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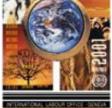
Essential Information on an Essential Issue



# Global Employment Forum

CREATING DECENT WORK IN THE 21ST CENTURY





" The biggest security risk, affecting the largest numbers of people worldwide, is unemployment and the resulting poverty. This is the chronic social ill of our age. It is felt more acutely since 11 September, but it was there before. Too many people feel they have lost control of their own destiny.

"Whether in government or business, in politics or civil society, those with the capacity to make things happen and to make things better, are under scrutiny. They are asked to be responsible, to deliver solutions ... to use their power for the common good."

Juan Somavia,
ILO Director-General

• The Global Employment Forum, held in Geneva at the beginning of this month, warns of an urgent crisis in the global jobs market, in which millions of people will lose their jobs unless measures are taken to safeguard them. The ILO predicts that 24 million jobs — more than the population of Australia — will disappear by the end of 2002 because of the global economic slowdown. The World Bank estimates that 15 million more people could find themselves living in poverty next year.

ILO Director-General Juan Somavia says that we are "staring into the face of the first synchronized world recession of the globalization era." ILO employer vice-president, Daniel Funes de Rioja, told the Forum: "We are losing production, sales, enterprises and jobs..." ILO worker vice-president Lord Bill Brett also warns: "The loss of nearly half a million jobs in the United States in the past month shows that the tidal wave has started to move and will end up on everyone's shores..."

The ILO has called for a global stimulus package to combat the crisis. It is asking the United Nations and its agencies, the Bretton Woods institutions (the World Bank and the International Monetary Fund) and the World Trade Organization, to work together and forge "a global alliance for employment".

• The three-day Forum brought together more than 700 world politicians, corporate and labour leaders, including the 2001 Nobel economics laureate Joseph Stiglitz and Danish Prime Minister Poul Rasmussen.

On the final day of the Forum, delegates launched a 10-point plan aimed at reversing the trend of job losses. The plan seeks to marshal such forces as international trade, information technology, entrepreneurship, environmental sustainability, monetary and fiscal policy, education and training, health and safety, labour market policies, social protection and social dialogue to create jobs and alleviate poverty.

- New Zealand representatives sent to the Global Forum were Anne Knowles, Executive Director of Business NZ (formerly NZ Employer's Federation) and Paul Barker and Julian Woods from the Dept of Labour.
- Juan Somavia says that a major economic downturn was already under way before the terrorist events of September 11. But the attacks on America has made the situation much worse as "fear and insecurity" drive the economic downturn much deeper.

He says that the estimates of job losses and declining growth since September 11, though dire, could still be "conservative". The airline industry, in particular, will take years to recover after more 200,000 of its 4 million global employees lost their jobs after the attacks. Another 9 million jobs could be lost in the hotel and tourism industry if the economic downturn continues.

• U.N. Secretary General Kofi Annan told the Forum that the aftermath of the September 11 attacks on the United States went "far beyond peace and security concerns", and he warns of "severe and multiple" effects on the job market and the poor.

<u>The Jobs Letter</u> — Essential Information and Media Watch on Jobs, Employment, Unemployment, the Future of Work, and related Education and Economic issues. It is published every 2-3 weeks, and is freely available on our website at **www.jobsletter.org.nz**. We will email you if you want to be notified of the latest issue, or sent the full letter (in PDF format). Paper, posted subscriptions are available at \$79 (incl GST, per annum).

Annan, who is this year's Nobel Peace Prize laureate, says: "Nobody can forecast with precision the economic and social consequences. We may never be able to say exactly how much worse the global economic outlook has become because of the September 11 tragedy. But we can say that the consequences of these events — in terms of falling commodity prices, political tension, lower oil prices, lower investment, loss of tourism revenues, escalating trade costs and movements of refugees — will take their toll on many of those who can least afford it. We know that poor economies will pay the highest price, and that millions of people will become more vulnerable to poverty than ever before..."

- Former US Secretary of Labour Robert Reich was a keynote speaker at the Forum. He says that just as the United States is working with other nations to fight global terrorism, it should also be working with them to stave off a global economic meltdown. Reich: "A worldwide recession isn't as violently destructive as terrorism, but it can cause much hardship. Preventing it requires no less of a commitment to a global strategy..."
- ILO documents released at the Forum show:

- 1 billion people globally who are either unemployed, underemployed or "working poor" and living on less than one dollar a day.

— the 1.7% average annual growth of the world's workforce over the past decade had outstripped the 1.4% annual rise in global employment. This means that the global economy has only created about 40 million jobs a year for the 48 million annual new entrants to the labour force.

— the global economy will need to accommodate half a billion more people in the labour forces of developing countries over the coming decade.

- over 97% of new job seekers in the next decade will come from these developing countries, with 65% of them in Asia.

— there are an estimated 66 million unemployed young people in the world today — an increase of nearly 10 million since 1995 — and these young people make up more than 40 percent of the world's total unemployed.

• Many participants at the conference were concerned that the US recession and the worldwide economic slowdown were having a detrimental impact on globalisation. During recent months, the rate of direct foreign investment has dropped by 40 per cent, mainly in the industrialized nations.

Daniel Funes de Rioja stresses that more countries and people need to benefit from globalisation. But he adds: "If developed countries apply protectionist measures based on their political, economic or social needs to avoid or reduce their unemployment rate or to balance their national budgets, how can developing countries believe in globalisation and free trade?"

• The ILO Director-General argues that international organisations must confront the fact today that globalisation is facing a crisis of legitimacy. Juan Somavia: " It is sad that the policy debate on globalisation has so frequently become blocked in polemics. It would be interesting just to ponder on what the results of a world referendum on today's model of globalisation might be. It could cast light on the silent sense of powerlessness felt in so many families around the world. That is at the heart of the legitimacy question."

"International organizations have a responsibility to deal creatively with this reality. It is in times of crisis that we are given the opportunity to think differently. If this means daring to step out of the cage of our



## Global Employment Forum homepage

www.ilo.org/public/english/ employment/geforum/ index.htm

### TRENDS

# **ROBERT REICH** — THE GLOBAL ECONOMY IS TEETERING

Former US Secretary of Labour **ROBERT REICH** was a keynote speaker at the Global Employment Forum.

Here is *an essential summary* of his remarks from the Forum and from newspaper interviews earlier this month.

### **ON THE RECESSION**

• There's no longer any doubt that the United States is in a recession. More than 400,000 jobs were lost last month, the biggest job loss in two decades. Meanwhile, national output is shrinking. Consumer spending is dropping. And consumer confidence is plummeting.

That's just the United States. The rest of the world is as bad or worse. Germany, the largest economy in Europe, is in a slump, dragging the rest of Europe down with it. The Japanese economy is nearly comatose. Argentina, until recently South America's powerhouse, is in deep recession and about to default on its international loans. The former "tigers" of Southeast Asia — Malaysia, Singapore, Hong Kong and Taiwan — are basket cases. The global economy is teetering.

That's partly because American consumers deep in debt, worried about keeping their jobs and now stressed out about terrorism — have been buying less from abroad. Gloom moves around the globe at the speed of an electronic impulse, so our fears about the future have spread to consumers in other nations. And because global corporations overinvested in factories, equipment and information technology and then put on the brakes so quickly, business spending has collapsed around the world.

### **ON FISCAL AND MONETARY POLICIES**

• Fiscal and monetary policy are two levers that must be used appropriately in the interest of full employment. As Labour Secretary in the United States, I never had an opportunity to talk at length about fiscal and monetary policies. The Treasury Secretary told me nicely, pleasantly again and again — even with different Treasury Secretaries — that it was none of my business.

Now that I am no longer Secretary of Labour, I can assert to you that it is the business of Labour Ministers. It is the business of people who are concerned about employment to talk about fiscal and monetary policy. It is not solely the province of the Financial Ministers. And it should not solely be the province of central bankers. Fiscal and monetary policy is one of the most important centres of social policy in our countries and it is important that it be understood as a lynchpin of social policy. Both fiscal and monetary policy must be understood as centrepieces of social policy.

When the economy slows, the people who are likely to be hurt the most in our countries are people who are at the end of the labour queue — the end of the employment line — people who are likely to be fired first, to lose their jobs first, are people who have the least connection to the labour market, whose skills are least developed.

• That does not mean that we should not fight inflation. Inflation — particularly accelerating inflation — does not help anyone. But those officials in charge of fiscal policy and also in charge of monetary policy have some discretion in terms of whether they err on the side of fighting inflation or err on the side of enhancing — or at least protecting — the level of employment.

" It is the business of people who are concerned about employment to talk about fiscal and monetary policy. It is not solely the province of the Financial Ministers and central bankers..."

- Robert Reich

When I say "err", I simply mean to face a very basic fact of policy-making. No-one knows the future. Central bankers and also Ministers of Finance do not know precisely whether their decisions are going to be absolutely correct. There is an element of discretion. There is an element of error. The question is naturally: do you err on one side or the other, knowing full well that if you err on the side of fighting inflation or err on the side of fighting unemployment, the social consequences are quite different.

Our central bankers understand that their primary responsibility is to fight inflation, but that is not their sole responsibility. It is vitally important, now that the world economy faces a contraction, that our central bankers continue to reduce short-term interest rates and pilot us toward a tight labour market, as tight as is consistent with avoiding accelerating inflation and that may entail some experimentation.

### **ON STIMULATING THE ECONOMY**

• Even if central bankers all row together, that still won't be enough to get the global economy moving. To make up for the passivity of consumers and businesses, governments will have to run deficits spending more and taxing less — at least for the next year.

• I think it's striking that we are talking about stimulus in the United States and Europe, at the same time the IMF is telling developing countries to cut spending. How do we reconcile that? In the North, we believe in Keynesian economics. In the South, we believe in Hooverite economics. I think it is a potentially explosive issue.

• Developing nations must be allowed to spend more and tax less. The International Monetary Fund — the world's most important lender — must stop insisting on balanced budgets. Fiscal austerity may have been appropriate when the global economy was growing briskly. Now it's a recipe for joblessness and misery.

### **ON CIRCUIT-BREAKERS**

• Maybe we need circuit breakers to slow the pace of layoffs, just as we have circuit breakers in the stock market that stop trading when stocks are falling too fast. Large layoff announcements seem to have a chilling effect among populations because everyone figures they may be next. That undermines consumer confidence and ends up creating situations that generate more mass layoffs, because businesses suffer when consumers grow less confident.

So we ought to be considering as a temporary measure, some sort of circuit breaker so that a company could not fire more than 5 percent of its workers in a particular year unless it was facing severe economic problems.

# ON THE NATURAL RATE OF UNEMPLOYMENT

• When I became Labour Secretary of the United States in 1993 the assumption among economists was that the so-called natural rate of unemployment — the rate below which you could not go without risking accelerating inflation — was 6 per cent in the United States as we measure unemployment. Well it turned out that because of technological changes and globalisation it was possible to achieve levels of unemployment substantially below 6 per cent without igniting accelerating inflation in the United States.

All of the old economic rules had changed. Why? Because companies were much more competitive with one another; competition overall was much more intense; it was more difficult for companies to raise their prices even if their wages did inch upward; labour unions in the United States were less powerful than they were in the 1980s; technology allowed companies to outsource around the world. And many other reasons I could give you contributed to a state of affairs in which it was possible to run the United States economy, not at 6 per cent, but at  $5\frac{1}{2}$  per cent, at 5 per cent, some people would say even at  $4\frac{1}{2}$  per cent unemployment, without risking accelerated inflation.

### **ON GLOBALISATION**

• Globalisation is one of those terms to have gone from obscurity to meaninglessness without any intervening period of coherence. But let me just say this: Globalisation is also very important and entirely consistent with more jobs and better jobs, decent wages and decent jobs. One of my fears is that the legacy of the last few years, including what occurred on 11 September, may cause something of a withdrawal or a step backward from globalisation.

• In the United States there were a number of polls taken in the years 1999-2000 asking the American public "do you think globalisation is good for you" or asking "do you think trade is good for you" and again and again the polls came back saying "no, we do not think globalisation is good for us, we do not think trade is in our interest".

" Globalisation is one of those terms to have gone from obscurity to meaninglessness without any intervening period of coherence..."

- Robert Reich

Why is there this fear? In the United States in 1999 and again in 2000, unemployment reached the lowest point that it has been in 30 years. The American economy between 1993 and the year 2000 generated 23 million net new jobs. But it was a very buoyant economy and yet there is this resistance, this fear of globalisation.

I want to suggest to you that the fear stemmed not so much from a fear of being unemployed, because again unemployment was at the lowest rate it has been in 30 years. The fear stemmed from a fear of losing one's income, one's livelihood.

This is because even though unemployment was low, the chance of losing your job and having to get a new job, often that paid less, was very high in 1998, 1999, 2000 right through the 1990s. The rate of layoffs, the rate of job loss stayed high. It never dropped from what that rate had been in the last recession of 1990 and 1991. In other words, even though unemployment dropped, job insecurity stayed high. That job insecurity and the likelihood that although you will be employed you will lose a good paying job and have to take a job that pays less. It generates a great deal of fear.

The easiest culprit, the easiest force to blame is globalisation. Although it is not entirely globalisation, it is not simply factories moving abroad. Technology is at least as great a force, there are many, many jobs that are rendered obsolete because of new technologies. But nevertheless, globalisation is an easy target.

• It is very important that in order to avoid a backlash against globalisation, we understand that decent work, a job with some degree of employment security and wage security, is an important political ingredient for maintaining a consensus in favour of open trade, and in favour of globalisation.

Sources — Robert Reich, Professor of economic and social policy Brandeis University, Speech to the Global Employment Forum, Geneva1 November 2001; International Herald Tribune 7 November 2001 "IHT Roundtable Advice for a recovery: Tax Cuts, and Layoff relief" edited by David Ignatius; Los Angeles Times, 6 November 2001 "The Global Economy Is Teetering" BY Robert Reich (www.latimes.com)

### POLICY

# JUAN SOMAVIA — THE GLOBAL AGENDA OF DECENT WORK

The Director-General of the International Labour Organisation, **JUAN SOMAVIA**, is a passionate advocate for "decent work" in the world.

Here is *an essential summary* of his remarks from the Forum on how creating policies for "decent work" will become the global agenda of the 21st century.

### **ON THE MEANING OF WORK**

• A survey of the world we work in today points to an inescapable conclusion: the deep-rooted significance of work for all people everywhere. And there is profound concern about a global decent work deficit of immense proportions, reflecting the diverse inequalities of our societies. Unless we tackle this deficit, the goal of social justice will remain beyond our grasp.

• Every day we are reminded that, for everybody, work is a defining feature of human existence. It is the means of sustaining life and of meeting basic needs. But it is also the activity through which individuals affirm their own identity, both to themselves and to those around them. It is crucial to individual choice, to the welfare of families and to the stability of societies. • What strikes me most, in the midst of the tumultuous changes around us that are transforming work in so many ways, is that the meaning of work in people's lives has not changed. The essence of what people want remains constant, across cultures and levels of development. Everybody seeks a fair chance to prosper in life by their own endeavours. They also want a second chance when they take risks and fail. People do not fear change, or even failure, as much as they fear exclusion.

Do we not generally prefer the challenge of work to the passivity of welfare? Do we not also know that safety nets are essential? How else do we cushion ourselves and our families against risk and survive in hard times? And are we not aware that at all times we need strong institutions that care for people and all life on this shared planet?

• But it is equally apparent that work is where contradictions between our values and aspirations and real life often surface. Our work can require us to give up rights which we hold dear, to forfeit our autonomy, even our dignity. We can end up selling our labour to make products or services that may be meaningless, useless or even harmful to ourselves and others.

I know that unacceptable trade-offs are a daily diet for far too many working people, trapped in circumstances and systems. This experience of work is profoundly at odds with what work at its best is about. We know that work can be an expression of our unique talents, a way of contributing to the common good, an avenue for engaging deeply and meaningfully with a community.

### **ON THE DECENT WORK DEFICIT**

• To bridge reality and aspiration, we need to start by confronting the global decent work deficit. The employment gap is the fault line in the world today. We estimate that there are 160 million people openly unemployed in the world. Behind this stark statistic

### **ON DECENT WORK**

DECENT WORK is about your job and future prospects, about your working conditions; about balancing work and family life, putting your kids through school or getting them out of child labour. It is about gender equality, equal recognition, and enabling women to make choices and take control of their lives.

It is about your personal abilities to compete in the market place, keep up with new technological skills and remain healthy. It is about developing your entrepreneurial skills, about receiving a fair share of the wealth that you have helped to create and not being discriminated against; it is about having a voice in your workplace and your community.

In the most extreme situations, it is about moving from subsistence to existence. For many, it is the primary route out of poverty. For many more, it is about realizing personal aspirations in their daily existence and about solidarity with others. And everywhere, and for everybody, decent work is about securing human dignity.

Decent work is a development strategy. It is a goal not a standard. It does not offer a "one size fits all" solution. It is a personal goal for individuals and families and a development goal for countries.

Decent work is missing when:

- there is involuntary unemployment and poverty;

— there are abuses of rights at work and forced and child labour exist, and discrimination is practised;

- basic income security is missing and workplace anxiety, depression and exhaustion are commonplace;

— workers and employers are either not organized to make their voice heard, or face obstacles to effective dialogue;

— life at work cannot be properly balanced with the claims of the family.

lies a sea of human misery and wasted potential. The headline figure understates the true extent of the tragedy, because whole families are its victims. If we then consider the underemployed, the number skyrockets to at least 1 billion. Of every 100 workers worldwide, six are fully unemployed according to the official ILO definition.

Another 16 are unable to earn enough to get their families over the most minimal poverty line of US\$1 per person per day. These are the poorest of the working poor. Many more work long hours at low productivity, are in casual or precarious employment, or are excluded from the workforce without being counted as unemployed. All countries, developed and developing, have their working poor. The scale of the problem is astonishing.

"What strikes me most, in the midst of the tumultuous changes around us that are transforming work in so many ways, is that the meaning of work in people's lives has not changed. The essence of what people want remains constant, across cultures and levels of development..."

— Juan Somavia

• There is no overstating the priority of job creation. Access to work is the surest way out of poverty, and there are no workers' rights without work. Moreover, getting people into productive activities is the way to create the wealth that enables us to achieve social policy goals. Sound and sustainable investment and growth, access to the benefits of the global economy, supportive public policies and an enabling environment for entrepreneurship and enterprise are what drive employment creation. They are the economic motors of the Decent Work Agenda.

• Decent work is a relevant and practical policy agenda for all member States. There is obviously no suggestion that all countries can realistically aim for the same absolute conditions. No policy intervention — from the ILO or from anybody else — is tomorrow going to reproduce G7 labour conditions in least developed countries. But it is perfectly feasible, and, I would argue, a shared expectation of citizens throughout the world, that every country, at whatever level of development, set its own goals to reduce the decent work deficit with due regard to its specific circumstances and possibilities, and that the international community support that effort.

Decent work offers a way of combining employment, rights, social protection and social dialogue in development strategies. The difficulties faced by the traditional structural adjustment policies of the Bretton Woods institutions lie in part in their failure to incorporate these goals, and poverty reduction strategies will not succeed unless the same goals are built into them. At present, the Poverty Reduction Strategy Papers produced under the auspices of those institutions do not frontally address these issues. Reducing the decent work deficit is the quality road to poverty reduction and to greater legitimacy of the global economy. • For the last two decades, governments and international financial institutions have focused on bringing down budget deficits. I think it is now time to focus collectively with equal zeal on strategies to bring down the decent work deficit. The policy advice of the Bretton Woods institutions and that of the United Nations system should be tested against this objective. In the same way, development cooperation policies should incorporate all the strategic objectives of decent work into their core activities.

### **ON SUPPORTING THE VISION**

• There is reason to believe that our vision is gaining global support. The Special Session of the United Nations General Assembly to follow up the Social Summit last year gave explicit backing to the ILO's Programme on Decent Work as a key element of the further initiatives required.

According to the Report of the United Nations Secretary-General to the Millennium Summit in September 2000, one of the eight priority ways of attacking poverty is "to develop strategies that will give young people everywhere the chance of finding decent work".

On 1 May last year, Pope John Paul II supported a call for a global coalition for decent work. South Africa's President Mbeki, in his letter to the Okinawa G-8 Summit on behalf of the Non-Aligned Movement, stated that "decent standards of living, adequate nutrition, health care, education and decent work for all are common goals for both the South and the North". The UNDP Human Development Report, 2000, identified as one of the seven types of basic freedom "freedom for decent work - without exploitation". In concluding a historic agreement between shipowners and seafarers at the 29th Session of the Joint Maritime Commission earlier this year, employers and workers declared that they were proud to be "torchbearers for the ILO's campaign to promote decent work the world over".

In my contacts with Heads of State, with parliamentarians, with business leaders, with workers, with private individuals, with religious and spiritual leaders, with leading activists and academics, I have time and again found a favourable echo and a willingness to work with us.

• There is a favourable tide, but it is still only reaching parts of the beach. The time to act is now. As fears re-emerge over future world economic prospects, and we are reminded of the impact of the economic cycle on people's lives, we need policies and institutions to embed the values of decent work in the global economy. I do not wish to overstate the situation. It is encouraging that the ILO consensus on decent work has an attraction beyond those who initially constructed and subscribed to it. But we still have many people to convince.

Sources — Juan Somavia, Director General's inaugural address to the 13<sup>th</sup> Asian Regional Meeting, August 2001; ILO Geneva "A Global Agenda for Employment: Discussion Paper" 2001; Speech of the Director-General at the Opening session of the Global Employment Forum "Promoting Decent Work in Times of Uncertainty" 1 November 2001; Report of the Director-General "Reducing the decent work deficit - a global challenge" June 2000.

orthodoxies, then let's dare. We must bring to bear the strength of our different mandates and the experience of our constituents..."

• This year's Nobel economics laureate Joseph Stiglitz, of Columbia University, spoke to the Forum and called on the international community to push for decent work, for full employment and better working conditions. He says that labour policies in many countries have been "subsumed" under broader economic policies often dominated by commercial and financial interests.

Stiglitz: "For too long, labour has acquiescent, sometimes becoming an even more effective advocate of the policies than those whose interests they serve. Let me be clear: what I am calling for is not the return to class warfare but a simple recognition of long standing principles — that there are trade-offs, that there is uncertainty, that different policies affect different groups differently, that the role of the economic adviser is to inform policymakers of the consequences of different decisions, and it is the role of the political process to make those decisions."

• Later, at a special forum organised by the *International Herald Trubune*, Stiglitz outlined a broad five-point plan for economic revival and saving jobs in the United States:

- *first*, begin with the major source of uncertainty in unemployment, and extend unemployment coverage and benefits for workers.

— *second*, have a temporary investment tax credit ... temporary, because it would be designed to encourage people to invest now, when there is this real need.

— *third*, introduce tax rebates directed at investment. Specifically recommended are tax changes that allow companies to do more backward averaging. Firms that have paid a lot of taxes in the past, but are willing to invest now, can use some of that backward averaging if they are going to commit to investments.

— *fourth*, avoid making the economic downturn worse by austerity measures that require cutting spending at the very time we need to increase it. Stiglitz says this is being seen in the developing world, with the austerity measures imposed by the International Monetary Fund, and also seen in the US where almost all the states have "balanced budget amendments." Instead, he recommends a temporary, very large, revenue-sharing program as a way of getting money out into the economy.

— and *fifth*, more public investment. Identify some areas of public expenditure that have been starved, such as schools and research, which are cyclically sensitive and where investments can be made quickly.

• Stiglitz says that if you go back to when the IMF was established, it was under the influence of the economist John Maynard Keynes at the end of World War II, when there was a real fear of going back to a global depression. In this context, there was a recognition that there might be a need for an increase in global liquidity.

Stiglitz: "The IMF created the idea of SDRs [Special Drawing Rights], which was like spending power that could be allocated to deal with insufficient aggregate demand in the world. I think now is a time in which it would be appropriate to restore the SDR — like a global money-supply increase that could be allocated to the developing countries. We have a framework to do it if the IMF, instead of trying to push these countries into deeper recession, would allow this money to go out into the poorest countries of the world. Then it could be a source of economic resurgence."



### "A Global Agenda For Employment: Discussion Paper"

(PDF document 374 KB) download from

www.ilo.org/public/english/ employment/geforum/ download/globalagenda.pdf

### VOICES

### at the GLOBAL EMPLOYMENT FORUM

"Just over a month ago, tragic events brought home to us that our complex world has become even more uncertain, and that the need for the international community to work together in confronting new threats is greater than ever before. The impact of 11 September is now reverberating around the world. We know millions of people will become more vulnerable to poverty than before. A sense of vulnerability, and a search for appropriate responses, are reshaping international relations. Our mission to improve the lives of peoples everywhere has become more important and urgent than ever ."

#### Kofi Annan, UN Secretary-General and 2001 Nobel Peace Prize laureat

" This is a delicate moment. Inappropriate policies will test millions of families beyond the limits of human endurance. They will deepen poverty and endanger the fundamentals of democracy. Avoiding these dangers is as much a matter of selfinterest for the North as of solidarity with the South ..."

### - Juan Somavia ILO Director-General

"We are living in a divided world where 1.5 billion people live under poverty with an income of US\$1 per day. Employment is instrumental in the fight against exclusion."

### - Poul Nyrup Rasmussen, Prime Minister of Denmark

"September 11 has been the end of business-as-usual in the world, and there is a compelling need to respond to the loss of jobs due to the attacks. I call for new initiatives in developing and developed countries alike designed to put people back to work."

#### Bill Jordan, General Secretary of the International Confederation of Free Trade Unions

" Governments and their social partners can no longer see problems of employment in an exclusively national context. The interdependence of our economies obligates us to work in common and in solidarity. There is no true social development without vigorous policies leading to full employment and without offering the possibility for all men and women to satisfy their want through work."

#### Laurette Onkelink, Deputy Prime Minister and Minister of Labour of Belgium

"With a population of 1.26 billion and one fifth of the world labour force, my country is confronted with the pressing task of employment promotion. We should take more effective measures to address this issue with extraordinary courage so as to attain greater achievement."

- Zhang Zouji, China's Minister of Labour

"The fear of a lack of jobs has surfaced due to trade with countries using cheap labour. The unequal divisions of wealth in the world are another cause for concern. In light of the antiglobalisation protests in Seattle, Götenborg and Genoa, it is necessary to provide a response to these challenges."

### Pascal Couchepin, Minister for Economic Affairs of Switzerland

"Today, globalisation has become a scapegoat. In many societies, transparency, clear decisions and the lack of participation of citizens do not exist. In order that a market economy become effective, potential benefits should be maximized and risks minimized. We should be aware of the traditional view of employment, and it should be approached from a different angle ..."

#### François Perigot, President of the International Organization of Employers

"Today's globalisation did not invent mass unemployment or inequality. However, it has certainly failed to overcome these problems and has even added further dimensions to them — an increase in job insecurity and in the precariousness of employment.

" As the world economy slows down in the wake of the terrorist attacks and the US recession, it is more important than ever for the leading economies to coordinate a bold and vigorous programme of monetary and fiscal expansion and job creation. "

#### Rubens Ricupero, Secretary-General of UNCTAD (United Nations Conference on Trade and Development)

" Employers see decent work to be the mechanism to focus the ILO's activities on supporting the creation of productive employment – not make-work schemes – but on jobs that make sense to the employer, are affordable and contribute to that business's viability.

"What is needed is the right national response in order for decent work to be made real. The right environment needs to be created by governments to encourage business start-ups, a regulatory environment which is fair and not a barrier to job creation, an education system producing the right skills for the market which can be accessed by all, sound governance procedures which enable certainty of legal rights and obligations, and an overarching recognition that it is private sector employers who create employment opportunities ..."

- Anne Knowles, Executive Director Business New Zealand

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