



Statement by
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The 2005 World Summit put full and productive employment and decent work for all at the forefront of the United Nations development agenda. Last July, the high-level segment of the Economic and Social Council focused on this critical objective and produced an action-oriented Ministerial Declaration emphasizing that employment generation should underpin any development agenda.

And, of course, a decade ago, the World Summit for Social Development at Copenhagen made a major conceptual contribution in stressing the central role of employment in achieving both poverty eradication and social integration. It is thus fitting that the Commission for Social Development, an integral part of the ECOSOC family, will devote its first two-year “implementation cycle” to promoting full employment and decent work for all.

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For this year’s policy session, I would like to begin by highlighting some important challenges in this area.

First, global performance in promoting employment continues to be disappointing. According to ILO, the number of people unemployed worldwide has increased from 140 million to 195 million over the last decade. In turn, the UN’s *World Economic Situation and Prospects 2007*, launched last month, shows that, while economic growth has been strong worldwide in 2006, this has not led to substantial reductions in unemployment rates. Employment growth has been disappointing in developing countries, even in light of their strong economic performance over the past three years.

Second, underemployment—characterized by low productivity, inadequate income even from long hours of work, insecurity, and poverty—not only remains persistent but is growing in many, if not most, developing countries. While present in the agricultural sector, where most people work in the poorest countries, underemployment has also been growing rapidly in the urban sector, in both low- and middle-income countries. This means that, for millions of workers, new jobs, mainly in the informal sector, lie far below any adequate measure of productive work. A total of 1.4 billion people still do not earn enough to lift themselves and their families above the \$2 a day poverty line—the same number as 10 years ago, and about half of the current global labour force.

Third, women and youth continue to suffer higher rates of unemployment and underemployment. While young people represent about half of the pool of unemployed persons, they have less than half the share of decent and productive jobs. Older workers, persons with disabilities, indigenous peoples, and migrants also face increasing insecurity in the workplace and shrinking opportunities for decent work. The social exclusion of these vulnerable groups is clearly an affront to social justice.

Fourth, we see increasing income inequalities, most evident between skilled and unskilled workers. Many countries also show growing regional or urban-rural inequalities. And we have seen only slow progress in closing the gender gap in employment, wages, and working conditions.

Fifth, labour market changes and adjustments due to intense global competition are taking place worldwide, affecting worker security. With the diminishing bargaining power of labour, the declining role of organized labour alongside growing informality, and still weak or weakening social protection systems, the labour market environment has become increasingly insecure. Furthermore, this takes place in a context in which half of the world's population still does not have access to social protection, resulting in workers in the informal economy and disadvantaged groups suffering serious hardships.

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As you deliberate on these issues, I would like to offer some of the policy directions highlighted in the Secretary-General's report.

First and foremost, we need to ensure that the goal of full and productive employment and decent work for all, including for women and young people, is made a central objective of international policies and national development strategies. This was underscored in ECOSOC's Ministerial Declaration, which identifies concrete steps towards the goal of full employment and decent work as the central objective of national and international policies and specifically calls for the development of ten-year action plans to achieve this goal.

It is also important to create an enabling environment at the international and national levels. At the international level, globalization has increased the interdependence among countries, leaving countries limited policy space to increase employment levels on their own through more expansionary macroeconomic policies. Better coordination of macroeconomic policy among countries is therefore needed to attain the global goal of full employment and decent work.

In developing countries that have managed to become part of global production systems, through off-shoring and outsourcing, it is important to arrest any "race to the bottom" in labour standards. At the same time, participation in these systems is, for many countries, an important way to attract investment and employment and to increase technological capacities and capabilities.

At the national level, policies that support investment, growth, and entrepreneurship are also essential to the creation of new job opportunities. To increase the employment intensity of growth, measures to remove any policy discrimination against the agricultural sector are needed,

as well as programmes to enable small agricultural producers to take advantage of opportunities provided by growth. Equally, measures to promote a dynamic small enterprise sector, including cooperatives, are also likely to raise employment growth and improve the distribution of income, given the sector's relatively high labour intensity and the predominance of poorer workers within it.

Active labour market policies are needed to facilitate smoother adjustment to changes in the structure of production brought about by trade liberalization and globalization. This includes re-training for displaced workers, job search assistance, and other measures to facilitate labour mobility. Such programmes can be enhanced by strengthening social dialogue on economic reform programmes, as well as on reforms to improve the functioning of labour markets, while preserving essential protection for workers.

To progress beyond mere employment creation to promote decent work, we need urgently to address the issue of social protection. Improved social security systems are key elements of a comprehensive approach to eradicating poverty and improving equity. To be effective, these systems must provide for universal coverage and solidarity and cover basic risks in an integrated way.

We must also address the differential impact of such schemes on the family unit and particularly on women. Although women may be beneficiaries, they also bear the main burden of familial and informal care when social security systems are absent, restructured, or downsized. Social development is best served when policy-makers integrate a family perspective into employment policy. This implies not only addressing the workforce needs of employers and the wage and employment needs of workers as individuals, but also recognizing and taking into account the roles, responsibilities, and needs of employees as family providers and family care-givers.

Furthermore, given that the majority of the poor in developing countries rely on the informal economy for their employment and survival, policies on formalization should weigh the advantages and disadvantages, as well as the degree, of interventions.

Finally, the social orientation of employment and poverty reduction strategies should be strengthened adequately to target marginalized and vulnerable groups in the labour market, with particular attention to policies that address marginalization that could arise in the course of economic growth.

The challenges to promoting full employment and decent work for all are daunting but not insurmountable. I am confident that your deliberations will contribute to the efforts at the international and national levels to reach this key development goal.

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Let me now turn to other issues that the Commission will address, in particular the review of relevant UN plans and programmes of action pertaining to the situation of older persons, youth, and persons with disabilities.

At this session, the Commission will mark the fifth anniversary of the Second World Assembly on Ageing, which took place in Madrid in 2002. The Assembly discussed and defined a broader agenda for global action on ageing, helping to “demystify” the concept of population ageing and to put on political agendas a range of objectives and goals connected to achieving “a society for all ages”.

The fifth anniversary of the Assembly on Ageing coincides with the beginning of the first cycle of the review and appraisal of the Madrid International Plan of Action. The review and appraisal is expected to reveal, through a “bottom-up” participatory exercise as well as other methods, the first-hand results of national efforts to address the challenges and opportunities of ageing. This first cycle, in 2007-2008, will also help to determine priorities and concrete measures for its further implementation.

The report of the Secretary-General on the Follow-up to the World Programme of Action for Youth addresses two areas: (1) the progress achieved and the constraints that young people face in relation to their participation in the global economy; and (2) the progress achieved by the Youth Employment Network and an update on the status of national action plans for youth employment.

The report, with its focus on “Youth in the global economy”, bears directly on this session’s priority theme of employment generation for *all* generations. Recognizing the valuable contribution of youth to society, the report underscores the importance of investment in human resource development, in particular education and skills training, to enable youth to adapt to the changing labour needs of the competitive global economy. The report also strongly recommends an initial set of indicators which countries may choose to use in monitoring and assessing youth development.

Finally, I am delighted to report on the decision by the General Assembly last December to adopt the Convention on the Rights of Persons with Disabilities: the first major human rights treaty of the 21st century, and with an explicit social development dimension. The new Convention prohibits discrimination on the basis of disability in all forms of employment and would benefit around 470 million disabled women and men of working age, who are unable to find jobs due to social exclusion.

The work of this Commission for Social Development points up the distinct role and impact that the United Nations and its intergovernmental processes have in shaping the advancement of social development. I wish you a most productive session over the next few days, and I look forward to its outcome.