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**Statement by Minister-Counselor Kyung-wha KANG
Permanent Mission of the Republic of Korea to the United Nations
On agenda item 3(a): Improving Public Sector Effectiveness
At the 42nd Session of the Commission for Social Development**

Mr. Chairman,

My delegation joins the others in congratulating you on assuming the chairpersonship of the Commission for Social Development. We have every confidence that under your able guidance, this session of the Commission will prove to be fruitful and constructive.

The Commission for Social Development has served as a central forum for discussion on a broad range of social issues. It has set standards and given guidance for meaningful steps to be taken at the local, national, and international levels in promoting social development and enhancing the lives of the some of the most vulnerable members of our societies. It gives me special satisfaction to note that the priority theme for focused review by this session is of particular relevance and timeliness to my Government, which is currently in the process of implementing far-reaching public sector reforms to better serve the people.

My delegation shares the view of the Secretary-General that member states should make extra efforts to improve public sector effectiveness in the promotion of social development and provision of social services. We also fully subscribe to the concepts of accessibility, quality, and productivity, as outlined in the Secretary-General's report, as being the key elements by which effectiveness of services rendered by the public sector should be assessed.

We hope that the outcome of the Commission's work will provide further impetus to the reforms in the public sector that has been underway in my country for the past few years.

Mr. Chairman.

Social welfare is a major component of services provided by the public sector. The Republic of Korea's recent experience in strengthening its social welfare system could be of much relevance to others in improving the effectiveness of their public sectors.

It is said that crisis is also opportunity. In late 1997, the Republic of Korea was hit by a foreign currency crisis that plunged the nation into economic hardship. But we took the crisis as an opportunity to rid the public as well as private sectors of chronic irregularities that had hampered their effectiveness. The measures taken to overcome the economic difficulties were devised so as to achieve public and private sector restructuring as well.

In the process of the restructuring, the Government made it a priority to ensure the welfare of the people most severely affected by the economic crisis. For the longer-term, the Government strengthened protection of vulnerable groups with the introduction of the National Basic Livelihood Security System, a framework which ensures everyone across all socio-economic classes a minimum standard of living.

Currently, the focus has shifted from expanding the coverage and benefits of welfare to improving the effectiveness of the welfare programs, and to enlisting the voluntary involvement of public sector workers in the reform process as we build on the progress already achieved. Furthermore, upholding the values of social consensus and participation in the delivery of social services, the active participation of civil society is being sought throughout the process as key to the successful implementation of social welfare programs.

Mr. Chairman,

In my country, one detects a maturing in public perception about the relationship between welfare and economic progress. In the past, many of our citizens thought that there was a trade-off between welfare and economic growth. However, we are now witnessing a departure from such a view. A new consensus is emerging, in which distribution and growth, welfare and economic development are seen to be complementary rather than at odds with each other.

In the wake of the financial crisis of late 1997, the Republic of Korea experienced a widening gap between rich and poor amidst massive lay-offs and increasing wage differences between industries. Creating jobs and enhancing productivity became an imperative, not just for economic recovery but also for the welfare of the everyday people.

Furthermore, the expansion of the social welfare sector has meant the creation of new employment opportunities. Indeed, a growing number of aspiring workers are turning to the sector for meaningful employment. Furthermore, we find that in many cases it is the prospective beneficiaries of the welfare services who are among the most eager for employment in providing those services.

Moreover, my Government believes that government assistance and self-support programs for the marginalized, as well as strengthened social safety nets through a robust social insurance system can help to ameliorate the tension between employers and labor unions that could otherwise flare up into labor unrest and social instability.

The complementary conceptualization of welfare and growth has also strengthened the basis for the Government to secure increased financing for the welfare sector in the coming years. This, of course, must be matched by efforts to enhance the effectiveness and transparency in budget matters, which the Government hopes to achieve by shifting the focus from program input to program results. In addition, greater power and control over the delivery of services will be transferred to the local governments that

manage the frontline service workers with knowledge of the real needs of the communities they serve. For greater coordination, the Government is planning to establish Social Welfare Offices at the community level. The Offices would balance the functions of the national and local governments in the delivery of social welfare services, and assist the social workers in performing their duties more effectively and integrate their views in the decision-making process.

Mr. Chairman,

Each government must mobilize the maximum of its resources and capacity to solidify the public sector and enhance its ability to provide quality and productive social services that are accessible to all who need them. Meanwhile, the international community can help in building national and local capacity required for the task through the sharing of information and experiences and other assistances. In this regard, the Republic of Korea is more than willing to work with other countries in the pursuit of our common goals.

Thank you.