

INTERNATIONAL TRADE UNION CONFEDERATION

ITUC OnLine

012/250111

ILO Report Shows Job Market Still in Crisis

Brussels, 25 January 2011 (ITUC OnLine): Today's Global Employment Trends report from the International Labour Organization (ILO) confirms that, despite improvements in many economic indicators, global unemployment remains at crisis levels.

"The job market is by far the most important part of the economy and the ILO's report underlines the severity of world unemployment," said ITUC General Secretary Sharan Burrow. "The fact that more than 205 million workers remain unemployed is of major concern, and tackling this crisis must be the primary focus of economic policy."

The global unemployment rate barely edged down from 6.3% in 2009 to 6.2% in 2010. Today's report projects 6.1% in 2011, which is still significantly above the pre-crisis rate of 5.6%. The youth unemployment rate is more than twice as high, with employment not keeping up to population growth. The report indicates that the worldwide ratio of employment to population fell between 2009 and 2010.

The ITUC applauds the ILO's conclusion that "it is crucial to maintain or enhance measures that can help boost employment generation and jump-start a sustainable jobs recovery. Improved labour market outcomes would support a broader macroeconomic recovery and could help offset the adverse effects of fiscal consolidation."

However, the ITUC takes issue with the report's assertion that, in developed countries, "Policies are needed to boost labour productivity in order to reduce unit labour costs and enhance competitiveness."

The labour movement strongly supports boosting productivity, but believes that wages should rise along with it. Unions reject the goal of reducing unit labour costs because it means that wages fail to keep pace with productivity.

"Higher wages and more consumer demand should be the basis for sustainable growth," said Burrow. "The way to address global trade imbalances is through a larger expansion of purchasing power in developing countries, not for developed countries to enter a competitive race to the bottom."

The ITUC represents 176 million workers in 301 affiliated national organisations from 151 countries and territories. Website: <http://www.ituc-csi.org> and <http://www.youtube.com/ITUCCSI>

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

You are currently subscribed to ituc-online as:

To unsubscribe click here: <http://forum.ituc-csi.org/u?id=38591.9b9f95bf74798c23c71e69445d2c53d3&n=T&l=ituc-online&o=25765>

(It may be necessary to cut and paste the above URL if the line is broken)
or send a blank email to leave-25765-38591.9b9f95bf74798c23c71e69445d2c53d3@forum.ituc-csi.org