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INTERNATIONAL TRADE UNION CONFEDERATION

## ITUC OnLine

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### ILO Jobs Pact: the Way Forward out of the Crisis

Brussels, 19 June 2009 (ITUC OnLine): The adoption of a landmark Global Jobs Pact

[http://www.ilo.org/global/What\\_we\\_do/Officialmeetings/ilc/ILCSessions/98thSession/pr/lang--en/docName--WCMS\\_108437/index.htm](http://www.ilo.org/global/What_we_do/Officialmeetings/ilc/ILCSessions/98thSession/pr/lang--en/docName--WCMS_108437/index.htm) by governments, trade unions and employers at the annual ILO Conference today provides a realistic and workable template for economic recovery and reform, according to the ITUC.

"The ILO Pact puts employment and incomes at the heart of economic recovery efforts, and sets key benchmarks for a new global economy. Jobs, workers' rights, social protection, quality public services and sustainability are to be at the centre of global policy making, in a significant break with the failed free-market radicalism which caused the crisis. Some are still seeking a return to business as usual, and the clear message from the ILO is that this would not be acceptable," said ITUC General Secretary Guy Ryder.

The Pact provides guidance for governments and employers to maintain and create employment, recognising the importance of "green jobs" both for economic recovery and for tackling climate change. The crucial role of tripartite negotiations between governments, unions and employers as well as social dialogue and collective bargaining are highlighted, along with the need to avoid deflationary wage spirals and worsening working conditions. The importance of public job-creation schemes such as infrastructure development, as well as help for the unemployed and training and skills development, are also emphasised.

The need for effective and coherent global governance is given detailed attention in the Pact, which demands that the financial sector must in future serve the needs of the real economy to support decent work. Developing-country governments in particular need the policy space to invest for the future, rather than be pushed into "pro-cyclical" fiscal policies, which often lead to savage cuts in employment and incomes. The international trade union movement has for many years insisted that the policies of the IMF and World Bank must be reformed in this way, and while the G20 governments at their London Summit pledged to do so, there is still scant evidence that the reforms are in fact taking place. Countries accepting IMF support are being forced to cut their budgets, at the same time as richer countries are increasing government spending.

"It is encouraging that governments are now waking up to the fact that fairness and sustainability must be cornerstones of the new global economy, and that the ILO must play a central role in global governance in future. The past practice of governments adopting one set of policies at the ILO while pushing a totally contradictory approach through the global finance and trade bodies must be jettisoned forever.

This ILO Jobs Pact is a huge step in the right direction, and governments need to move quickly with the ILO to put it in place. We have to have concrete results by the time the G20 governments meet again in Pittsburgh," said Ryder.

For more information, see:

Latest Global Unions Statement (to the G8):

[http://www.tuac.org/en/public/e-docs/00/00/04/E0/document\\_doc.phtmlwww.ilo.org](http://www.tuac.org/en/public/e-docs/00/00/04/E0/document_doc.phtmlwww.ilo.org)

The ITUC represents 170 million workers in 312 affiliated national organisations from 157 countries. <http://www.ituc-csi.org>

<http://www.youtube.com/ITUCCSI>

For more information, please contact the ITUC Press Department on: +32 2 224 0204 or +32 476 621 018

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