

GB.295/2 295th Session

### **Governing Body**

Geneva, March 2006

### FOR DECISION

#### SECOND ITEM ON THE AGENDA

# Date, place and agenda of the International Labour Conference

# Agenda of the 97th Session (2008) of the International Labour Conference

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#### **Date**

**1.** The Governing Body will receive as soon as possible a definite proposal for the exact dates of the 97th Session (2008) of the International Labour Conference.

#### **Place**

2. It is proposed that the session be held in Geneva.

### **Agenda**

- **3.** The agenda of the 97th Session (2008) of the Conference will contain the following standing items:
  - Reports of the Chairperson of the Governing Body and the Director-General, including the Global Report on freedom of association and the right to collective bargaining under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work;
  - programme and budget proposals and other financial questions; and
  - information and reports on the application of Conventions and Recommendations.
- **4.** According to practice, in principle the Conference deals with three technical items at the same session. At its 294th Session (November 2005), the Governing Body asked that the five items that had been submitted in the framework of proposals for the agenda of the 2008 Conference, be submitted to it again for a more in-depth examination. <sup>1</sup>
- **5.** The five proposals which have been updated where necessary are the following:
  - (a) child labour and protection of young workers (general discussion based on an integrated approach): a reference to the 2006 Global Report on Child Labour under the Declaration, that should be followed by the adoption of an action plan by the Governing Body in November, has been added;
  - (b) skills for improved productivity, employment growth and development (general discussion);
  - (c) promotion of rural employment for poverty reduction (general discussion based on an integrated approach);
  - (d) employment and social protection in the new demographic context (general discussion based on an integrated approach): some modifications have been made to better take into account issues of HIV/AIDS and of migration in such a context;

<sup>&</sup>lt;sup>1</sup> At the same session, the Governing Body decided to place on the agenda of the 96th Session (2007) of the Conference the following items: work in the fishing sector (standard setting); strengthening the ILO's capacity to discharge its core missions and promote decent work for all at the outset of the 21st century (general discussion); the promotion of sustainable enterprises (general discussion). The items proposed for the 2008 Conference include the four items that were not chosen for the agenda of the 2007 Conference as well as a further item – promotion of rural employment for poverty reduction – (see documents GB.294/2/1 and GB.294/2/2).

- (e) gender equality at the heart of decent work (general discussion) <sup>2</sup>: the proposal has been redrafted in light of comments made by members of the Governing Body during the 294th Session (November 2005). It emphasizes the timeliness of such a discussion given the progress made by the ILO in achieving equality between women and men in employment and the need for the Organization to examine how it can sustain this momentum and improve its approaches, in the light of changing labour markets. A general discussion (instead of a general discussion based on an integrated approach) <sup>3</sup> seems to be a more appropriate form of discussion for the revised proposal.
- **6.** During discussions held at the 294th Session, many Governing Body members voiced their support for several of these proposals. Furthermore, the Employer members and the Worker members emphasized the usefulness of prior consultations in order to facilitate the Governing Body's selection task at its March session. The Worker members indicated that they wished to include other topics on the list. Furthermore, it should be recalled that on a number of occasions the members of the Governing Body have stressed the importance of being able to select more topical items at a time closer to the Conference. Such a postponement would mean additional work for the Office and, if need be, for the constituents, in order to ensure the quality of the outcome, given the shorter deadlines for the preparation of Conference reports. <sup>4</sup> In the present case however, given the limited number of proposals, the Governing Body would perhaps like to retain the possibility of selecting (for example) one of the three items at a later date.
- 7. In the meantime, if the Governing Body deems it appropriate, the Office could explore other subjects that could be considered as responding to topical needs, such as, for example, HIV/AIDS and the world of work, the role of labour administration in the informal economy or free trade agreements and international labour standards, or further topics which could arise from consultations involving constituents in an appropriate manner.
- 8. Against this background, the Governing Body is invited to take one of the following decisions as regards the agenda of this session:
  - (a) select two of the following proposals to be placed on the agenda of the 97th Session (2008) of the International Labour Conference:

<sup>&</sup>lt;sup>2</sup> The previous title was: Gender equality in the world of work: Successful practices in meeting the challenges of promoting equal opportunity in employment (General discussion based on an integrated approach) (GB.294/2/1).

<sup>&</sup>lt;sup>3</sup> For an explanation of this approach, see GB.279/4.

<sup>&</sup>lt;sup>4</sup> In practice, the deadlines necessary for the preparation of reports can depend on the subjects, the level of progress of work by the Office on the topic in question, the necessary consultations, as well as possible other tripartite discussions that may have previously been held within the Organization on the same topic. In the event of a general discussion, article 11ter, para. 1 of the Standing Orders simply stipulates that the Office report must reach Governments two months before the opening of the Conference. The minimum preparation deadline for a report of this kind, including regional consultations held for this purpose, has been calculated at approximately eight months; that is a deadline of ten months between placing the item on the agenda and discussing it at the Conference. In the event of standard setting, the possibility of approving a programme of preparatory work including shorter deadlines is provided in the Standing Orders of the Conference (articles 38, para. 3, and 39, para. 5, of the Standing Orders). This possibility was used, for example, when in March 2002 an urgent item relating to seafarers' identification was placed on the agenda of the 2003 Conference with a deadline of 15 months, which led to the adoption following a single discussion of the Seafarers' Identity Documents Convention (Revised), 2003 (No. 185).

- (i) child labour and protection of young workers (general discussion based on an integrated approach);
- (ii) skills for improved productivity, employment growth and development (general discussion);
- (iii) promotion of rural employment for poverty reduction (general discussion based on an integrated approach);
- (iv) employment and social protection in the new demographic context (general discussion based on an integrated approach);
- (v) gender equality at the heart of decent work (general discussion), and postpone the selection of the third item to complete the agenda of the session to one of its subsequent sessions, in light of consultations;

or

(b) complete the agenda of the 97th Session (2008) of the International Labour Conference by selecting three of the five proposals under (a).

## Proposals for the agenda of the 97th Session (2008) of the Conference

#### Fundamental principles and rights at work

1. Child labour and protection of young workers (General discussion based on an integrated approach)

#### Summary

The Worst Forms of Child Labour Convention, 1999 (No. 182), together with the Minimum Age Convention, 1973 (No. 138), constitute a firm standards base for action in this area including for the comprehensive and integrated action of the International Programme on the Elimination of Child Labour (IPEC). The experience over the past six years indicates that it would be timely for the International Labour Conference to give further consideration to the following issues in the context of a general discussion based on an integrated approach. The promotion of the ratification of the two fundamental Conventions has clearly been successful, and there is now a need to increase focus on how these instruments can be effectively implemented. Such a discussion could boost wider awareness and offer a new impetus to ILO action, including technical assistance. For instance, sustained assistance for the national determination of hazardous work anchored on proper tripartite consultation is urgently needed. As regards the follow-up to the conclusions of the Working Party on Policy regarding the Revision of Standards, this discussion could offer an opportunity to accelerate the process of streamlining standards on night work for children and on medical examination and to consider the need for further international guidance in this area. Finally, the present discussion could be a useful complement to the 2005 ILC discussion on youth employment from the viewpoint of the decent work deficit of youth in the age group 15-18, and a further follow-up to the action plan that should be adopted in November 2006 following the discussion, at this year's Conference, of the 2006 Global Report on child labour.

#### The background – Commitment to eliminate child labour

**9.** The elimination of child labour has been one of the operational objectives for the ILO, and is also one of the four fundamental principles under the 1998 Declaration covered by the two up-to-date fundamental Conventions (the Minimum Age Convention, 1973 (No. 138),

- and the Worst Forms of Child Labour Convention, 1999 (No. 182)), accompanied by their supplementary Recommendations.
- 10. As widely recognized, child labour is not a subject that can be dealt with only by achieving legislative conformity with international standards and law enforcement. It also demands comprehensive and integrated measures to address its root causes. That is why the ILO, through its International Programme on the Elimination of Child Labour (IPEC), takes an integrated approach combining standards, awareness raising, policy advocacy, knowledge enhancement and direct support to countries in removing children from work and providing alternatives. This approach is well exemplified in the time-bound programme approach with its focus on investigation and analysis of the specific forms of child labour targeted, policy development and integration of child labour into major development policies and programmes in the area of education and poverty alleviation, direct action targeted at children and their families, disseminating information, and continuous awareness raising at all levels. Eliminating child labour thus requires wide-ranging alliances at the country level but also within the ILO between the units that have the relevant experience for such an integrated approach.
- 11. With an estimated 170 million children involved in hazardous work, this is one of the crucial areas for intervention, both by national actors and the Office. Convention No. 182 forged a global consensus that hazardous work by all girls and boys under 18 years of age must be tackled urgently as one of the worst forms of child labour. This was not a new requirement but a confirmation of the minimum age of 18 for hazardous work under Convention No. 138. While both Conventions leave to national decisions the determination as to what kind of work is hazardous, both of them unequivocally require tripartite consultation before such national determination of hazardous work. In this respect, because issues are complex, a strong demand comes from constituents for the ILO's technical assistance in applying the two Conventions and there is an opportunity to enhance the prominent role of social partners in national action against child labour. <sup>5</sup>

Follow-up to the conclusions of the Working Party on Policy regarding the Revision of Standards

12. In its efforts to protect children and young workers, the ILO has also adopted standards with a specific focus on night work and on medical examination of children and young workers. As a result of the work of the Working Party on Policy regarding the Revision of Standards, the Governing Body decided that standards on night work of children and young persons (Conventions Nos. 6, 79 and 90, and Recommendations Nos. 14 and 80) should be revised. Concerning the instruments on medical examination (Conventions Nos. 77, 78 and 124, and Recommendations Nos. 79 and 125), the decision included an invitation to contemplate ratifying the Conventions or to give effect to the Recommendations, as well as a request for information on the obstacles preventing ratification or implementation and their possible need for revision, including their consolidation. According to Recommendation No. 190, Paragraph 3, "work during the night" is among the elements to be considered in the determination of hazardous work. In the spirit of streamlining standards, such revision and information should be considered in direct relation to the objective of the effective abolition of child labour. Any need for further international guidance – whether in the form of future standard setting or more informal codes of practice or guidelines - should be identified taking into account all the means of action in the area concerned.

<sup>&</sup>lt;sup>5</sup> A tripartite subregional technical workshop on this subject took place in Phuket, Thailand, in July 2005.

13. Another element of streamlining of standards relates to a number of earlier sectoral Conventions on minimum age that have already been revised by Convention No. 138. <sup>6</sup> Because of the flexibility built into Convention No. 138 (detailed conditions for the *ipso jure* denunciation of earlier Conventions), ratification of Convention No. 138 does not always automatically result in denunciations of all the revised Conventions ratified by the same country. <sup>7</sup> This situation confuses the level of the national commitment, and slows down the streamlining of standards. The required remedy appears to be more tailor-made assistance to member States in order to move remaining obligations towards those under Convention No. 138 and have the older Conventions denounced. This discussion would increase awareness and would help in identifying the type of assistance needed by different countries in this respect.

#### Deficit of decent work for youth

**14.** Furthermore, because of the overlapping concepts of "child" (under 18), and "youth", which usually covers those whose age ranges from about 15 to 24 years, hazardous work and other worst forms of child labour in the case of adolescents above the general minimum age could be regarded from the viewpoint of the deficit of decent work for youth, for the age group 15-18. The proposed discussion could in a timely way complement the discussion on youth employment that took place at the 2005 Conference.

#### Conclusion

15. Against this background, the Governing Body might wish to consider an item for a general discussion based on an integrated approach on child labour and the protection of young workers at the 97th Session (2008) of the International Labour Conference. A Conference discussion could help boost awareness, and offer a new impetus to action beyond the ratification of fundamental Conventions and assistance to the constituents in effectively implementing them. It would also seek to streamline the standards, according to the conclusions of the Working Party on Policy regarding the Revision of Standards, and help in identifying any need for further international guidance especially on hazardous work. Finally, such a discussion could complement the 2005 ILC discussion on youth employment and also provide a valuable follow-up to the 2006 Global Report on child labour under the Declaration, and the action plan that is to be proposed to the Governing Body in November 2006.

#### **Employment**

## 2. Skills for improved productivity, employment growth and development

(General discussion)

#### **Summary**

Skills development has a critical role to play in improving productivity and promoting employment growth and development. Many countries have made considerable investments in education and training, but these investments have not always yielded the benefits intended. The countries that have been successful were those

<sup>&</sup>lt;sup>6</sup> See Article 10 of Convention No. 138.

<sup>&</sup>lt;sup>7</sup> For example, a State that ratified Convention No. 59 (which sets the minimum age of 15 years in industry) and subsequently ratified Convention No. 138 declaring a general minimum age of 14 years continues to be bound by Convention No. 59 unless it declares the minimum age in industry to be 15 years under Convention No. 138.

that linked carefully targeted investments in skills development to investments in physical capital and industries. A significant feature of these countries' experience is that not only did they manage to achieve high economic and growth rates, but they managed to reduce poverty substantially at the same time. These issues were initially discussed in the 2000 general discussion on human resources training and development, and the 2003 and 2004 discussions leading up to the new Human Resources Development Recommendation, 2004 (No. 195). This discussion would build upon this earlier work as well as the 2005 general discussion on youth employment. It could provide the opportunity for governments and the social partners to discuss the practical measures, including methodologies, strategies and tools to link skills development with other economic and social development policies to facilitate improvements in productivity, employment growth and development.

#### Background

**16.** In terms of the impact of skills development on productivity and employment, the objectives, *or rationale*, of education and training are set out in the Conclusions adopted by the ILC at its 88th Session (2000), as follows:

Education and training ... have a dual rationale: develop skills and knowledge that will help countries, enterprises and individuals utilize the new opportunities and enhance the employability, productivity and income-earning capacity of many population groups that have been adversely affected by globalization and changes in society at large. Education and training are necessary for economic and employment growth and social development. They also contribute to personal growth and provide the foundation of an informed citizenry. Education and training are a means to empower people, improve the quality and organization of work, enhance citizens' productivity, raise workers' incomes, improve enterprise competitiveness, promote job security and social equity and inclusion. Education and training are therefore a central pillar of decent work.

17. The Conclusions set education and training in the broadest possible perspective. While it is clear that training cannot create jobs, it can assist individuals' access and retain jobs, improve their mobility in the labour market, and raise their productivity, performance and earnings at work. It may also aim at non-economic outcomes: e.g. reducing criminal behaviour and drug use, a desired outcome of many youth training programmes. With this premise in mind, it is important to identify under *which conditions* the objectives can, and have been reached, using examples at the level of individuals/population groups, enterprises and entire economies. The necessary conditions may include, for example: a favourable macroeconomic environment that ensures sustained economic and job growth; an environment and incentives that encourage enterprises and individuals to invest in education and training; and supportive science, technology, industrial, social and other policies.

#### Skills, employability and productivity

18. In considering the impact of skills on productivity and employability, it is important to look at the broad macroeconomic picture of countries, and major sectors within countries, which have invested massively in education and training, as an integral element of their economic and social development strategies, and reaped benefits in terms of exemplary employment, income and productivity growth. These are countries such as Ireland, Finland, Republic of Korea, Singapore and Mauritius. They have combined carefully targeted investments in education and skills with investments in physical capital and industries. Singapore, for example, by establishing strong linkages between education and training investments and trade and industry policies, was able to shape its national human resource policy to provide the necessary education and skills for each successive stage of development. The preliminary evidence shows a correlation between investment in education and training and productivity, employment and economic growth. A significant

<sup>&</sup>lt;sup>8</sup> ILO: Conclusions concerning human resources training and development, International Labour Conference, 88th Session, Geneva, 2000.

feature of these countries' experience is that they managed to achieve not only high economic and employment growth rates, but managed to reduce poverty significantly as broad sections of the population were provided with education, training and job opportunities. Poverty reduction was a significant side benefit of increases in employment and productivity. However, inferences about causality that investment in education and training *accounted for* this growth may be more difficult to make from this evidence.

- **19.** Some insights may also be gained by examining, at sector level, the relationship between investing in education/training, and productivity and employment growth in that sector and related sectors. The ICT sector is perhaps the most obvious example. The cases of Costa Rica, Israel and Finland could be possible examples.
- **20.** *Firstly*, the discussion could examine the effects of education and training on enterprises' productivity and performance. Most training in the world is done by enterprises to improve their productivity, performance and profitability, but in many enterprises also to enhance their workers' general employability, beyond the immediate needs of the enterprise. The ILO's work and, among other sources, the findings of the ILO publication on workplace learning, <sup>9</sup> and its case studies in Africa and Asia on learning and training in SMEs could be useful background material. This work shows that learning and training, when *supported by* other enterprise policies and work practices, have contributed to improved individual and enterprise productivity and performance. To support this discussion, other information available could be drawn on, e.g. studies of effects of training on changing enterprise practice, including productivity, but also studies that measure productivity effects indirectly. These include case studies of job training, surveys of employers' training costs and statistical comparisons of matched plants and sectors. <sup>10</sup>
- 21. Secondly, the discussion could test the proposition that investment in marketable knowledge and skills improves individuals' labour market performance. This performance may be measured by means of various indicators such as: employment rates, stability of employment, etc. after training. It would be critical in the discussion to look at examples of how learning and training have increased earnings. Has training increased decent work, for example, by increasing job satisfaction? It would also be important to consider the contextual factors (type and quality of training, demand-driven training, buoyant labour markets, changes in work organization, etc.) that account for favourable outcomes, as there may be a number of programmes, particularly some labour market programmes that have had little effect on the labour market performance (and productivity) of participants. The discussion could also draw some lessons from their (relative) failure.

#### Conclusion

**22.** The proposal reflects the critical role skills development plays in improving productivity, and promoting employment growth and development. The *World Employment Report* 2004-05 on employment, productivity and poverty reduction <sup>11</sup> and the Human Resources Development Recommendation, 2004 (No. 195), emphasize the linkage between skills, productivity, employment growth and development. A general discussion would build

<sup>&</sup>lt;sup>9</sup> Ashton, D.N.; Sung, J. 2002. *Supporting workplace learning for high-performance working* (Geneva, ILO).

<sup>&</sup>lt;sup>10</sup> Grubb, W.N.; Ryan, P. 1999. The roles of evaluation for vocational education and training: Plain talk in the field of dreams (Geneva, ILO).

<sup>&</sup>lt;sup>11</sup> As explained in the report, the reason why the three issues were addressed together was "based on the simple observation that a substantial share of poor people in the world is already at work: it is not the absence of economic activity that is the source of their poverty, but the less productive nature of their activity" (Why a focus on productivity, p. 1).

upon the elements identified in the preceding sessions as well as the 2005 general discussion on youth employment. It could provide an opportunity for governments and the social partners to discuss the practical measures, including methodologies, strategies and tools that have been successfully applied.

## 3. Promotion of rural employment for poverty reduction

(General discussion based on an integrated approach)

#### Summary

Three-quarters of the world's poor live in rural areas, where decent work deficits are most daunting. Agriculture is still the predominant employer in the developing world, but its importance is declining. Lack of productivity in rural areas and imperfections in global production systems contribute to rural poverty. Without massive investment in rural employment generation, rural-urban migration is likely to accelerate. These are some of the issues the proposed general discussion will review, with the aim of setting the framework for a comprehensive strategy and integrated ILO programme of work to promote decent work in rural areas.

- 23. Self-employment in small-scale agriculture and wage employment in commercial agricultural represent 44 per cent of the total and 70 per cent of rural employment in the world. An additional 30 per cent of rural employment in developing countries is found in non-farm activities. <sup>12</sup> Many rural labourers are temporary, casual or migrant workers who are particularly vulnerable to poverty. Likewise, small and marginal farmers, as well as wage workers and the self-employed in low productivity non-farm activities, often live below the poverty threshold. In total, 75 per cent of the world's poor live in rural areas where decent work deficits are greatest.
- **24.** Even though urbanization is accelerating, the rural population still represents 59.5 per cent of the total population in developing countries, <sup>13</sup> and the shift away from agriculture to manufacturing and services continues worldwide, the farming sector is still the main employer in most developing economies. <sup>14</sup> Agriculture has the greatest dominance of female employment in the poorest regions of the world, <sup>15</sup> and prospects for young people are particularly bad in rural areas leaving them with no option but to migrate in search of work in urban areas.
- **25.** Poverty in rural areas may be caused by factors such as:
  - low productivity in smallholder farms, often as a result of lack of access to basic education and skills training, or political instability;
  - the sudden dismantling of input subsidies and price stabilization mechanisms under structural adjustment policies without offering rural producers appropriate coping strategies;
  - unequal access to land in some countries;

<sup>&</sup>lt;sup>12</sup> ILO: World Employment Report 2004-05: Employment, productivity and poverty reduction, Geneva, 2005, p. 149.

<sup>&</sup>lt;sup>13</sup> ILO, op. cit., p. 131.

<sup>&</sup>lt;sup>14</sup> Almost 70 per cent in sub-Saharan Africa and about 60 per cent in South Asia.

<sup>&</sup>lt;sup>15</sup> op. cit., p. 127.

- persisting import barriers in industrial countries and falling world market prices for major agricultural commodities; and
- the absence of efficient farmers' organizations and comprehensive local development strategies.
- **26.** Much agricultural work is beyond the reach of labour standards for a variety of reasons, such as the pattern of land ownership, the size of farms and the seasonal or casual nature of paid farm work. Agricultural workers and subsistence farmers are most exposed to accidents and diseases, yet least covered by social protection schemes and occupational safety and health programmes. Many rural families do not have access to safe drinking water, sanitation, health services and basic education. Less than 10 per cent of the world's waged agricultural workers are organized in trade unions or rural workers' organizations. Some 70 per cent of all child labour is employed in agriculture. The HIV/AIDS pandemic is particularly difficult to control in rural areas. There is a need for establishing rural employment policies for ensuring the creation of decent work addressing these issues.
- **27.** During the 1990s, rural development was largely neglected by researchers, policy-makers and international organizations. Interestingly, this was the time when poverty reduction rates began to slow down in the world. The global debate around poverty reduction strategies in the context of the MDGs has reversed this trend and once again drawn the attention of international agencies to the critical importance of rural development in the fight against poverty. Examples include:
  - the United Nations Economic and Social Council called for a wide-ranging integrated approach to rural development; <sup>16</sup>
  - the World Bank has adopted a new strategy to fight rural poverty under the title "Reaching the Rural Poor" (2003);
  - the final report (2004) of the World Commission on the Social Dimension of Globalization called for the design of comprehensive local development strategies to enable rural people to seize the opportunities, and meet the challenges, created by globalization;
  - the Plan of Action adopted by the African Union Extraordinary Summit of Heads of State on Employment and Poverty Alleviation in Africa (Ouagadougou, 2004) recognized agriculture and rural development as priority domains for action; and
  - the report "Our Common Interest" (2005) published by the Commission for Africa highlights the importance of accelerated growth in agriculture for poverty reduction in Africa.
- **28.** ILO involvement in rural employment promotion dates back to the earliest days of the organization. The International Labour Conference adopted Conventions Nos. 12, 25, 36, 38, 40, 99, 101, 110, 129 and 184, which define the social security standards and working conditions of agricultural workers. Some of these have been revised by later instruments. In addition, the Rural Workers' Organisations Convention, 1975 (No. 141), and its accompanying Recommendation (No. 149), and the Promotion of Cooperatives Recommendation, 2002 (No. 193), are of particular relevance to rural employment.
- **29.** All four sectors of the ILO implement work programmes in rural areas; examples include IPEC in sector I (Standards and Fundamental Principles and Rights at Work), the employment-intensive investment, skills development, social finance, small enterprise, local economic development and cooperative promotion programmes in sector II

<sup>&</sup>lt;sup>16</sup> ECOSOC: Draft Ministerial Declaration, E/2003/L.9, 2003.

(Employment), programmes for the extension of social protection, occupational safety and health and improved working conditions in sector III (Social Protection), and the collaboration of ACTRAV and ACT/EMP with rural workers' and employers' organizations, as well as the Sectoral Activities Programme in sector IV (Social Dialogue). Different units carry out research in the field of rural development.

**30.** The promotion of rural employment was the subject of a general discussion during the 75th Session (1988) of the International Labour Conference. The background report (Report VII) and the Conclusions of this Conference might serve as a valuable basis for an updated background document on rural employment, which would take into account the fundamental political and economic changes that have taken place since 1988. Such changes include the reform of the international trade regime, the adoption of the Millennium Development Goals, and the emergence of local-global production systems.

#### Some issues for discussion

- **31.** A number of important issues need to be discussed in order to explore the conditions and parameters that would make decent work in rural areas a reality. Among these are:
  - What macroeconomic policies are best suited to ensure a balanced growth in rural and urban areas?
  - What mix of institutional, policy, organizational, technological and financial measures has the greatest potential to enhance productivity in small-scale agriculture, and what is the anticipated impact of such productivity increases on rural employment and rural-urban migration?
  - What economic and social sectors are most likely to create sustainable off-farm employment opportunities, and which complementary *urban* strategies are required to provide employment, basic services and shelter for rural migrants?
  - What measures should be taken to gradually remove import barriers that prevent developing countries from selling agricultural products in industrialized countries?
  - What are the most cost-effective ways to improve rural infrastructure and deliver basic education, vocational training, microfinance, social services, occupational safety and health, as well as pre- and post-production services, to the rural population?
  - What special measures might be necessary to promote decent rural employment for special groups such as indigenous peoples, youths and landless citizens?
  - Which types of local organizations are best suited to represent the voice and interests of small-scale farmers, casual and seasonal farm workers, and rural non-farm producers?
  - What is the best way to mobilize local communities for rural employment generation?
  - What measures will enable employers' and workers' organizations to reach out to rural producers and workers?
  - What role should the ILO play in implementing the above, possibly in partnership with other international organizations and development partners?

#### Intended outcomes

**32.** The intended outcome of the International Labour Conference general discussion would be:

- a stocktaking of the nature, magnitude and changing patterns of rural employment in the world, with a particular focus on developing countries. This would include a review of the international labour standards mentioned in paragraph 28;
- a comprehensive strategy to promote decent work in rural areas around the world;
- an integrated plan of action for the ILO to implement this strategy, including a conceptual framework, standard setting, technical cooperation and knowledge management.

#### **Employment/social protection**

## 4. Employment and social protection in the new demographic context

(General discussion based on an integrated approach)

#### **Summary**

The demographic context of the twenty-first century is largely shaped by the ageing of the population and declining fertility rates. In many countries longer life expectancy has not been accompanied by longer working lives. Average effective retirement ages have dropped, posing a threat to the financial viability of public budgets and a risk of older people becoming socially excluded. Many older persons keen to work longer are discriminated against and forced to leave the labour market prematurely. While there is much debate about the impact of ageing on social security financing, this discussion obscures a key issue: a large number of women and men are unemployed, inactive or work in the informal economy, instead of being employed formally and contributing to pension systems. The promotion of decent work is the best way to ensure social protection for all and to allow older age groups the possibility of remaining active longer. This is crucial for developing countries where old-age poverty is an increasing concern and few older people can afford retirement. In these countries, it is essential to find ways of extending social security.

The ILO can play a key role in developing innovative strategies to meet these challenges and to facilitate the extension of working lives in productive and decent employment. It is proposed to hold a general discussion to develop an effective plan of action based on an integrated approach encompassing ILO instruments, research activities, technical cooperation and other means of action that together would contribute to promoting policies and strategies to ensure an active, decent and secure old age. While specifically addressing the objectives of employment and social protection, the proposal would contribute to achieving the four strategic objectives.

#### Contemporary trends

- **33.** The world's population is growing older. Fertility rates are declining, and people live longer, not only in developed, but also in most developing countries. Furthermore, large generations born before fertility declined are now reaching the older ages. Between 2005 and 2050, the number of people aged 60 and over is expected to triple from 672 million to nearly 1.9 billion. <sup>17</sup> The demographic deficit created might result in lower standards of living and social protection.
- **34.** Low-income countries are ageing faster than higher-income ones. <sup>18</sup> Over the next 50 years, the older population in these countries is expected to multiply by four <sup>19</sup> and old-age

 $<sup>^{17}</sup>$  United Nations Population Division, World Population Prospects, the 2004 Revision, http://esa.un.org .

<sup>&</sup>lt;sup>18</sup> See table 2, "Velocity of ageing", in "An inclusive society for an ageing population: The employment and social protection challenge" paper contributed by the ILO to the Second World Assembly on Ageing, Madrid, 2002.

- dependency is expected to triple. The insufficiency or absence of social protection pushes older people into informal sector employment, and old-age poverty is a growing concern.
- 35. In the industrialized world, longevity has not been accompanied by longer working lives. Older workers are exposed to discrimination and are often forced to withdraw early from the labour market or to move to low-quality jobs underutilizing their capacity. At the same time, countries are facing concerns about the financial viability of social protection systems. While there are sound reasons to increase activity rates, there are obvious constraints to reversing policies and practices. Employment promotion remains the overriding concern.
- **36.** Declining fertility rates means reduction of young entrants to national labour forces. This has important implications regarding migration flows to meet unfilled labour market needs. Population ageing and rising female participation rates have already created a large demand for immigration of health-care and household workers into OECD countries. It is unlikely estimated levels of immigration required to offset population and labour force declines will be accepted by developed or developing countries. Nonetheless, inevitable increases in immigration raise issues of recognition of qualifications, migrant integration and prevention of discrimination against migrant workers.
- 37. In some low-income countries, the HIV/AIDS epidemic has introduced particular problems for older persons, notably creating a new caregiver role, renewed parental role, and added dependency burden. At the same time, older persons are having to enter or re-enter the labour market to replace lost household incomes. They face discrimination in access to HIV prevention information, testing and counselling, and antiretroviral therapy, as well as in their search for work and in the workplace. The absence of support and care for caregivers, the poverty of households living with HIV/AIDS and the destitution of older persons who both lose support and gain dependants underscore the need to address employment as a first and last recourse for survival.

#### The ILO's response

**38.** The ILO's response has mainly included research, advocacy and collaboration in international efforts and standard setting. Technical cooperation addressing older workers is practically non-existent.

#### Research and international collaboration

- **39.** Since the early 1990s, the ILO has been working on the employment situation of older workers. Training for older workers was discussed in the *World Labour Report* of 1995 and the *World Employment Reports* of 1998 and 2001. The ILO, together with the Governments of Germany and Japan, organized a High-level Conference on Social Dialogue and Ageing in the EU Accession Countries (Budapest, November 2002).
- **40.** The ILO was actively involved in the Second World Assembly on Ageing (Madrid, April 2002). <sup>20</sup> The Assembly adopted the Madrid International Plan of Action on Ageing (MIPAA) and the Political Declaration. The ILO also participated in the Ministerial

www.un.org/ageing/coverage/pr/socm3.htm; see also table 2 "Velocity of ageing", idem.

<sup>&</sup>lt;sup>20</sup> The ILO submitted the report "An inclusive society for an ageing population: Employment and social protection issues", GB.283/ESP/5 (Mar. 2002).

- Conference on Ageing (Berlin, September 2002) <sup>21</sup> and continues to be actively involved in the follow-up of these conferences. <sup>22</sup>
- **41.** Ageing was on the agenda of the Seventh European Regional Meeting (Budapest, February 2005). The report to this meeting includes a chapter devoted to ageing, labour market and pension reform. <sup>23</sup>

#### Labour standards and older workers

- **42.** The relevant Conventions on fundamental workers' rights apply to all workers irrespective of age. Older workers as a group with specific needs are identified in several Recommendations. <sup>24</sup> The only instrument specifically relating to older workers is the Older Workers Recommendation, 1980 (No. 162). This instrument was examined by the Governing Body <sup>25</sup> in November 2000 and it was decided to maintain the status quo.
- **43.** Regarding social security, the key instruments include Part V of the Social Security (Minimum Standards) Convention, 1952 (No. 102), the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128), and Recommendation (No. 131). These instruments were examined in the light of consultations held at the general discussion on social security during the 89th Session (2001) of the International Labour Conference and were considered to be up to date. The Governing Body invited the Office to offer technical assistance with respect to these instruments including dissemination of information. <sup>26</sup>
- **44.** The Human Resources Development Convention, 1975 (No. 142), has also been considered as up to date, while its accompanying Recommendation No. 150 has been revised and replaced by the Human Resources Development Recommendation, 2004 (No. 195), adopted at the 92nd Session of the International Labour Conference (June 2004).
- **45.** Regarding equality of opportunity, age is not listed among the grounds on which discrimination is prohibited in the Discrimination (Employment and Occupation) Convention, 1958 (No. 111). About 35 countries have, however, included age among the prohibited grounds for discrimination in their legislation.
- **46.** The draft ILO (non-binding) multilateral framework on labour migration incorporated the issue of demographic trends in its Principle 5. Corresponding guidelines propose periodic labour market analysis to assess long-term impact of demographic trends, especially ageing and population growth, on the demand for and supply of labour.

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<sup>&</sup>lt;sup>21</sup> The Conference adopted the Regional Implementation Strategy for the MIPAA and the Berlin Ministerial Declaration: www.unece.org/ead/pau/age/conf2002frame.htm .

<sup>&</sup>lt;sup>22</sup> Expert Group Meeting on Modalities for Review and Appraisal of the MIPAA, Malta, November 2003; Expert Group Meeting on Indicators on Ageing, Madrid, Apr. 2004.

<sup>&</sup>lt;sup>23</sup> See report and conclusions of the Seventh European Regional Meeting (Budapest, 14-18 February 2005). GB.292/5, 292nd Session, Geneva, Mar. 2005.

<sup>&</sup>lt;sup>24</sup> The Workers' Housing Recommendation, 1961 (No. 115); the Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169); and the Safety and Health in Agriculture Recommendation, 2001 (No. 192), Para. 4.3.

<sup>&</sup>lt;sup>25</sup> In the context of the Working Party on Policy regarding the Revision of Standards, see GB.279/LILS/WP/PRS/4, p. 21, and GB.279/LILS/3.

<sup>&</sup>lt;sup>26</sup> See GB.282/LILS/WP/PRS/3 and GB.283/LILS/5(Rev.).

#### Proposed directions

- **47.** In terms of overarching policy, promoting employment is the best way to ensure that people have a secure pension when the time comes to leave employment. Attention should be given to identifying labour market policies for older workers including a gradual and flexible transition to retirement. Complementary measures such as those related to skills development within a lifelong learning framework are important. Measures to combat age discrimination and stereotypes with particular attention to older women are also crucial, and initiatives from employers are particularly important.
- **48.** Regarding social security, high-income countries face the challenge of ensuring the sustainability of social protection systems. The main challenge for low-income countries is to extend social security coverage to the most vulnerable groups, especially to those in the informal economy, and to secure the incomes of a growing number of vulnerable older women and men. <sup>27</sup> In some low-income countries, there is a need to address income needs and protection for older persons who lose the support of their children due to AIDS and restart parenting and the charge of households when older, less skilled and at a disadvantage compared with other workers. Particular attention should be placed on women's access to social security. The challenges of demographic change are common to all countries, yet each will have different priorities and will find different strategies to address them, in view of strengthening the role of social security as a productive factor in promoting employment, stimulating structural change and fostering economic growth. <sup>28</sup>
- **49.** There is also a concern vis-à-vis replacement migration based on two major reasons, i.e. the conditions in which migration takes place; and medium- and long-term consequences for both countries of origin and recipient countries. The situation of migrant workers falling outside the realm of social protection, thereby not having access to pension schemes and adequate health services, is of great concern. The scope and limitations of replacement migration to address impacts of new demographic trends should be examined. To what extent can immigration mitigate certain negative effects of demographic ageing? What policies should be developed for better integrating migrants, in particular young people?
- **50.** Examples from some countries have shown that basic income security for the older population is affordable also for low-income countries, and that the improved livelihoods of older people will equally benefit younger generations, especially in countries affected by HIV/AIDS.
- **51.** Finally, providing an adequate working environment for older workers requires particular attention, including the elimination of conditions which are unsafe or unhealthy, or otherwise threaten their working capacity.
- **52.** In order to assist constituents to prepare appropriate and effective strategies, it is therefore proposed to hold a general discussion which will focus on developing a comprehensive and integrated approach encompassing the actions and considerations outlined above.

<sup>&</sup>lt;sup>27</sup> World Labour Report 2000, ILO, Geneva, Chapters 2 and 6.

<sup>&</sup>lt;sup>28</sup> See GB.294/ESP/4.

- **53.** In preparation for the discussion, the ILO plans to launch a survey covering all regions of the world in order to collect comprehensive and up-to-date information on the labour market situation of older workers, and on policies impeding or promoting their employment. This will provide a sound knowledge base for sharing best practices across countries.
- **54.** A potential outcome of the Conference could be a plan of action encompassing advisory services and technical cooperation, research and analytical work with emphasis on advocating good examples, promotion of relevant ILO labour standards, as well as other means of action that would contribute to promoting policies to ensure a decent and secure old age. The Conference may wish to focus on how the Global Employment Agenda is addressing the employment issues.

#### Conclusion

- 55. Productive and decent employment is the most powerful lever to maintain and extend social protection. This requires complementary measures such as promoting the labour rights of older workers through, inter alia, combating age discrimination. Social dialogue plays a crucial role in the design and implementation of policies for older workers. All these measures are related to the ILO's four strategic objectives. For older people, the four pillars of the Decent Work Agenda mean the opportunity to remain an active part of the economy and society in conditions of dignity, freedom, equity and security.
- **56.** It would thus be timely for the Conference to address the aforementioned issues. Such a discussion could serve as a platform for future ILO activities. This would also be in line with the resolution adopted by the General Assembly regarding follow-up to the Second World Assembly on Ageing <sup>29</sup> which requests "the organizations and bodies of the UN system to: (i) incorporate ageing, as appropriate, into actions to achieve the internationally agreed development goals, including those contained in the UN Millennium Declaration, in particular the goal on the eradication of poverty; and (ii) integrate ageing, including from a gender perspective, into their programmes of work".
- **57.** A discussion focused on an integrated approach would offer constituents a global view of the ILO's expertise and means of intervention whilst at the same time facilitating the development of a coherent strategy.

<sup>&</sup>lt;sup>29</sup> Resolution adopted by the General Assembly [on the report of the Third Committee (A/58/498)], 58/134. Follow-up to the Second World Assembly on Ageing, 26 Jan. 2004.

#### **Gender equality**

### 5. Gender equality at the heart of decent work

(General discussion)

#### **Summary**

Making gender equality in the world of work an item on the agenda of the 2008 International Labour Conference would represent a significant opportunity to conduct a comprehensive review of the ILO's progress to date towards gender equality in the world of work, as a basis on which to consult constituents about continued action in pursuance of this central ILO objective, in the light of changing labour markets and patterns in the world of work.

The discussion item would focus particularly on ways of implementing the ILC resolution concerning the promotion of gender, pay equity and maternity protection (2004) 30 and the Governing Body's decision of March 2005 to work with all stakeholders towards systematic gender mainstreaming throughout all future ILO technical cooperation programmes and projects. 31 It would also give constituents the opportunity to make recommendations to the Office on ways to enhance its efforts towards gender equality in the world of work, especially in the context of the Decent Work Agenda.

A timely review in 2008 would enable the ILO to revisit the ILO action plan on gender equality and mainstreaming in the ILO in the light of new ILO policy directions and new international mandates on gender equality and to chart a strategic course for future work.

#### Background

- 58. It is now two decades since the International Labour Conference examined equality of opportunity and treatment for men and women in employment in a general discussion in 1985. Yet gender-based discrimination continues to violate fundamental principles and rights at work and human rights in general, and to weaken economic growth and reduce the efficiency of enterprises and labour markets, while women everywhere continue to be more vulnerable to poverty and decent work deficits than men. This has been repeatedly recognized by the international community, most recently in the Millennium Development Goals, especially MDG 3, and the Beijing +10 Declaration of 2005. The ILO has a clear responsibility to contribute to the attainment of these internationally agreed commitments, and an incontestable specific contribution to make in this respect.
- **59.** A new ILC general discussion in 2008 would be timely to allow the ILO to take stock both of these global developments and of the Organization's progress in promoting and achieving gender equality goals, in order to determine priority areas for its future work. This would be in line with recent ILO policy developments such as the 2004 ILC resolution concerning the promotion of gender equality, pay equity and maternity protection and the Governing Body's decision of 2005 to work with all stakeholders towards systematic gender mainstreaming in all ILO technical cooperation activities.
- **60.** The ILO's primary goal is to promote opportunities for women and men to obtain and perform decent work in conditions of freedom, equity, security and human dignity. The elimination of discrimination in employment and occupation is therefore at the heart of the Decent Work Agenda, and is a long-standing objective of the ILO. Strengthening the capacity of constituent organizations to play a catalyst role in promoting gender equality in the world of work is integral to achieving this agenda.

<sup>&</sup>lt;sup>30</sup> GB.291/3.

<sup>31</sup> GB.292/14, para. 22.

- **61.** The ILO's decent work country programmes offer a unique opportunity to embed gender equality in all ILO programmes and actions at the country level, where mutually reinforcing progress on rights at work, employment, social protection and social dialogue is most visible and effective.
- **62.** Poverty reduction has become an overriding development goal, and international development strategies focus on designing comprehensive national poverty reduction strategies. This trend provides new and ever-increasing opportunities for the Office and its constituents to work with national policy-makers in the design and implementation of poverty reduction strategies that promote decent work and therefore gender equality, its main cross-cutting element. The ILO has already seized these opportunities in many ways and further development of this work area is highly desirable.
- **63.** The systematic inclusion of gender equality considerations into the design of all ILO programmes is thus critical. Research and advocacy need to highlight the ways in which gender equality serves economic and business interests at the same time as enhancing social justice goals. In short, advancing gender equality in practice is urgent if equitable growth, poverty reduction and decent work are to be achieved.

#### The ILO's response

- **64.** The promotion of gender equality in the world of work is enshrined in the ILO Constitution, which affirms the that "all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development to conditions of freedom and dignity, of economic security and equal opportunity". Over many decades the Organization's response to gender inequality has taken many forms, becoming more sophisticated, more responsive to changing conditions, including international developments, and more closely woven into its institutional fabric. The following are some recent actions:
  - ILC resolution concerning the promotion of gender equality, pay equity and maternity protection, 2004: Calls on governments, employers' and workers' organizations to take concrete steps to eliminate all forms of gender discrimination in the labour market and to promote gender equality. It also calls on the Office to continue, strengthen and accelerate efforts to achieve equality between women and men and equal opportunities in working life.
  - Governing Body decision on gender issues in technical cooperation, March 2005: Requests the Office to take certain steps to mainstream gender equality into technical cooperation projects and programmes, work with donors to ensure that agreements make provisions to guarantee and support gender mainstreaming, and increase constituents' capacity to implement gender equality in the world of work
  - Programme and Budget for 2006-07: Makes the promotion of gender equality a mainstreamed strategy for which all units of the Office have shared responsibility. It builds on the definition of gender equality as a *shared policy objective* in the Programme and Budget for 2004-05.
  - ILC Global Report under the follow-up to the ILO Declaration, Time for Equality at Work, 2003: Analyses the diverse forms of discrimination at work and examines current policy and practical responses, with the aim of mobilizing greater support for the elimination of such discrimination.
  - Key labour standards related to gender equality and non-discrimination: The ILO has defined four Conventions as an integrated set of standards essential for the elimination of discrimination and the achievement of gender equality, namely the

Discrimination (Employment and Occupation) Convention, 1958 (No. 111), the Equal Remuneration Convention, 1951 (No. 100), the Workers with Family Responsibilities Convention, 1981 (No. 156), and the Maternity Protection Convention, 2000 (No. 183).

#### Key elements of a Conference decision

- **65.** A general discussion on gender equality would provide an important opportunity to analyse the consequences of new labour market and global economic trends for gender equality in the world of work. It would examine ILO action to address these trends and the impact it has made to date, particularly in the light of the abovementioned resolution and decision on gender equality.
- **66.** Constituents would be invited to give guidance on gender issues they consider priorities for the ILO in the light of changing labour market and work patterns.
- **67.** By thus giving recognition to the pivotal role of gender equality in achieving decent work, the discussion could support the further development of ILO gender policy and action plans and highlight integrated approaches and strategies to speed up the advancement of gender equality in practice.
- **68.** The discussion would focus on:
  - action taken so far by the ILO to follow up the 2004 ILC resolution on gender equality, pay equity and maternity protection and its follow-up;
  - ways in which the resolution has been instrumental in strengthening the gender strategy in accordance with the 2006-08 ILO action plan on gender equality and gender mainstreaming;
  - integrating the ILO's means of action to promote gender equality into decent work country programmes;
  - enhancing the capacity of the Office and constituents to mainstream gender equality systematically into programmes and organizational structures;
  - the use of good practices as a tool to promote equal opportunity in employment; and
  - effective ways to promote the ratification and implementation of the key equality Conventions and other labour standards relevant to equality.

#### Intended outcomes

- **69.** The intended outcomes of the ILC discussion would be:
  - a review of progress on gender equality in the world of work and ILO action in light of changing labour markets and changing patterns in the world of work;
  - recommendations for the ILO on ways to ensure the continued accountability of the Office and constituents to the 2004 ILC resolution on gender equality, pay equity and maternity protection;

general recommendations, centred on the Decent Work Agenda, for ILO action to enhance the coherence of its policies, strategies and actions to achieve gender equality in the world of work.

Geneva, 16 February 2006.

Points for decision: Paragraph 2;

Paragraph 8.