalization can bring in terms of a better life for my family, for my community and for my country".

So a fair globalization requires that processes, regulations and rules of the game be fair for everybody. At the same time, the market should have the necessary space to perform its key functions for the economy and for society. In the search for solutions, it has become more and more evident that there can be no lasting success with purely national solutions to global problems. We at the ILO are at the fore-

front of trying to find a balanced and constructive way forward, and when I use the word "balanced", I use it with a profound awareness. These types of issues can only be addressed if we bring a range of diverse sensitivities and interests to the table and see how we can go about solving them.

Consequently, an institution that brings together governments – of the developed and the developing world, employers and workers, probably has the biggest chance of finding common ground which is balanced because, obviously, in an ILO decision nobody can run away with the ball. We all have to understand that somehow we have to find something on which we can all agree and move forward. This is the best potential that we have, in looking for solutions for globalization. This is the best opportunity that we have, which is social dialogue and tripartism. They are key tools in getting beyond policy and ideological dead ends.

We know that we can reconcile the pressures for productivity and competitiveness with sustainable development and improvements in living conditions for all.

And why am I saying all of this to you? Because in the maritime sector you have just shown that this can be done. You are leading the way in developing an innovative, integrated approach to ensuring that the industry moves together in securing decent work for all seafarers, wherever they come from and wherever the vessel they are working on comes from.

You have recognized that poor working conditions and quality shipping cannot go together, and you have put a socio-economic floor to global competition in your sector.

The industry is, of course, highly competitive. That is one of the factors that has driven the improvement in performance. This competition will continue, based on fair and well-conceived common rules for fair competition and on cooperation to ensure that they are followed. The Maritime Labour Convention shows that tripartism can give constructive responses to the challenges of this globalized industry and to globalization more generally but, as I have so often said to you, it is clear that the capacity of the social partners for tripartism in the maritime sector in particular is far ahead of other sectors. I think you should be proud of what you represent and, at the same time, you probably have an enormous responsibility to be able to show other sectors that these things can be done, that this approach can be successful, that by thinking together in terms of your common interest you can move ahead in the interests of seafarers, shipowners and governments.

So let me just synthesize what the text of this Convention means to me: to establish a clear definition of rights; to allow a necessary degree of discretion in the delivery of those rights with transparency, accountability and consultation; to enable the Convention to develop further with the needs of the industry as the industry evolves; and to provide an assurance of universal application and enforcement measures, and thus ensure a level playing field worldwide.

Let me say that I believe that international jurists will be writing about this instrument for years to come. That is a tribute to the vision and commitment of each and every one of you.

Let me turn to the Convention and the multilateral system. The very first Article of the Convention

requires Members to cooperate with each other for its effective implementation and enforcement. This means cooperation between countries and between international organizations and other international intergovernmental organizations, as well as the many interested non-governmental organizations. It also means full scope for cooperation between them and the social partners. This Convention connects with the developments in the multilateral system. The Convention is consistent with the strong movement towards better integration of work among the organizations of the system. It has been designed so that relevant elements mesh well with the established systems of the International Maritime Organization.

Both Organizations believe that the safety and security of a ship and the protection of the marine environment will ultimately depend on the quality of seafarers on board. "Quality shipping" cannot be achieved without decent conditions for those who work and live on the ship. It means that the human dimension of the industry must be valued in the same way as the physical and environmental dimensions. This understanding has guided the long-standing cooperation between the International Labour Organization and the International Maritime Organization, and has continued, of course, in the development of this Maritime Labour Convention.

I must say that the success of this collaboration also extends to many practical day-to-day problems of seafarers. For example, Secretary-General Mitropoulos and I recently wrote jointly to relevant flag States concerning a number of abandonment cases to seek their urgent intervention in resolving these matters.

But beyond the IMO, this consolidated instrument also envisages cooperation among all relevant organizations. Consequently, it helps to promote co-ordination and avoid fragmentation, duplication and a waste of scarce resources.

My friends, this text has achieved a wide consensus. When adopted, ratification and then implementation will be the next challenges. The commitment and cooperation that you have shown in developing the instrument will be key for the future stages.

Let me commit the ILO and myself to a systematic effort in that direction. I had the honour last week of receiving Mr. David Cockcroft, General Secretary of the International Transport Workers' Federation, and Mr. Chris Horrocks, Secretary-General of the International Shipping Federation. I told them that what we now need to do is to work together to ensure that the next stages have the same dynamism and the same strength that you have given to the formulation of the Convention. And I committed myself to doing that.

So I think we must strategize together, first for ratification and then for implementation. The prospects for ratification have been an integral part of the discussions and the concerns expressed have been addressed in the development of the instruments, so we might conclude that early ratification is a reasonable expectation, but we cannot take this for granted.

We must now become advocates for ratification with parliamentarians, with concerned ministries, with all who have a stake in the maritime sector.

We must be effective agents for promoting the importance, the significance of this Convention in and beyond the sector.

We will need to monitor progress and revise the strategies as we assess the rate of ratification.

In addition, we must recognize that there are, today, different capacities for implementation. Solid partnerships will be needed, as well as resourced programmes to provide technical cooperation where necessary.

The ILO is ready to work together with the maritime world to provide the assistance that you consider appropriate. Requests for ILO assistance have already begun.

To respond, we plan to put together a significant technical cooperation programme. But to do so we will need the support of those who understand the significance of this Convention for a more stable world economy and are able to underwrite such initiatives, because we must sustain the momentum.

The process and the product will be fully meaningful when it has been ratified, implemented and enforced to ensure decent conditions of work for all who work at sea in a productive and competitive industry. In order to get there, we obviously have a major task ahead.

In conclusion, let me quote the writer Mark Twain. He once said, "Twenty years from now you will be more disappointed by the things that you didn't do than by the ones that you did do. So throw off the bowlines. Sail away from the safe harbour. Catch the trade winds in your sails. Explore. Dream. Discover."

All of you have taken up the challenge and sailed towards uncharted waters. And your work has delivered us to new territory – a place that not only will help ensure decent working conditions for the world's seafarers, but also moves us to a higher plane of innovative approaches to address globalization.

You have dared to dream and discover and do. And, if I may say so, with your feet on the ground, and for that, of course, we have to thank you.

May others, on the many issues on today's ILO agenda, dare to dream, explore and discover. It is, I believe, the biggest challenge we face as an institution. I have often spoken of a "cohesive tripartism", based on a sense of common purpose and a way to permit us to confront objective differences of interest in ways that promote the highest common denominator. A forceful tripartism that proves its work through action, a united tripartism that reaches up and out and shows how the sum can be much greater than the parts. You, the maritime sector, have brought this notion of a cohesive tripartism to life. We must ensure that 20 years from now, on other issues, we will not look at missed opportunities but rather at fulfilled expectations. Let us take pride in your accomplishment as we forge our way forward together. Full steam ahead.

Thank you for the historical job that you have done.

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*Original French: The PRESIDENT*

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Thank you, Mr. Somavia, for that extremely stimulating introduction to our discussion today. It has really set the scene for the debate which we will be beginning in a few minutes. But, before we do that, allow me to recall, on behalf of the Officers of the Conference, a few rules which will govern our work today. They were established by the Working Group on the Programme and Structure of the ILO, approved by the Governing Body and communicated to the Conference in 1967. They are to be

found in paragraphs 54 to 58 of the report of that Working Group and also in the *Conference Guide* which you have all seen and which I will not go into now.

I am sure that each one of you will show, during the debate, a spirit of openness and reflect the dignity worthy of this highest international institution dealing with social and labour issues in the maritime sector. Freedom of expression is a fundamental concern for the International Labour Organization, but in order for this right to be exercised in a climate of mutual respect, it is essential that all of the speakers use parliamentary language, respect established procedure, keep to the points under discussion and avoid raising questions outside the area of our discussion. We must submit ourselves to a certain level of discipline if we want our work to succeed.

The time of statements is limited to five minutes by the Standing Orders of the Conference. As you know, all the delegates and the ministers at the Conference are invited to take into account this time limit when they prepare their statements in order to avoid being interrupted before the end of their statements. It is worth noting that a five-minute statement, read out at a reasonable pace in order to allow effective simultaneous interpreting, corresponds to about three double-spaced pages.

The only exceptions to this rule are the spokespersons of the groups who, by virtue of their position as spokespersons, have the right to speak for longer and, of course, the special guests of the Conference.

The delegates who will be speaking tomorrow are invited to submit to the Clerk a typed copy of their statements this afternoon before 5 p.m.

I would remind you that this year, the statements made in the general discussion and their simultaneous interpretations into the other Conference languages will be recorded on a DVD which will be made available to participants from the following day. The recording in the original language is authoritative. Any simultaneous interpretation of a statement, may, despite every effort to ensure that it is as faithful as possible, contain inadvertent errors due to the conditions under which the recording is made. I would therefore ask you, in reading the text of your statement, to follow the text as submitted to the Clerk in order to ensure a faithful interpretation.

Furthermore, the text of the statements will be published as submitted in a *Provisional Record* of the Conference. This document will be in three languages (French, English and Spanish) and each speech will be published in the language chosen by the Government for its official correspondence with the ILO.

Having recalled these rules, I would now suggest that we begin our debate. The first person on my list of speakers is Mr. Crumlin, Workers' delegate, who will be speaking on behalf of the Seafarers' group.

*(The sitting continues with delegates' statements.)*

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*Original French:* The PRESIDENT

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We have now then come to the end of our programme for this morning. I thank you and we will meet again this afternoon to continue our work. We will then have our special guests with us. Mr. Mitropoulos, the General-Secretary of the International Maritime Organization, and Ms. Yrvin, the Deputy Minister for Trade and Industry of Norway.

*(The Conference adjourned at 12.35 p.m.)*

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