

ILO warns of new threats to global economic and jobs recovery from debt crisis and financial instability

International Labour Office

Growing instability in financial markets and the sovereign debt crisis in Europe may put global economic and jobs recovery efforts at risk, according to the report "[Recovery and Growth with Decent Work](#)" presented by the International Labour Office's Director-General Juan Somavia to the [ILO's annual conference](#).

"Major international actors have put the goal of quality jobs at the heart of recovery plans," Mr. Somavia said in a report which was [delivered to the International Labour Conference](#). "There is growing concern that progress towards this goal could be at risk as a result of the dangerous new twist to the financial crisis."

In the report Mr. Somavia warns that despite signs of a "weak economic recovery ... the risk of a new phase of the financial crisis around sovereign debt has appeared, jeopardizing prospects of growth for some countries, potentially affecting the global economy and again raising doubts about the stability of the international financial and monetary system."

The report also notes that although output began to recover, unemployment continued to rise in many countries in 2010. The global unemployment rate is likely to remain high in 2010, at 6.5 per cent, or more than 210 million people worldwide. It warns that "for many working women and men, and for many enterprises in the real economy, recovery has not yet started", adding that high unemployment raised the "spectre of a jobless recovery ... in many countries."

The report added that the share of workers in vulnerable employment worldwide was estimated to range between 49.5 and 52.8 per cent in 2009, which represents a potential

increase of more than 100 million vulnerable workers since 2008.

"We know there is no sustainable recovery without jobs recovery," Mr. Somavia said. "The test we face is to secure and accelerate a jobs-rich recovery and get onto a path of strong, sustainable and balanced growth that leads to the social stability provided by decent work for all. This is the foundation of a sustainable process of reducing deficits and debt, and is consistent with the [Global Jobs Pact](#) adopted by the International Labour Conference in 2009."

References

ILO. 2010. [Recovery and growth with decent work \(pdf 750 KB\)](#), Report of the Director-General, Report I(C), International Labour Conference, 99th Session, Geneva, 2010 (Geneva).

[ILO Director-General Juan Somavia Presents his report to the ILO's 99th International Labour Conference](#) - , 2010, International Labour Conference, 99th Session, Geneva

Somavia, J. 2010. [Opening speech \(pdf 128 KB\)](#), International Labour Conference, 99th Session, 2010, Geneva (ILO, Geneva).

ILO. 2009. [Recovering from the crisis: A Global Jobs Pact \(pdf 93 KB\)](#) (Geneva).
• [Français \(pdf 105 KB\)](#) • [Español \(pdf 108 KB\)](#)

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Further resources

ILO Publications

Cazes, S.; Verick, S.; Heuer, C. 2009. *Labour market policies in times of crisis* (pdf 699 KB) (Geneva, ILO).

ILO. 2010. *Accelerating a job-rich recovery in G20 countries: Building on experience* (pdf 542 KB) (Geneva).

• [Français \(pdf 561 KB\)](#) • [Español \(pdf 597 KB\)](#)

ILO. 2010. *Employment policies for social justice and a fair globalization* (pdf 1.55 MB), Report VI, International Labour Conference, 99th Session, Geneva, 2010 (Geneva).

• [Français \(pdf 1.43 MB\)](#) • [Español \(pdf 1.66 KB\)](#)

ILO. 2010. *Global Employment Trends, January 2010* (pdf 1.11 MB) (Geneva).

ILO. 2009. *The financial and economic crisis: a decent work response* (pdf 561 KB) (Geneva).

• [Français \(pdf 612 KB\)](#) • [Español \(pdf 621 KB\)](#)

ILO. 2009. *World of Work Report 2009: Global jobs crisis and beyond* (pdf 1.42 MB) (Geneva).

ILO. 2008. *ILO Declaration on Social Justice for a Fair Globalization* (pdf 1.58 MB) (Geneva).

• [Français \(pdf 1.59 MB\)](#) • [Español \(pdf 1.59 MB\)](#)

Jha, V. 2009. *The effects of fiscal stimulus packages on employment* (pdf 283 KB) (Geneva, ILO).

ILO Websites

[Decent work for all](#)
[Global Job Crisis Observatory:](#)
[Employment Promotion](#)
[Global Job Crisis Observatory: Fair Globalization](#)
[Global Jobs Pact](#)
[Global Statistics on the Labour Market](#)