



INTERNATIONAL ORGANISATION OF EMPLOYERS
ORGANISATION INTERNATIONALE DES EMPLOYEURS
ORGANIZACION INTERNACIONAL DE EMPLEADORES

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After more than two weeks of difficult and lengthy discussions I am happy Mr Chairperson to report to you, not only a successful outcome from the Committee of the Whole – a resolution entitled - “**Recovering from the Crisis: A Global Jobs Pact**” – but a strong endorsement of this product by the tripartite partners.

We achieved this outcome through a spirit of cooperation, one that started back at the November Governing Body and again in March, and was maintained right up until we concluded our work yesterday.

We achieved this Mr Chairman, because we – employers, workers and governments – understood the responsibility before us. We understood that the stakes were high. We understood that *'failure was not an option'*.

In summary, Mr Chairperson we achieved this excellent outcome because we recognised collectively the powerful message that a consensus *solution-orientated* product would send.

Let me now, highlight just a few elements from the Pact and why we as employers so heartily support it.

First, it is a practical framework for practical action at national level

The Pact is a roadmap for the period ahead and a resource of practical policies for the multilateral system, governments, workers and employers that will enable each country to formulate a policy package specific to its situation and priorities. In short, it avoids any prescriptive 'one size fits all' approaches.

Second, it promotes market principles

The Pact not only clearly promotes efficient and well-regulated trade and markets but it also sends a strong message on the need to avoid protectionist solutions.

It clearly promotes the need to create and sustainable enterprises as the way to achieve productive employment and decent work. In particular it very explicitly recognizes the contribution of small and medium-sized enterprises (SMEs) and micro-enterprises to job creation, and the need to promote measures and the regulatory environment conducive to their growth.

The issue of informality is also clearly highlighted and the need for strategies to achieve the transition to formal employment.

Third, it recognizes current realities faced by enterprises

The reality is that many enterprises are struggling to survive, some are going out of business, others are laying off staff. The pact practically calls for schemes to help firms get through the crisis such as work-sharing and partial unemployment benefits. For those who are out of a job it suggests *inter alia* focusing on measures to maintain employment and facilitate transitions from one job to another as well as support access to the labour market for those without a job and implementing vocational and entrepreneurial skills programmes.

Fourth, it underlines the importance of Social protection

The pact resists the call for a utopian 'universal global social protection floor'. Instead it calls on countries to build towards adequate social protection for all on a national basis noting the key importance of social protection systems in tackling the crisis and helping in particular the most vulnerable. It additionally underscores the importance of improving the efficiency and effectiveness of social protection systems.

Fifth, it maintains a focus on skills and education

Education and training remain the most important means to improve employment prospects and are key to future growth and productivity. To do this the Pact notes the need to increase equal access and opportunities for skills development, quality training and education to prepare for recovery

Effective, properly targeted active labour market policies are all clearly signposted in the Pact as key tools to be utilized in recovery plans.

Six, it emphasizes the vital role of dialogue

At a time when confidence is at low ebb, enhanced dialogue is needed to overcome mistrust and find agreed ways forward. Not surprisingly the Pact emphasizes the important role dialogue can play, especially in times of heightened social tension, in helping to find solutions.

Let me now turn to the challenge before us and in particular for the ILO

I said at the start of the conference that what we need first are words, then action. Well Mr Chairperson, *we have our words. We have our Pact.*

We as constituents have done our bit. We have created a comprehensive roadmap built on a strong consensus. It is a remarkable achievement.

Now comes the hard bit – the action.

I fully accept what the Director General said this week that we all have a responsibility to utilize this Pact in formulating solutions. Employers will not shrink from that responsibility.

In doing so, let me now set out our expectations.

First, we ask the Director General to write to all Member States asking them how they intend, in tripartite terms, to utilise the Pact. We suggest the Office come back to the Governing Body at a future point with an analysis of how these concrete efforts are progressing.

Second, we suggest that the International Labour Organizations' presence at the forthcoming G20 Summit at Pittsburgh is a tripartite one.

Third, that we use the G20 meeting in "Pittsburgh" as a "Pit-stop". We have a useful product to convey to global leaders but we need at that stage to communicate to them how we are utilising it at national level.

Fourth, that the Office directly supports Employers and Workers' organisations in developing strategies to exit the crisis. In many cases our organizations need deeper assistance for more effective national policy engagement. This will require additional resources.

Fifth, that the Office becomes the central point in providing information on what is happening in labour markets globally in terms of crisis responses. This work should be done in collaboration with the OECD and the World Bank.

Sixth, that "Helpdesk/Policy Contact Points" where governments, workers and employers can access information and guidance on what is happening in given policy areas across regions and sectors are established across the Office.

Finally, that support for sustainable enterprise creation and development programmes are scaled up.

Change and reorientation needs to be reflected in budget lines. This will entail that some issues are downgraded in importance along with cuts from existing programmes, while others are strengthened. This information needs to be presented in operational terms to the Governing Body.

The Pact is above all grounded in areas of ILO mandate and competency and it reinforces the primacy of the ILO in labour market issues. It now lays out for the ILO a framework for the next four to five year period in assisting constituents.

Let me conclude now with these words.....***Let the work begin!***

THANK YOU