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Assane Diop  
Directeur exécutif, Secteur de la Protection sociale  
Bureau international du Travail, Genève

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This Secretary General report “Recovering from the Crisis: A Global Jobs Pact” was prepared in response to the Economic and Social Council’s resolution 2009/5. In that resolution, the Council invited member States, United Nations Agencies, Funds and Programmes and other relevant international organizations to follow up and promote the content of the Global Jobs Pact”, which had been unanimously adopted by the ILO tripartite constituents at the International Labour Conference in June 2009.

The ILO Global Jobs Pact provides a portfolio of “tried and tested” crisis-response measures, amongst them the social protection floor, which are built around the decent work agenda. The objective is to provide a roadmap for countries that wish to promote a productive recovery centred on investments, employment and social protection, rights at work and social dialogue. As underlined in the Ecosoc resolution 2009/5, the Pact offers an internationally agreed policy framework to address the social and employment impact of the global financial and economic crisis. The endorsement by ECOSOC presaged expressions of support by a large number of international and regional organizations and bodies.

The report reviews national and international support to the implementation of the Global Jobs Pact. It was prepared by the ILO taking into account its distinctive role in implementing the Pact.

The second section of the report considers the specific contribution of the UN system and other international organizations in the promotion of a global jobs pact approach. It starts recognizing the vitality and relevance shown by the system, through its Joint Crisis Initiatives, in addressing the needs of member States facing the challenge of the global financial and economic turmoil.

Under the nine Joint Crisis Initiatives, there have been many examples of stronger interagency collaboration in key policy areas relevant to achieve the objective of the Global

Jobs Pact, including assessments of the social and labour market impact of the crisis, reviews of policy response, capacity building in designing and implementing public employment programmes, social protection floor, the green economy, food security, trade and others.

An executive decision by the UNDP/UNFPA Executive Board had provided further momentum by means of eliciting greater collaboration between UNDP and the ILO in assisting countries wishing to develop their own jobs pacts. Those initiatives contributed to strengthen the global employment and social protection portfolio of the UN system.

The report also highlights some of the challenges, e.g. the need to go beyond fragmentation and small scale projects, the need for greater coherence between the macroeconomic and the employment agenda, the issue of funding and fiscal space, the lack of high-frequency reliable labour market information.

Section III provides a brief overview of the employment and social consequences of the crisis, underlying its impact on new and old vulnerabilities.

Strong and convergent policy responses by the leading industrialized and developing countries had contributed to avert a global economic depression. There are now encouraging signs of recovery in a few large emerging economies, but overall growth remains fragile and uneven. For the most vulnerable the global economic crisis is far from over. Unemployment and precarious work remain high. Incomes of poor households in urban and rural settings suffer from declining wages and earnings, increase in informality, reverse migration and volatile prices of food and fuel. Social spending and aid budgets are under threat. This undermines the prospects to achieve the internationally agreed development goals, including the MDGs, leaving middle and lower income countries with economic and social scars that could take years to reverse.

Two years from the burst of the global economic and financial turmoil, enhancing the employment and decent work content of recovery programmes remains a critical task in both developing and developed economies. The Global Jobs Pact remains an even more relevant instrument.

Section IV reviews national policy responses. Many countries adopted elements of the Global Jobs Pact in their fiscal packages to respond to the crisis. A survey carried out by ILO in over 50 developing and developed countries had shown that governments had been active in combining policy innovation with tried and tested measures. The most frequently taken measures included additional spending on infrastructure; subsidies and tax reductions for small enterprises; credit for small enterprises; training programmes and facilities; consultations with employers' and workers' organizations; and social protection through cash transfers and income support measures.

A number of countries went further and launched their own integral application of the Pact, in line with their national needs and circumstances. This includes Argentina, Bulgaria, El Salvador, Jordan, Indonesia, Mauritius, Mongolia, South Africa and Ukraine. The ILO is providing technical assistance to support those initiatives.

The report also recalls the recommendations of the G20 Ministers of Labour and Employment to the G20 leaders:

- Accelerate job creation to ensure a sustained recovery and future growth
- Strengthen Social Protection Systems and Promote Inclusive Active Labor Market Policies
- Place Employment and Poverty Alleviation at the Center of National and Global Economic Strategies
- Improve the Quality of Jobs for Our People
- Prepare Our Workforces for Future Challenges and Opportunities

Those recommendations well align with the principles and goals of the Global Jobs Pact.

Finally, the concluding section of the report outlines key challenges in achieving the ultimate goals of the Pact and setting the world economy on a more stable path towards job-rich recovery, inclusive growth and poverty eradication.

The section warns against the withdrawal of public support to recovery before private investment is firmly up again, arguing that a premature unwinding of fiscal spending, one country after the other one under the pressure of international financial speculation, would be self-defeating.

It calls for new policy thinking and the combination of employment and social protection measures within integrated packages that can help ensure maximum impact on demand, investment and employment generation, thereby contributing to higher growth, increased fiscal revenues and stronger economic foundations to sustain fiscal deficits.

It attracts attention to the policy and financial constraints that hamper smaller middle and lower income countries from embarking in Global Jobs Pact policies in spite of the need of those countries to build up productive capacities and diversified economies in order to be more resilient to external shocks and be in better conditions to achieve the Millennium Development Goals.

Finally, it highlights the importance of coordinated international measures to promote more growth-oriented macroeconomic frameworks, financing of productive investments, expansion of trade and environmental sustainability.