



THIRTEENTH ITEM ON THE AGENDA

**Report of the Committee on Employment
and Social Policy**

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1. The Committee on Employment and Social Policy met on 8 and 9 November 2000 and was chaired by Mr. Payaman Simanjuntak (Government, Indonesia). The Employer and Worker Vice-Chairpersons were Mr. Niles and Mr. Ito, respectively.
2. The Committee had the following agenda:
 1. ILO relations with the Bretton Woods institutions.
 2. The functioning of the Committee on Employment and Social Policy
 3. Outcome of the Special Session of the General Assembly of the United Nations: World Summit for Social Development and Beyond – Achieving Social Development for All in a Globalizing World (Geneva, 26-30 June 2000).
 4. Outcome of the Special Session of the General Assembly: Women 2000 – gender equality, development and peace for the twenty-first century (New York, 5-9 June 2000).
 5. The World Employment Forum, 2001.
 6. Effect to be given to the Conclusions concerning human resources training and development, adopted by the International Labour Conference at its 88th Session (2000).
 7. *World Labour Report 2000: Income security and social protection in a changing world.*
3. The items were discussed in the following order: 1, 2, 5, 7, 3 and 4. Owing to lack of time, the Committee was unable to consider item 6.

I. ILO relations with the Bretton Woods institutions

4. The representative of the Director-General (Ms. Ducci, Director of the Bureau for External Relations and Partnerships), introducing the Office paper, pointed out that although it reflected developments since March, the Committee, in its discussions, might wish to take into account the Office papers on relations with the Bretton Woods institutions that had been issued in November 1999 and March 2000,¹ but there had not been sufficient opportunity for discussion. Those papers had reported on important policy developments and the strengthening relationship between the ILO and the Bretton Woods institutions, particularly in the light of the Director-General's visit to the World Bank in March. The present paper provided an overview of the most recent policy developments, an outline of the special focus on cooperation in the related comprehensive development framework (CDF) and poverty reduction strategy paper (PRSP) processes, and progress in other specific areas of collaboration, including follow-up on the agreed areas of cooperation with the Bank, as reported in March.
5. The progressive convergence of and complementarity between the objectives of the ILO and the Bretton Woods institutions had opened up increased opportunity for effective

¹ GB.276/ESP/5 and GB.277/ESP/4.

cooperation, especially in the CDF/PRSP context, where an important focus was on the development of effective country ownership and broad-based participation. Here the ILO's two main objectives were to place employment and labour concerns through the decent work agenda at the centre of the strategy, and to strengthen participation and national ownership by working with its constituents to give more weight to their voices in these national processes. Five countries had been selected by the ILO for a special focused approach which was responsive to the need to work in a country-owned context rather than simply concentrating on direct collaboration with the Bank and the Fund.

6. The Employer Vice-Chairperson, with reference to paragraph 13 of the Office paper, expressed concern that efforts were being made to develop a new and inappropriate relationship with the Bretton Woods institutions in which core labour standards would become a new conditionality, and considered in this regard that the linking of core labour standards to the PRSP was unacceptable and at a level that had not been approved by the Governing Body. He supported contacts and consultations, provided each organization respected the competence of the other, and cautioned against territorial encroachment. The ILO was reported to have influenced the Bank and the Fund, but he wondered whether these institutions had reciprocally been able to influence the ILO. It could not be assumed that this current focus of cooperation would continue indefinitely, as both institutions had been under external pressure to get back to basics – for the Fund to concentrate on international financial and balance of payments stability, and for the Bank to work mainly in areas not served by others, in particular by the private sector. He criticized the Office paper for what he regarded as analytical faults and statements unsupported by data, especially with reference to paragraph 4, as well as for reflecting a bias against the market economy and for portraying globalization as a bad option rather than an established fact. This was particularly apparent in the appended statements by the Director-General, which contained an inappropriate bias and excessive and unfounded blanket generalizations with which the Employers disagreed. Such controversial and far-reaching policy statements should not have been made without prior discussion and approval of the Governing Body.
7. The Worker Vice-Chairperson, in response to the previous speaker, while emphasizing the importance of Governing Body policy discussions, did not agree that the Director-General should be expected to clear in advance such statements. There was no realistic opportunity to do this effectively and such a constraint would render the ILO ineffective. It was important that the Director-General should have freedom to state what he felt was important without such specific prior consent.
8. He acknowledged that the Bretton Woods institutions had been opening up to the ILO's approach and concerns. His group had always strongly encouraged this, but the ILO's role might be diminished. The ILO should therefore be careful to maintain and articulate its responsibility and strengthen its credibility. There appeared to be an alarming gap between the policy stance enunciated at the higher levels in the Bretton Woods institutions, and what took place at the field level. In this respect, the ILO should work more closely with their staff in the field, and with more concrete measures. The PRSP process and the ILO's participation had the Workers' support, and consultation with civil society was essential, yet in reality such consultation was not taking place. With respect to IMF policies, the focus on promoting fiscal and macroeconomic stability through policies to curtail social spending might have reduced fiscal deficits in the short run, but increased social spending could well have contributed to sustainable economic growth in the long run. Finally, the development by the World Bank of a tool kit on core labour standards was an extremely interesting development, and it was hoped that this could be subsequently made available to the Governing Body.
9. The representative of the Government of Germany thought that the Office paper was rich, informative and concise. Concerning paragraph 13, the comments by the Employer Vice-

Chairperson were regrettable. This was the most satisfying aspect of the paper and implied that at last there was an understanding that economic and financial stability could not be achieved without social stability. He asked what better guarantee of social stability there could be than the ILO Declaration on Fundamental Principles and Rights at Work. It would not be sensible for the Bretton Woods institutions to have to develop their own catalogue of criteria for social stability when they could work with the ILO as the competent agency. This represented the most sensible area for institutional cooperation, and should lead to further efforts in this regard.

10. The representative of the Government of Mexico fully supported the excellent progress that had been made. While the Bretton Woods institutions were focusing their credits on poverty reduction, they had maintained their emphasis on traditional economic policies which were not providing governments with the adequate means to combat poverty. Their dialogue with the ILO, and the ILO's participation in the PRSP, should promote economic policies that alleviated risk, promoted quality employment and helped governments to deal more effectively with social concerns
11. The representative of the Government of India stated that the Committee's regular discussion of cooperation with the Bretton Woods institutions should be continued in a structured manner. Such cooperation was critical for the development of coherent guidelines in economic and social policies, particularly because globalization not only promised unprecedented opportunities, but also placed constraints on the autonomous capacity of national social partners to develop independent policies, and also because foreign direct investment was having a significant impact on the development of national-level macroeconomic policies. This would also promote the decent work agenda, with emphasis on employment generation, in the policies and programmes of the institutions. The ILO's official entry into their governance structure was a positive development, and involvement with the IMF's *World Economic Outlook* should produce desirable results, including the promotion of tripartism in the development of economic and social policies. The interest of the Bretton Woods and other institutions in the work of the Working Party on the Social Dimension of Globalization was very welcome; however, its work should not be regarded as complementary to the work of other multilateral bodies with no specific mandate on labour issues. The integration of ILO objectives into broader policies through the CDF and PRSP was also welcome; however, the promotion of international labour standards should be achieved in accordance with the ILO's Constitution and follow-up on the Declaration, rather than through conditionalities for investment. Substantial material support for achieving the goals of the Social Summit, especially employment generation, was expected of the Bretton Woods institutions, and continued efforts should be made to obtain their participation in the World Employment Forum in 2001.
12. The representative of the Government of Japan expressed strong interest in the initiative to create a High-Level Policy Network on Youth Employment, described in paragraph 21 of the Office paper. Youth unemployment had long been one of the central economic and social concerns in both developing and developed countries, and created tremendous problems for individuals and for society at large. The ILO's continued collaboration with the Bretton Woods and other institutions in tackling this issue, as well as the issue of child labour, was strongly urged. She also drew attention to the reference in paragraph 16 to the first experience of her Government in working jointly with the ILO and the World Bank on the issue of labour markets in East Asia following the financial crisis. Such cooperation had demonstrated the effectiveness of combining the dynamism arising from the ILO's tripartite structure with the economic development expertise of the Bank. She looked forward to hearing further developments in this area, perhaps not in the Committee on Employment and Social Policy, but probably in the Working Party on the Social Dimension of Globalization.

- 13.** The representative of the Government of Malaysia expressed satisfaction that the views of the ILO were receiving attention in the relevant fora of the Bretton Woods institutions, effective cooperation with which could promote the ILO's social agenda. The IMF's keen interest in the work of the WP/SDG was especially welcome, and the increased recognition by those institutions of the activities of the ILO was very encouraging. Referring to the special work being done on the PRSP in five countries, he looked forward to receiving a progress report on the results both for the economy and for the workforce of the countries concerned. Referring to paragraph 13 of the paper, he supported the views of the Employer Vice-Chairperson. The ILO was best placed to deal with labour standards. Entrusting the issue to other agencies could distort the importance of these instruments, especially through the use of a tool kit and a few days of training. Countries needed to understand every element and all the implications of these standards, which represented the soul of the ILO; therefore he urged the ILO to be fully involved in any initiative concerned with the promotion of international labour standards, core or otherwise.
- 14.** The representative of the Government of Denmark supported the comments by the representative of the Government of Germany concerning paragraph 13 on the subject of labour standards. He fully supported the closer ILO-Bretton Woods relationship and welcomed the progress made. Efforts to incorporate the decent work agenda into their strategies were relevant and necessary to a more coherent strategy for supporting development objectives worldwide. The ILO's priority on cooperation in the CDFs and PRSPs had been noted with great interest, and continued ILO involvement in field-level coordination was important; however, involvement in the UN Development Assistance Framework (UNDAF) and Common Country Assessments (CCA) was also important and should not compete with these processes, but should be complementary to achieve the greatest impact.
- 15.** The representative of the Government of France also welcomed the progress made. The work of the Bretton Woods institutions to combat poverty should be supported, and their action with respect to fundamental rights was very encouraging, and in no way diminished the ILO's mandate and role which, on the contrary, were better recognized and understood. With respect to the statement by the Employer Vice-Chairperson, he felt that the statements by the Director-General had in no way exceeded his mandate, and were fully in line with the spirit of the Special Session of the General Assembly that had examined the follow-up on the World Summit for Social Development. He supported the statement by the representative of the Government of Germany with respect to the discussion of paragraph 13 of the paper concerning labour standards
- 16.** The representative of the Government of Pakistan attached great importance to the ILO-Bretton Woods dialogue. He shared the views of the Employer Vice-Chairperson, particularly with respect to paragraph 13 of the paper. He was concerned that the Office documents seemed to imply that the benefits of globalization were dispersed equally between countries, but unequally within national boundaries; whereas, it was clear that there was also an unequal distribution between countries. Some statements in the Office paper about the need for greater cooperation and harmonization between the ILO and the international financial institutions had been unbalanced and selective and had not referred to the source from which they had been derived: one issue of importance to the G-24 that had not been presented in the paper concerned the increasing intrusiveness of the Bretton Woods institutions into social policy areas that were outside their mandates, and the tendency to extend conditionality to issues of social policy and governance. CDF had not been discussed intergovernmentally either in the UN or the ILO, and some governments considered that existing frameworks for multilateral cooperation were already satisfactory. Paragraph 21 of the paper seemed something of a sweeping generalization, and a specific reference to the text of Commitment 3 would have been preferable. Finally, the previous

Committee papers had contained a number of references and terms for which there was no clear understanding or definition provided, and some clarification was still required.

17. The representative of the International Monetary Fund, referring to the comments by the Employer Vice-Chairperson, confirmed that dialogue with the ILO had been positive and productive. It had led to a clearer understanding of respective mandates, been useful in the analysis of events from the respective viewpoints, and had helped to clarify issues and ensure understanding from the different institutional perspectives. It had contributed to significant convergence, and also to a clearer identification of where differences remained. With respect to the Fund's mandate, following a period of external debate and in-house reflection, the new Managing Director had set out his new vision for the Fund with four broadly endorsed main principles which were to promote sustained non-inflationary economic growth that benefited all the world's people; to be a centre of competence for stability of the international financial system; to focus on its core macroeconomic and financial areas of responsibility, working in a complementary fashion with other institutions established to safeguard global public goods; and to be an open institution learning from experience and dialogue and adapting continuously to changing circumstances. These implied no incompatibility with the Fund's engagement in the poverty reduction process, which was seen as a major focus for its analytic work, its interaction with other agencies, and its continuous dialogue with its member countries.
18. The representative of the Government of Canada commended the work done to ensure incorporation of the concept of decent work by other institutions working on poverty reduction. The ILO's cooperation with the Bank and the Fund was very welcome, and similar cooperation with institutions such as the WTO and UNCTAD was to be encouraged. She supported ILO efforts, through research, to advance collective understanding of the links between national and international economic policies and their impact on poverty, and stressed that the maintenance of an international focus on the links between economic and social policies would lead to more coherent policy advice. She cautioned, however, that such interorganizational cooperation emphasized the need to avoid duplication of effort in a limited resource environment, which required constant monitoring to ensure there were no wasted efforts.
19. The representative of the Government of Sudan, speaking on behalf of the African Government group, considered the ILO's new observer status in the Bretton Woods governance structure to be a major victory. Participation in the CDF and PRSP should make it possible to adopt practical policies. The IMF had taken an initial step in trying to mitigate poverty. The tragic situation of poor African countries emphasized the need for additional resources. ILO-Bretton Woods cooperation in reducing poverty and creating employment was of the utmost importance, and required the increased participation of the ILO's country teams in the preparation of country documents. The five-country PRSP exercise was very welcome, but more information was needed from the Office on this. Referring to paragraph 18 of the Office paper, he stressed that capacity building and training was very important in the African context, and requested the ILO to develop relevant criteria in cooperation with its partners at the regional level. The post-conflict project reflected in paragraph 19 was an excellent initiative. In this regard, more attention needed to be paid to the question of refugees, who were not being adequately supported or assisted owing to a lack of necessary infrastructure.
20. The representative of the Government of the United States stressed his continuing support for expanding institutional dialogue and collaboration. International economic integration had raised living standards in a number of ways, but its potential for stimulating widely shared prosperity might not be realized without sufficient attention to the social impact and distributional outcomes of globalization. Recent public demonstrations appeared to reflect a symptomatic failure on the part of the Bretton Woods institutions to pay adequate

attention to these aspects. His Government had long advocated the promotion of core labour standards and the ILO Declaration as a means to address these issues. He was pleased that the issue of better integration of economic and social policies would be discussed in the Working Party on the Social Dimension of Globalization. The Office was to be congratulated for its patience, perseverance and focus in achieving increased inputs into Bretton Woods products, but more information would be welcome on the ILO's role in influencing the PRSPs at the country level, especially in the five focus countries. In this regard he requested confirmation of his understanding that the ILO would not be collaborating directly with the Bank, but expected to work through individual governments in getting its issues on the table.

- 21.** Mr. Mansfield (Worker member) endorsed the statements by the Worker Vice-Chairperson. The interpretation of the Office paper by the Employer Vice-Chairperson with respect to conditionality and the nature of globalization was incorrect and did not do justice to the paper. The statements by the Director-General correctly reflected the values of the ILO. Core labour standards and the Declaration were fundamental to the ILO, and freedom of association and the fundamental rights were essential for workers. The Director-General had been right to seek cooperation on this matter through the international financial institutions. This was not a question of conditionality, but of seeking to promote decent work as a solution to poverty. Poverty was a massive problem confronting millions of people. A number of world leaders had called on the Bank and the Fund to assist the ILO in implementing the Declaration, and he understood that the Bank's Board had recently endorsed this call, and the Fund's new Managing Director had also recently expressed his support. The statement by the representative of the IMF indicated that collaboration had been positive and productive, and this was the reality. He agreed with the comments by the representative of the Government of Pakistan on rising international inequality. It was clear that the current trend was not to give more to the poor, but rather the opposite. Cooperation now was about trying to reverse this trend. Unemployment was greater now than it had been over the past 100 years, and proportionately even higher than it had been ten years previously. Unlike the Employers, he saw no bias in the Office paper against market economies, to which there now appeared to be no alternative; nevertheless, there was a difference between a market economy and a market society: in society equity was preferable.
- 22.** The representative of the Government of Namibia, while endorsing the remarks by the representative of the Government of Sudan, stated that the ILO was the organization most suited to set the agenda and develop social policies in the framework of decent work and therefore should cooperate with the Bretton Woods institutions to influence the development of such policies. However, this should be for the promotion of the concepts of decent work and not for the purposes of social labelling, and also for introducing people-centred policies into a money-centred environment. It was gratifying that some social concerns had already been assimilated by these institutions, and the dialogue with them should be strengthened. The Working Party on the Social Dimension of Globalization would be the appropriate forum for this, and consideration could be given to according it a more permanent status.
- 23.** The representative of the Government of the Islamic Republic of Iran expressed strong support for the ILO's close cooperation with other agencies in poverty eradication. Well-formulated and designed national employment policies were central to prosperity and the eradication of poverty, but in many developing countries strategies were not working, for a variety of reasons. Establishing small and medium enterprises and increasing their productivity contributed to employment, raising incomes and income security, but this required technical cooperation, especially from the ILO. The rate of unemployment in many developing countries was too rigid, and entry into a globalized system implied a contradiction with national policies on employment and social security. Without adequate

policies in these areas, such countries would suffer from the adverse consequences of globalization. The ILO, as a tripartite forum, was the standard-bearer for social security, job creation and employment, and played an important role in helping increase the accessibility of developing countries at the international level. Such countries were badly in need of greater participation by industry through the location of economic and industrial enterprises in less developed countries. The ILO should also focus more attention on the issue of migration, which was a key strategy of many developing countries for reducing the rate of unemployment, but increasing restrictions were being placed on the flow of such migration to more advanced countries. At both national and international levels, economic policy should be reoriented towards increasing job creation, since unchannelled development was not likely to create sufficient employment. Finally, most of the unemployed in developing countries were young people trapped in long-term unemployment. One solution to this might be to provide for the early retirement of older workers, but to achieve this most countries would require international financial support from the World Bank and the IMF.

24. The representative of the Government of Switzerland was extremely pleased with the progress made, which had been well within the respective organizational mandates. Progress towards institutional convergence had been effective, and further cooperation at the country level remained important. The PRSP initiative in five countries was very interesting in this regard, and more information on this would be required in the future. The discussion in the Working Party on the Social Dimension of Globalization would strengthen the role of the ILO by providing an opportunity for a more focused intellectual discussion in cooperation with other organizations. This would also allow for the evolution of thinking, which was a prerequisite for progress. Such intellectual exchanges needed to be accompanied by cooperation in the field in order to help achieve the goals of all the organizations involved.
25. The representative of the Government of Brazil noted with appreciation the important progress made through enhanced dialogue. She fully supported the comments by the representative of the Government of Germany and the Worker members, particularly concerning international labour standards and the statements delivered by the Director-General, which were fully within the mandate of his office and of the Organization.
26. The Worker Vice-Chairperson reiterated his satisfaction with the progress that had been made, and would comment further at the meeting of the Working Party on the Social Dimension of Globalization. There continued to be a gap in understanding of the core labour standards on the part of the Bretton Woods institutions, which did not appear to accept equally all the eight Conventions, and tended to pay insufficient attention to Conventions Nos. 87 and 98.
27. The Employer Vice-Chairperson noted that his previous remarks had not received widespread support. His group supported cooperation with the Bretton Woods institutions, and the IMF representative's remarks had been reassuring. On the issue of conditionality, paragraph 14 of the Office paper had been even more explicit than paragraph 13. There was a fine line between promoting the Declaration and making adherence a condition. On the subject of the Director-General's statements, these reflected the voice of the institution and should therefore reflect tripartite agreement. The Employers did not agree that the debate on relations with the Bretton Wood institutions should be transferred to the Working Party on the Social Dimension of Globalization, and felt that it should remain in the Committee on Employment and Social Policy.
28. Responding to the discussion, the representative of the Director-General (Ms. Ducci) noted the emphasis which had been given to the evolutionary process, to policy dialogue at the global level and to the importance of action at the country level. The points raised had been

well taken. While working to support the CDF-PRSP, the ILO was also firmly committed to the UNDAF process and was helping to bring the two frameworks together. The ILO was committed to working with the Bretton Woods staff in the field, and field colleagues were constantly and strongly encouraged in this regard. Cooperation in the PRSP process meant primarily bringing the ILO's constituents – with their concerns, policies and views – into the process so as to influence the PRSP and enhance participation and ownership. With respect to the comments on the need for refinements in quotations and for clearer definitions of terms in the Office papers, greater attention would be paid to this in future documents. There would be a further clarification of some of these issues in the papers before the Working Party on the Social Dimension of Globalization, which would also be the forum for further discussion of the links between developments at the global and national levels.

29. Mr. Radwan (Senior Policy Adviser, Employment Sector) observed that a qualitative change had taken place on all sides, as was clearly expressed by the IMF representative. Concerning the PRSPs, work was starting with constituents at the country level to strengthen participation and ownership, and to demonstrate the difference made to economic and social policies once employment was introduced as an implicit objective. In the United Republic of Tanzania, for example, ILO staff in Dar es Salaam had been working with the authorities on the interim report. Detailed comments were provided and a seminar had been organized including the participation of the Bank to provide input into the process. In Nepal the Government had insisted that the PRSP contribute to the five-year plan, and the ILO was engaged in discussions to introduce the elements of decent work.

II. The functioning of the Committee on Employment and Social Policy

30. A representative of the Director-General (Mr. Hultin, Executive Director of the Employment Sector) noted the vast mandate of the Committee, as noted in paragraph 4 of the document. Paragraphs 7 and 8 were intended as inspiration for discussion on developing the Committee's work, as requested at the two previous meetings.
31. The Employer Vice-Chairperson agreed that it was timely to examine the functioning of the Committee. One-and-a-half days was probably the most that could be allocated to the Committee at Governing Body sessions. The report presented interesting and thought-provoking ideas, particularly points 7 and 8, which contained reasonable considerations. He was opposed to filling the agenda with the discussion of reports of prior meetings or comments that were academic in nature and which would not be productive. Relations with the international financial institutions should remain on the agenda of the Committee. Agenda items to be discussed by the Committee should be proactive and provide relevant policy suggestions on major issues such as ageing societies and human resources development in the new economy. A future agenda item could be youth employment and what the ILO could do to prepare young people for the knowledge economy, noting the importance of the high-level policy network on youth employment involving the UN and international partners.
32. The Worker Vice-Chairperson was pleased that Government members had shown an interest in the Committee by requesting this item. He was in favour of using the Internet to disseminate information on activities, but not as a decision-making tool, since it could detract from tripartite structures. It was important to coordinate seminars and workshops with the work of the Committee. Discussions of ILO relations with the Bretton Woods institutions should be delegated to the Working Party on the Social Dimension of Globalization while the Committee should discuss specific policy issues, provide strategic

guidance on employment issues, and influence the programme and budget process accordingly. Perhaps only one of the areas listed in paragraph 4 could be taken up at November sessions. He did not support a fixed range of standing items: criteria and procedure for the selection of items would be more useful.

- 33.** The representative of the Government of the Netherlands, speaking on behalf of the IMEC governments, emphasized the role of the Committee in influencing ILO strategic objectives through decision-making. The Committee should provide policy guidelines, and should be consulted on its agenda items, whose scope should allow limited but in-depth discussion. ILO relations with the Bretton Woods institutions should be discussed in the Working Party on the Social Dimension of Globalization. Normally, the Committee would need two days to conduct its business. The Committee could provide useful input on complex matters to discussions at the International Labour Conference. Policy guidelines should encompass gender mainstreaming as a cross-cutting issue, and the Committee's immediate priority should be proactive in the development of an international employment strategy. Essential elements could include the encouragement of entrepreneurship and job creation, active labour market policies to combat long-term unemployment, skills for young people in the knowledge economy, lifelong learning, and the encouragement of diversity in employment. The Committee should be provided with the framework, time plan and details of the work involved in monitoring and evaluating the ILO's Comprehensive Employment Strategy by the end of year 2000.
- 34.** The representative of the Government of France emphasized the practical aspects of the functioning of the Committee: the number of subjects should be limited, and priority should be accorded to questions of substance rather than information items. The report prepared for the general discussion at the International Labour Conference on human resources development was a good example of the type of background needed for discussions.
- 35.** The representative of the Government of Sudan, speaking on behalf of the African Government group, remarked that the Committee's mandate covered part of the core strategy of ILO. Paragraph 7 contained good proposals. In his view, the Committee should be the forum for discussion of the ILO's relations with the Bretton Woods institutions, since the Working Party on the Social Dimension of Globalization was not a permanent body.
- 36.** The representative of the Government of Denmark noted the immensely ambitious and vast mandate of the Committee and the complex interaction between highly political and complicated technical issues. She supported the idea at the end of paragraph 8 on workshops and similar events. The more realities in the field could be brought into the often very political discussions, the better. It might be useful to approach complex issues in terms of their component parts.
- 37.** The representative of the Government of the United States emphasized that the agenda items should reflect the time allocated to the Committee, and limiting the agenda to three items was a good idea. Documents submitted to the Committee should be focused on strategic concerns, and should enable the Committee to provide policy advice for the International Labour Conference. Relations with the Bretton Woods institutions should be discussed in the Working Party on the Social Dimension of Globalization.
- 38.** The representative of the Government of Namibia asked whether the seminars and workshops mentioned in paragraph 8 would be held during or outside Governing Body sessions. For developing countries, the cost of participating in them could become a problem. There should also be a formal link between the Committee and Working Party on the Social Dimension of Globalization.

39. The representative of the Government of the Russian Federation welcomed the document and its proposals. He stressed the importance of being able to deal with urgent problems that demanded attention by the Committee.
40. The representative of the Government of Trinidad and Tobago considered that the agenda of each meeting should include one or two standing items, concerning in particular advances towards the goals adopted in Copenhagen and Beijing. She was in favour of using the Internet on topical issues. Issues concerning the Bretton Woods institutions should be discussed in the Working Party on the Social Dimension of Globalization.
41. The representative of the Government of the United Kingdom stressed the need for adequate time to respond to the *World Employment Report 2001* and asked what information would be placed on the website before discussion in the Committee. The programme directors should report on progress in their areas to the Committee. The employment strategy and the World Employment Forum should clearly be on the Committee's agenda.
42. The representative of the Government of Malaysia, speaking on behalf of the Asian and Pacific Government group, stated that the creation of greater employment and income opportunities for women and men lay at the core of the ILO's strategy. The ILO should enhance the world of work, not just benchmark it. Efforts should be directed to address and formulate a global strategy to stimulate employment growth. She invited the ILO to develop capacities and resources, and to formulate action-oriented programmes addressing the problems of unemployment and poverty. The next session of the Governing Body should discuss global strategy for employment generation.
43. The representative of the Government of Japan stressed the role of the Committee in knowledge and consensus building among all members of the ILO. The Committee meeting in November should hold a prior discussion on one of the items to be discussed at the Conference the following year. She also stressed the Committee's role in gender mainstreaming throughout the ILO's activities.
44. The representative of the Government of China agreed with the statement by the Asia and Pacific Government group and stressed the importance of training in a globalizing world. The general discussion on human resources development at the Conference had been a very positive contribution. The structure for the Committee's agenda presented in paragraph 7 was good. It was necessary to be able to deal with items requiring urgent attention.
45. The representative of the Government of Bangladesh stressed the importance of the strategic link between employment, growth and poverty. Job creation should be a central theme in the Committee's agenda. Micro-finance activities, particularly in post-crisis situations, was of crucial importance.
46. The representative of the Government of Pakistan agreed that Bretton Woods issues should continue to be discussed in the Committee, since it was a permanent body.
47. Mr. Patel (Worker member) stated that the Committee was the correct forum for the seven items listed in paragraph 4, which set out the terms of reference of the Committee. The first item might be too restrictive and overlook the broader vision of the Office's work. To overcome this, in November each year, an overview of each of the areas within the Committee's mandate should be discussed. In March a specific review of one of them should be prepared. This would have the additional value of permitting an overview of the work of the Employment, Social Dialogue and Social Protection Sectors on an annual

basis, since each of those sectors covered areas within the terms of reference of the Committee.

48. The representative of the Government of Germany shared the Worker Vice-Chairperson's doubts on use of the Internet for tripartite discussion of agenda items. Bretton Woods issues should be discussed in the Working Party on the Social Dimension of Globalization.
49. The representative of the Government of Mexico emphasized that policy guidance was essential. Bretton Woods issues should continue to be discussed in the Committee.
50. The representative of the Government of India agreed with the Asia and Pacific Government group, since employment and decent work were the main concern of the ILO. The *World Employment Report* should be a regular agenda item for the Committee.
51. The representative of the Government of Italy agreed that issues concerning the Bretton Woods institutions should be discussed in the Working Party on the Social Dimension of Globalization.
52. The representative of the Government of the Islamic Republic of Iran supported the Asia and Pacific Government group and highlighted the need to protect workers against the negative effects of globalization.
53. The Worker Vice-Chairperson observed that the Workers' and Employers' groups presented the consolidated views of their members, whereas the Government members spoke individually. There was a potential problem of overlap between seminars and workshops within the time available to the Committee.
54. The Employer Vice-Chairperson observed that the Working Party on the Social Dimension of Globalization was an open forum for free discussion and exchanges of views, but the Committee should focus on policy decisions. The concept of virtual seminars was one possible solution to the problem of the cost of holding seminars and workshops in the traditional manner and their possible overlap with the other work of the Committee.
55. The Worker Vice-Chairperson reiterated his view that virtual seminars ran the risk of failing to reflect correctly the tripartite basis of discussions in the ILO.
56. Mr. Hultin noted several points in the discussion, including the need to influence programming and resource allocation. Reporting and guidance mechanisms had been proposed, which would receive follow-up, initially by the Officers of the Committee in their meeting the following week. Workshops and seminars were mainly intended to be conducted at the regional level, but the Internet could be used, within the clear limitations imposed by the need to reflect fully the tripartite structure that was the foundation of the ILO. Concerning the *World Employment Report* website, he explained that the on-line version contained only an outline, and had been open for discussion since it was announced in March 2000.

III. The World Employment Forum, 2001

57. Mr. Radwan (Senior Policy Adviser, Employment Sector) introduced the Office document, and stressed that the project was still at an early stage. He emphasized the importance of holding the World Employment Forum, and recalled that the Governing Body had approved it as part of the activities for the 2000-01 biennium. That importance had been reinforced by the Special Session of the General Assembly of the United Nations on the World Summit for Social Development and Beyond, held in Geneva on the fifth

anniversary of the Social Summit, which had recognized the need to elaborate a coherent and coordinated international strategy on employment. The General Assembly had also invited the ILO to facilitate the coordinated exchange of best practices in the field of employment policy to stimulate and expand employment generation, reduce unemployment, enhance the quality of work and improve labour market and employment services.

- 58.** He suggested that the Forum should have three aims: first, to convene and animate the debate on employment opportunities and challenges with new global perspectives; secondly, to place employment at the heart of policy agendas at the international and national levels; and thirdly, to provide input for the future work of the ILO to promote decent work.
- 59.** The Forum was being organized at a time of increased awareness of the social and environmental challenges of globalization, of the urgent need to create decent work and of the importance and impact of the digital age. The ongoing work on a Comprehensive Employment Framework would provide an important input to the dialogue and debates at the Forum. It was suggested that the challenges and opportunities for a decent work agenda need to be examined from the perspectives of people, technology, trade and investment. The Forum would be an interactive event for dialogue, debate and exchanges of views and experience on practice and policy, and would involve employers, workers and governments and other key actors in the field of employment and work. The Forum was planned to take place for three days from Thursday, 1 to Saturday, 3 November 2001 at ILO headquarters in Geneva. The Office would seek tripartite guidance in planning and preparations for the Forum. This would be done in the same way as for the second Enterprise Forum, which had involved the social partners in an advisory group.
- 60.** The Employer Vice-Chairperson expressed some scepticism and anxiety regarding the ambition of the project and the event. He commented on the “national and international prerequisites to close the employment gap” (paragraph 2 in the Office paper), stressing that such generalizations could lead to wrong assumptions and conclusions in some parts of the world. He also contested the negative approach suggested in paragraph 3 that trade and technology would create problems; on the contrary, trade and technology create jobs. He fully supported the idea of a session on how some countries had succeeded in preparing themselves for the new economy. Regarding the organization of the Forum, he asked how participants would be selected to participate in the high-level working group.
- 61.** The Worker Vice-Chairperson stated that the Workers strongly supported the Forum. He stressed that in order to ensure its successful outcome, a working party should be formed immediately after the Governing Body session, as had been done for the second Enterprise Forum. Among the various issues that the working party should address, extensive discussions on the themes to be discussed at the Forum should be included, as suggested by the Office. With respect to paragraph 2, a strong statement issued as an outcome of the Forum would require a great deal of work, and progress should be reported to the Governing Body in March to ensure that it met expectations. Regarding paragraph 4, he stressed that the ILO, unlike other UN agencies, must always reflect its tripartite nature. Regarding paragraph 6, he requested financial assistance to be made available to ensure that a maximum number of workers could participate in the Forum.
- 62.** The representative of the Government of Indonesia, speaking on behalf of the Group of 15, drew attention to the G-15 initiative on a Comprehensive Employment Strategy, submitted to the 87th Session of the International Labour Conference in June 1999 and discussed in the Governing Body in November 1999. She stressed that all the G-15 member countries attached great importance to this initiative, which was reflected in the joint communiqué of the Tenth Summit of the G-15 in Cairo. Paragraph 18 of the communiqué reiterated the

urgent need for the ILO to design a Comprehensive Employment Strategy. The process of reducing unemployment had been a slow and uneven one, and the promotion of employment should be at the centre of socio-economic development. As poverty was always related to unemployment and underemployment, she stressed the need to develop access to education. Calling for political will to be shown to eradicate poverty, she proposed that the ILO make recommendations on the resuscitation and sustainability of poverty alleviation programmes and the eradication of poverty through the implementation of a Comprehensive Employment Strategy that could help to create more employment, promote self-employment and develop entrepreneurship in developing countries.

63. She stressed the importance of investment policy and the need for favourable macroeconomic policies to improve the quantity and quality of work. The G-15 initiative was fully in line with the mandate and policy objectives of the ILO, and the ILO should take the lead in formulating and implementing a Comprehensive Employment Strategy. The G-15 requested that the process lead to the formulation of a global framework for the realization of a Comprehensive Employment Strategy and that actual implementation programmes should figure prominently in the Programme and Budget for 2002-03 biennium. In this respect, she requested the Office to include the issue in the agenda for the 280th Session of the Governing Body. The issue should be further discussed at the World Employment Forum and be addressed at future sessions of the International Labour Conference.
64. The representative of the Government of Switzerland welcomed the Office paper and the initiative taken by the ILO. Referring to paragraph 5 of the Office document, he suggested that tripartite CEOs from companies should also participate in the Forum. He emphasized the need to undertake considerable research to launch a truly comprehensive strategy.
65. The representative of the Government of the Islamic Republic of Iran supported the idea of the World Employment Forum. It was important to identify the real issues and constraints and to work to remove obstacles to employment. The strategy should offer prescriptions for each country.
66. The representative of the Government of India declared that the employment situation had worsened in several parts of the world and expressed the opinion that there was a need for immediate action, notably regarding the situation of youth on the labour market. He welcomed the ongoing cooperation between the ILO and the Bretton Woods agencies.
67. The representative of the Government of Sudan, speaking on behalf of the African governments, recommended that the Comprehensive Employment Strategy should be accompanied by a reduction in poverty and in the gaps between the richest and poorest countries. Resources should be devoted to combating poverty, creating jobs and modernizing the agricultural sector. He also highlighted the importance of SMEs and of the informal sector. African countries had, in particular, to deal with specific problems such as malaria and AIDS. He fully supported the project. African governments would like to participate in the proposed working party.
68. The representative of the Government of Portugal supported the project. She hoped the Forum would produce innovative ways to improve the employment situation. She inquired about the Committee's role in relation to the Forum.
69. The representative of the Government of Mexico agreed with the Employers that the event was very ambitious. The Office should present a draft outline of the employment framework in March 2001.

70. The representative of the Government of China said that the employment situation had deteriorated in many parts of the world, and the ILO should hence work on the future measures needed.
71. The representative of the Government of the United States advised caution when qualifying the benefits of globalization. The notion of a global comprehensive strategy was perplexing, as a single strategy would not be appropriate for all countries. He recommended a more modest approach and the setting of goals that were universal.
72. Mr. Mansfield (Worker member), referring to the statements by the Employer Vice-Chairperson on the employment gap and the effects of trade and technology, emphasized that the Office paper was not optimistic. In particular, he contested the reference to the employment situation in the United States and Western Europe, since those countries did not represent the totality of the ILO members, and a comparison with the economic and employment situations of Indonesia or the Philippines would highlight various major issues. As regards the quality of jobs and the impact of trade liberalization and technological changes, there were major problems in the globalization process and the shortcomings of globalization should be recognized by the Employers' group.
73. The Employer Vice-Chairperson agreed that globalization had transitional negative consequences. However, the Office tended to emphasize the negative aspects. He expressed concern about generalizations on employment strategy.
74. Mr. Radwan thanked the Committee for the guidance it had given on preparations for the Forum. The ILO had received a clear message from several governments, including the G-15 and IMEC, as well as the Workers and Employers. The Office would do its best to reflect the discussion, form the tripartite working party and report to the Governing Body in March.

IV. World Labour Report 2000: Income security and social protection in a changing world

75. A representative of the Director-General (Mr. Beattie, Head of the Special Team for the World Labour Report) presented the Office paper. Noting the wide-ranging character of the report, he restricted his comments to three topics: the relationship between social security and economic performance; the extension of social protection to the excluded majority; and gender equality and measures to improve income security for women. The analysis contained in the report demonstrated that countries with high social security spending (as a percentage of gross domestic product) had economies which performed just as well, in terms of productivity, growth and unemployment, as countries with low spending. The report recognized that success in extending social protection to the billions excluded would require simultaneous action on various fronts: extending schemes to wage earners not yet covered; establishing schemes for other categories of workers, concentrating on their priority needs; and finding more effective instruments for poverty alleviation. Finally, gender equality represented a major challenge, given the lower coverage and entitlements among women and the persistence of discrimination, especially of an indirect nature, in social protection systems. The report had implications for ILO activities in terms of research and policy development, standard setting and technical cooperation, which were outlined in Part B of the Office paper.
76. The Employer Vice-Chairperson queried whether the report was a product of the International Labour Organization, speaking thus for all components of the Organization,

or of the International Labour Office, representing the views of the secretariat, and expressed misgivings about the consultation process involved in its preparation. He had some objections with the analytical component of the report, its comments and generalizations, and would not wish to see it serve as the basis for discussion on social security at the International Labour Conference in 2001.

- 77.** In particular, he did not agree with the negative assertion in paragraph 23 of the Office paper that a correlation had been found between the increasing share of trade in GDP in recent years and a reduction in social security expenditure, suggesting that globalization may be making it more difficult for countries to finance social protection. In paragraph 58, he found controversial the statement that “it will be necessary to provide a normative framework through standard setting”; he found inaccurate the references about contract labour in paragraph 18; and finally, with respect to paragraph 24, he felt that the key issue was not so much the long-term impact of the contributions, but rather the level of those contributions. It was not a question of whether social protection was good or bad for the economy, but rather how it was to be financed.
- 78.** The Worker Vice-Chairperson welcomed the report, which was timely. In reply to the previous speaker, he felt that the over-involvement of all parties in the report’s preparation would be time-consuming and impractical, and it was a task best left to the experts of the Office.
- 79.** Mr. Mansfield (Worker member) referred to the second paragraph of the Preamble to the ILO Constitution, which clearly set out the rationale for the work of the ILO in the field of social security. On behalf of the Workers’ group, he commended the Office for its well-presented analytical work. He reiterated that 3 billion people in the world lived in poverty with no access to social protection, and that most of these lived in developing countries which had not benefited from the economic growth and technological progress of the past 50 years since the adoption of the Social Security (Minimum Standards) Convention, 1952 (No. 102). He emphasized the negative effects of globalization on national economies and social stability. A clear example of this was the devastation caused by the recent Asian crisis. The ILO’s commitment with respect to the importance of social protection, as expressed by former ILO Director-General Wilfred Jenks in 1972, should be constantly upheld. The adoption in 1952 of Convention No. 102 had been a milestone representing a model that had influenced developments in many more countries than had actually ratified it. Even though the ILO had adopted a number of additional Conventions in the area of social security, Convention No. 102 remained the most important one.
- 80.** While acknowledging the importance of social security, he recognized that the availability of freely chosen employment was the most important benefit for all those who were able to work. In the fight against poverty, social security could be seen as an instrument for achieving social cohesion, contributing to the development and competitiveness of national economies. It also helped moderate the negative effects of greater labour market flexibility. The Office paper rightly referred to a number of recent developments highlighting the need for social security.
- 81.** Future action by the ILO should first address the desirability of supplementary social security standards, paying particular attention to the less developed economies. He also recommended the involvement of the beneficiaries in the management of their social security schemes. The work of the Office on micro-insurance was of interest, but he urged caution as these schemes ran counter to the principle of broad-based solidarity and, as experience had shown, were usually not financially sustainable without external support. More concretely, he supported the activities set out on pages 10-16 of the paper and suggested that the Office assess the effectiveness of micro-credit arrangements and

examine innovative means of accessing private financing on a global basis to protect families affected by disasters such as the AIDS pandemic.

- 82.** The representative of the Government of the Netherlands, speaking on behalf of the IMEC countries, supported the objective of the report, which was the reduction of poverty through access to social protection benefits. She felt that linking access to benefits with employment was the best way to reduce poverty. There was a need to set up new social security structures and to adapt existing ones to the changing world; and a need in particular in Western countries to help people find and retain work with access to benefits, provided that the benefits were of a level that would not encourage dependency. She agreed on the importance of good governance and a proper tax base for a good system of social protection, but regretted the absence of recommendations about the funding of a welfare state, and felt that a correct balance between costs and benefits was crucial. She appreciated the reference to the particular problems of the self-employed and workers in the informal sector, as well as those relating to ageing populations and the lower fertility rate in many countries, particularly in industrialized countries. However, a link between HIV/AIDS and the world of work was missing. The IMEC countries supported the main policy conclusions of the report.
- 83.** The representative of the Government of India stressed that in most developing countries a small fraction of the active population worked in the formal sector, whereas the great majority were in the informal sector, with no form of social protection. In this situation, it might not be feasible to provide adequate social protection to all workers. This could only be achieved through the joint action of government, employers' and workers' organizations. In the informal sector it would be difficult to collect contributions, and government revenue alone could not sustain a social security system for the entire workforce. However, her Government could progressively extend coverage, through the mobilization of resources; in this respect, she referred to initiatives already taken in favour of special categories of workers in her country. She noted the absence of unemployment insurance in developing countries and the necessity to coordinate this with labour market policies, as the report suggested, but feared it would be almost impossible to implement such a scheme in her country at this stage.
- 84.** The representative of the Government of the United States agreed with the report that the issue of child poverty needed to be addressed. He emphasized the role of education to alleviate child poverty, and hoped the ILO would continue to advocate the fight against child poverty as an essential component of anti-poverty strategies. Commenting on the linkage outlined in the report between employment and social protection policies, he noted that details about the operation of this linkage were not given. He recommended that the Office provide information and advice in this respect through its technical assistance programmes. He had no strong views on whether the Committee should discuss such reports before or after their publication, but requested information on the review process that the report had undergone.
- 85.** The representative of the Government of China acknowledged the usefulness of extending social protection as the basis for social justice and recognized the ties between an active employment policy and social protection, with a resulting focus on decent work. He too would like advice from the Office on how social protection could be extended to the informal sector and homeworkers, in particular through non-traditional arrangements.
- 86.** The representative of the Government of Sudan commented on the conclusions in paragraphs 48 and 49 of the Office document. Paragraph 49 did not sufficiently address the disastrous situation in developing countries accurately described in paragraph 2. With respect to paragraph 48, a recent meeting in Algiers of the OAU Labour Commission had called for a reform of social security schemes in African countries to extend social

protection to all population groups. He also mentioned the problem of increased administrative costs in social security, and in this context appreciated the assistance being provided by the ILO in his country.

87. The representative of the Government of Malaysia felt that the report's focus on social protection was timely and in line with the core objectives of the Office. The extension of social protection was the aim of any government, but its implementation depended on several factors such as the legal framework, the government's financial capacity, cooperation between employers and workers, enforcement and effective management of the schemes. There was a need for ILO technical assistance focusing on schemes that were adapted to national requirements, financially viable and sustainable in the long run, with the active participation of the social partners concerned.
88. The representative of the Government of the Russian Federation appreciated the report and the issues it raised; he considered the topic a priority.
89. The Employer Vice-Chairperson considered that Convention No. 102 was somewhat outmoded, and had secured only 40 ratifications. The ILO should develop flexible guidelines and advice for developing countries, but that the best guarantee of social protection remained employment, which should be the focus of the Committee and the Organization.
90. Expressing appreciation to all who had contributed to a very useful discussion, Mr. Beattie regretted that time would not permit a detailed response to all the issues raised. Criticism had been voiced on a point concerning globalization in paragraph 23 of the Office document and on page 67 of the *World Labour Report 2000*, which quoted time series research showing some correlation between an increasing share of trade in GDP and a reduction in social security expenditure. It was important not to take this out of context: the previous paragraph of the Report referred to cross-sectional research showing that social protection expenditure was greatest in countries that were most open to international trade. As regards the preparation of the Report, the draft had been the subject of the widest possible consultation within the Office, had been commented on by the IMF and the World Bank, and had been submitted to a number of external referees who were eminent specialists in the field. He welcomed the emphasis placed by many speakers on employment, noting that the Report itself very explicitly recognized this as the primary source of income security.
91. A representative of the Director-General (Mr Diop, Executive Director of the Social Protection Sector) confirmed that the Report was at present a product of the Office and not yet of the Organization. He referred to the importance of ageing and fertility considerations and the link that should be established between social security and demographic change, as well as recognizing the clear link between social security and employment. It was important that social protection be adapted to different circumstances. He recalled a previous discussion in the Committee on the influence of family allowances to reduce child labour. He recognized also the importance of the situation of homeworkers in developing countries, and agreed that the Office should be more explicit on measures to combat poverty.

V. Outcome of the Special Session of the General Assembly of the United Nations: World Summit for Social Development and Beyond – Achieving Social Development for All in a Globalizing World (Geneva, 26-30 June 2000)

92. A representative of the Director-General (Ms. Ducci, Director of the Bureau for External Relations and Partnerships) introduced the Office paper.² The outcome of the Special Session still had very important implications for the ILO's present work. During the Special Session discussions, the ILO's important role in supporting and implementing the Copenhagen Declaration and Programme of Action were duly recognized and acknowledged, and particular importance had been attached to the adoption of the ILO Declaration on Fundamental Principles and Rights at Work in 1998 and of the Worst Forms of Child Labour Convention, 1999 (No. 182), in 1999, as well as to the work done in promoting employment policies at the national level.
93. The brief political declaration (Part I of the final document adopted by the UN General Assembly) highlighted the importance of labour rights and the centrality of employment in combating poverty and social exclusion. Part II of the document (overall review and appraisal) acknowledged and supported the work carried out by the ILO, particularly in the field of employment policy, and recognized that due to a number of factors closely related to the globalization process, the progress made since 1995 had been less than desired. Part III of the document, related to further initiatives, included an important number of proposed actions which fell within the ILO's domain and reflected the endorsement by the international community of the ILO's decent work agenda and its position of adopting a coherent and integrated approach to economic and social policy. The overall programme of the ILO would contribute significantly to advances in the implementation of a number of further initiatives adopted by the Special Session. Beyond this, four ILO initiatives and activities could be highlighted regarding an integrated approach to the decent work agenda as a key tool for social development: the World Employment Forum; the international employment strategy; the operationalization of decent work at the country level; and the work carried out in combating poverty, especially within the framework of the World Bank and IMF's Poverty Reduction Strategy Papers (PRSP). The forthcoming discussions in the Working Party on the Social Dimension of Globalization would be highly relevant regarding future ILO action, particularly in relation to the integration of economic and social policies.
94. The Special Session of the General Assembly had in fact represented a very successful experience for the ILO and rewarded the active participation and great amount of work put into it by constituents and the Office. It had not only strengthened support for the decent work agenda, but recognized the crucial role of employment for poverty alleviation and social integration, thus providing the possibility of coordinating more closely with the multilateral system and establishing a joint working platform.
95. The Worker Vice Chairperson thanked the Director-General and the ILO tripartite delegation to the Special Session for their efforts, which had resulted in the inclusion of a number of ILO concerns in the final document. He found it extremely regrettable that due to the opposition of a handful of countries, the ILO Declaration had not been incorporated

² GB.279/ESP/3.

into the UN system, but nevertheless welcomed the fact that the ILO activities had been highly appreciated and affirmed that the Organization was now expected to continue in the same line and measure up to the expectations raised. He pointed to the particular importance of paragraph 29 of the Office paper. The World Employment Forum would have to be a success, and the sufficient human and financial resources should be allocated to ensure it. He expressed the support of the Workers' group for the point for decision of paragraph 32.

96. The Employer Vice-Chairperson noted with dissatisfaction that the conclusions reached by the International Tripartite Consultation held in November 1999 continued to be disregarded by the Office, as they had been in the paper presented in February 2000 to the UN. The UN proposal for an ILO conference on the informal sector should not override the discussions scheduled to take place at the International Labour Conference in 2002.
97. Regarding paragraph 18, he expressed doubt as to whether the ILO would in fact be able to assist governments in other areas related to the goal of full employment, in particular concerning macroeconomic policies. Turning to paragraph 30, he saw no reason to expect that the Working Party on the Social Dimension of Globalization would produce any good ideas, especially since the Working Party tended to undervalue the benefits of globalization. Regarding the point for decision in paragraph 32, he could not support it as it currently stood. The word "welcome" in 32(a) should be substituted by "noted". As regards paragraph 32(c), the Special Session could not give a mandate to the ILO: it could give ideas and make suggestions, but the suggested subordination was not appropriate.
98. The representative of the Government of France highlighted two particularly positive outcomes of the Special Session. First, fundamental human rights at work had been mentioned in the political declaration of the final document as an essential component of sustainable social development. This was an important confirmation by the international community of the importance attached to the ILO's work with respect to the 1998 Declaration. Secondly, the new initiatives adopted by the Special Session had granted the ILO a central responsibility in their implementation and acknowledged and supported the Organization's role in the areas of social development and poverty alleviation. The ILO should help alleviate the concerns of developing countries over the use of labour standards for protectionist issues, something which in fact was very clearly stated in the ILO Declaration. Paragraphs 28-30 accurately summarized the implications of Copenhagen +5 for the ILO, but two themes were missing: equality between men and women in the world of work, and strategies on the informal sector. His Government was nevertheless convinced that appropriate attention would be given to these issues by the ILO.
99. The representative of the Government of the United States affirmed that the ILO had a key role to play in achieving the goals of the Social Summit and that the United States, along with many others, had worked very hard during the Special Session to ensure that the ILO's role was recognized and promoted in the resulting document. She expressed her concern, however, that paragraph 32(c) incorrectly implied that the ILO's mandate derived from the Special Session, when in fact it derived from the ILO Constitution and the Declaration of Philadelphia. She therefore suggested that it should be amended so as to read: "to request the Director-General to promote, in cooperation, where appropriate, with other international organizations, the ILO's priority objectives as a means of achieving social development for all".
100. The representative of the Government of Sudan, speaking on behalf of the African Government group, thanked the Office for the paper and highlighted and appreciated the positive impact that the ILO and its social partners had had in the preparatory process and the Special Session itself. The political declaration has been very positive in that it addressed vulnerable groups of people and developing countries within the context of

themes such as migration, safety and health, AIDS, debt, skill enhancement and vocational qualifications. Paragraph 27 outlined the inclusion of ILO concerns, standards and principles in the final document; the implementation of certain programmes would require major financing and that the ILO had a major follow-up role ahead of it. The African Government group supported the point for decision.

101. The representative of the Government of Germany stated that, due to time constraints, he would refrain from making other comments and expressed his support for the amendment proposed by the Government of the United States.
102. The representative of the Government of Canada supported the United States proposal.
103. The representative of the Government of Namibia associated himself with the Government of Sudan and supported the point for decision.
104. The Worker Vice-Chairperson, in response to the amendment proposed by the United States, proposed that in the second line of paragraph 32(c), the phrase "... mandate conferred on the ILO by the Special Session" should be replaced by "... the request made to the ILO by the Special Session".
105. The representative of the Government of the United States replied that this wording still gave the impression that the ILO was doing its work at the request of the Special Session rather than its own objectives. She thus proposed a subamendment whereby paragraph 32(c) would read "to request the Director-General to ensure, where appropriate with other international organizations, the implementation of the ILO's programme of activities, recognizing their critical role in fulfilling the goals of the Special Session".
106. The Worker Vice-Chairperson supported this proposal, since time constraints limited any further debate on the issue.
107. The Employer Vice-Chairperson expressed reservations about the term "ensure" in paragraph 32(c), but nevertheless agreed to accept the proposal. He still had problems in accepting 32(a).
108. The Worker Vice-Chairperson stated that since his group welcomed the whole report, he did not find any problems in accepting 32(a). He proposed to delete the term "welcome" in 32(a) and replace it by "note".
109. The Employer Vice-President agreed with this proposal.
110. *The Governing Body may wish –*
 - (a) *to note the adoption of the outcome document of the 24th Special Session of the General Assembly entitled "World Summit for Social Development and Beyond: Achieving Social Development for All in a Globalizing World";*
 - (b) *to note, in particular, the recognition given by the Special Session to the role to be played by the ILO to further implement the Copenhagen Declaration and Programme of Action;*
 - (c) *to request the Director-General to ensure, where appropriate, with other international organizations, the implementation of the ILO's programme of activities, recognizing their critical role in fulfilling the goals of the Special Session;*

(d) to request the Director-General to report to the Governing Body in due course on progress made in the implementation of the outcome of the World Summit for Social Development and the 24th Special Session.

VI. Outcome of the Special Session of the General Assembly: Women 2000 – gender equality, development and peace for the twenty-first century (New York, 5-9 June 2000)

- 111.** A representative of the Director-General (Ms. Zhang, Director of the Bureau for Gender Equality) introduced the Office paper. The paper consisted of two parts: the first on the Special Session, the second on the proposed framework for ILO follow-up.
- 112.** The Special Session had been the largest international forum since the Fourth World Conference on Women in 1995. Its main purpose had been to review progress and obstacles in implementing the Beijing Platform for Action and to produce further initiatives to accelerate the implementation of the objective of gender equality. For the ILO, the event had been a unique opportunity to reaffirm the Organization's commitment to achieve gender equality, development and peace. It had enabled ILO officials to discuss its strategic agenda with constituents and the international community. The ILO's message had highlighted the adoption of a holistic approach to gender equality issues; a strategy on gender mainstreaming; and partnership between women and men.
- 113.** The document resulting from the Special Session reviewed progress made in implementing the Platform for Action during the last five years, highlighted the trends in gender issues and identified target groups for the future. Governments and the international community had reaffirmed their commitment to the Platform for Action and a common development agenda with gender equality as an underlying principle. The challenge was to operationalize commitment for action, going beyond rhetoric, thereby highlighting –
- the importance of a holistic approach based on equal rights and partnerships, the promotion and protection of all human rights and fundamental freedoms;
 - the need to strengthen research;
 - the need to set well-defined short- and long-term targets, with measurable goals;
 - the collection of sex-disaggregated data;
 - the need to strengthen follow-up mechanisms to assess progress.
- 114.** Ms. Zhang referred to the ILO Declaration on Fundamental Principles and Rights at Work and urged the ratification and full implementation of ILO Conventions relevant to ensuring women's rights at work. The ILO's active participation in the Special Session was visible and recognized.
- 115.** The proposed ILO follow-up had been prepared through a participatory approach, with inputs from headquarters, field offices, the Governing Body Symposium of March and the International Labour Conference. It centred around the promotion and operationalization of decent work and prioritized gender issues in the four strategic areas. The implementation strategy would focus on strengthening the knowledge base (including the development of tools, indicators, benchmarks, good practices and applied research), provide services to

constituents and improve advocacy and communication. In 2001 efforts would be made at the regional level to enable the ILO field structure and constituents to tackle the gender priorities and concerns specific to their regions.

- 116.** The Office sought guidance from and approval by the Committee and the Governing Body on the proposed follow-up framework.
- 117.** The Worker Vice-Chairperson thanked the Office for an informative paper and noted with satisfaction the recognition of the ILO in the field of gender. He reiterated the proposals made by Mr. Patel at the Symposium on Decent Work for Women held in March 2000. These were: (i) to set up a campaign in support of the ratification of gender-related ILO Conventions; (ii) the need to have quantitative data to measure the differences between men and women; (iii) to mainstream gender into high-level policy as changes in macroeconomics had effects on women, on their access to work, on their security, on the quality of their work, and on their incomes; and (iv) to deepen the study of the informal economy. The Workers wished to see the proposed schedule of activities for the consolidation of the follow-up framework (paragraph 37) fully implemented and strongly supported the recommendations in paragraph 38.
- 118.** The Employer Vice-Chairperson expressed misgivings regarding paragraphs 37 and 38 of the paper, since it did not seem that the budgetary implications had been considered. He also had difficulties regarding the substance of paragraph 37, as he did not understand some of the vocabulary used, such as the references to “engendering macroeconomics”, “men and masculinities” and “gender auditing”. He opposed paragraph 38 and asked the Office to clarify the point concerning resource mobilization.
- 119.** The representative of the Government of Denmark, speaking on behalf of the IMEC governments in her capacity as IMEC gender equality focal point, welcomed the ILO report and noted with satisfaction that the outcome document included a specific reference to the ILO and encouraged all parties to respect, promote and realize the principles contained in the ILO Declaration on Fundamental Principles and Rights at Work. IMEC agreed that the time had come to go beyond the rhetoric to concrete action. IMEC welcomed the proposed framework for ILO follow-up and supported the priorities regarding gender issues outlined in the document. IMEC was particularly pleased with the proposals for developing gender-sensitive indicators and benchmarks. IMEC noted the Office’s schedule of activities outlined in paragraph 37, and requested that the progress made be reported at the Governing Body in November 2001. IMEC supported the point for decision in article 38.
- 120.** The representative of the Government of France entirely supported the statement made by Denmark on behalf of IMEC.
- 121.** The representative of the Government of Sudan, speaking on behalf of the African Government group, expressed appreciation of the ILO’s effective participation in the Special Session, since it showed the commitment of the Organization to gender equality and its competence in tackling gender issues. Governments had taken steps towards implementing the Beijing Platform for Action, but financial constraints and socio-cultural resistance had slowed down progress. He noted with satisfaction the reference made to the ILO in the outcome document as quoted in paragraph 14. He strongly supported the schedule of activities proposed in paragraph 37 and endorsed the point for decision under paragraph 38.
- 122.** The representative of the Government of Namibia expressed support for the point for decision, pending clarification on the source of the required resources.

123. The representative of the Government of Canada congratulated the ILO on being recognized as a case of good practice in mainstreaming gender in programme and budgeting processes within the UN system. She encouraged the ILO to promote the inclusion of gender equality issues as part of the agenda of all the parties with which the ILO had relations, be they social partners, other institutions, or national governments involved in technical assistance projects. She underlined that the message on gender issues should be integrated at all levels, both at headquarters and in the field by all staff.
124. Ms. Zhang provided information on resource mobilization for the schedule of activities outlined in paragraph 37 and the recommendations in paragraph 38. No extra financial resources were required for the organization of the proposed workshops under paragraph 37, and paragraph 38 also referred to human resources. The Programme and Budget proposals for 2003-04 had been made on the basis of a zero growth budget.
125. The Employer Vice-Chairperson reiterated that no extra financial commitments should be made, but the mobilization of human resources also had cost implications. No extra financial commitments should be entailed in paragraph 38.
126. The Worker Vice-Chairperson pointed out that to carry out the schedule of activities under paragraph 37 it was necessary to offer some resources.
127. The representative of the Government of Denmark pointed out that efforts could be made to mobilize extra-budgetary resources. She suggested that it be left to the Director-General to decide how to mobilize resources.
128. A representative of the Director-General (Mr. Hultin, Executive Director of the Employment Sector) supported the proposal by the Government of Denmark by confirming that extra-budgetary resources could be sought.
129. The Employer Vice-Chairperson did not object to paragraph 38 so long as no additional regular budget resources were allocated to the proposed activities and items in paragraph 37. He noted that no one had answered his questions (paragraph 118) about the meaning of the items to be studied.
130. *The Committee recommends to the Governing Body that it –*
- (a) take note of the information, and endorse the proposals for the ILO follow-up framework contained in Office paper GB.279/ESP/4;*
 - (b) request the Director-General to maintain his strong commitment to gender equality and mobilize resources for the effective implementation of the follow-up strategy and strengthen the monitoring and accountability mechanisms to this end.*

Geneva, 14 November 2000.

Points for decision: Paragraph 110;
Paragraph 130.