

# World of *Work*



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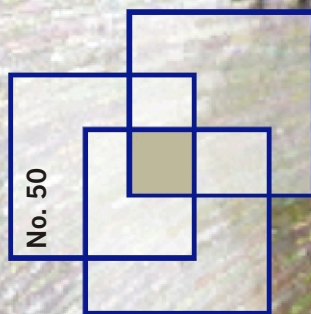
THE MAGAZINE OF THE ILO

## Toward a fair globalization

Report of the World  
Commission on the Social  
Dimension of Globalization

March 2004

No. 50



**INSIDE:** Unemployment  
peaks worldwide  
Global Employment  
Trends 2004



# International Women's Day



Nobel Peace Prize Laureate Shirin Ebadi (left) and International war crimes prosecutor Carla Del Ponte (right). International Women's Day at the ILO. Geneva, Monday 8th March 2004.

Before women had many rights, they at least had their day. The first recorded National Women's Day occurred in the United States in 1909. A year later, the Socialist International, meeting in Copenhagen, established a Woman's Day "to honor the movement for women's rights and to assist in achieving universal suffrage".<sup>1</sup> The following year, 1911, International Women's Day (IWD) was celebrated for the first time across Europe, demanding the right to work, vocational training and an end to discrimination.

The 1911 event evoked passionate comments from its organizers, one of whom – Aleksandra Kollontai, said the day "exceeded all expectations. Germany and Austria...was one seething, trembling sea of women. Meetings were organized everywhere...in the small towns and even in villages; halls were packed so full that they had to ask [male] workers to give up their places for women. Men stayed home with their children for a change and their wives, the captive housewives, went to meetings."<sup>2</sup>

In 1917, Kollontai and German socialist

Klara Zetkin both took part in the first IWD to be held on 8 March by Russian women in post-war St. Petersburg. As a minister in the new Soviet government, Kollontai persuaded Lenin to make 8 March an official Communist holiday celebrating "the heroic woman worker". Eventually, the date took hold, with marches held around the world and a UN General Assembly resolution in December 1977 inviting Member States "to proclaim [a] United Nations Day for Women's Rights and International Peace".<sup>3</sup>

Today, IWD is celebrated in hundreds of places worldwide, with events, marches and other activities. The ILO has observed the day with increasing intensity since 1999, when Juan Somavia became the first ILO Director-General to address a special session of the Governing Body on IWD, pledging the ILO would "quicken the pace" on gender issues,<sup>4</sup> and establishing IWD as an annual fixture of the ILO calendar. The voices of women marching for their human rights – with many men supporting them – have echoed louder here since then.

<sup>1</sup> UN Department of Public Information, DPI/1878, January 1997

<sup>2</sup> A history of International Women's Day, by Joyce Stevens, [www.isis.aust.com](http://www.isis.aust.com)

<sup>3</sup> UNGA Resolution 32/142, General Assembly, 32nd Session, 105th plenary meeting, 16 December 1977, p. 158

<sup>4</sup> See "New Director-General pledges stronger push by ILO on gender issues", press release ILO/99/5, 8 March 1999



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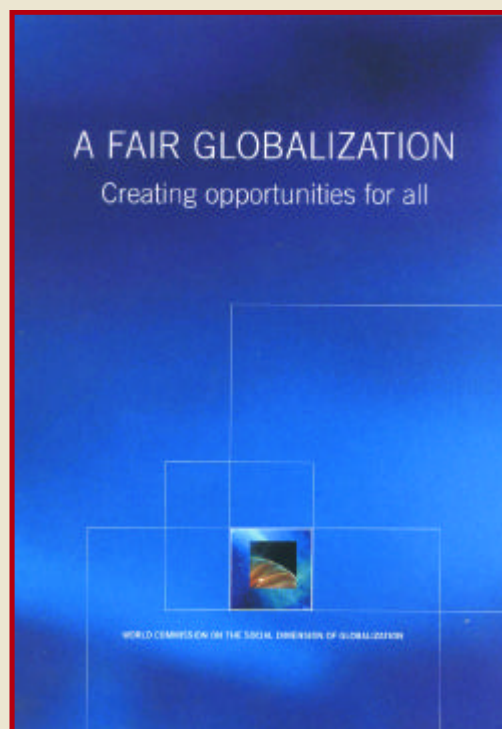
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# Making Globalization Fair

Globalization must change if its benefits are to be shared more equitably between people and countries, says the report of the World Commission on the Social Dimension of Globalization. This issue of *World of Work* examines the challenges highlighted in the report, with a view to showing how decent work can translate globalization's potential for good into better lives for all.

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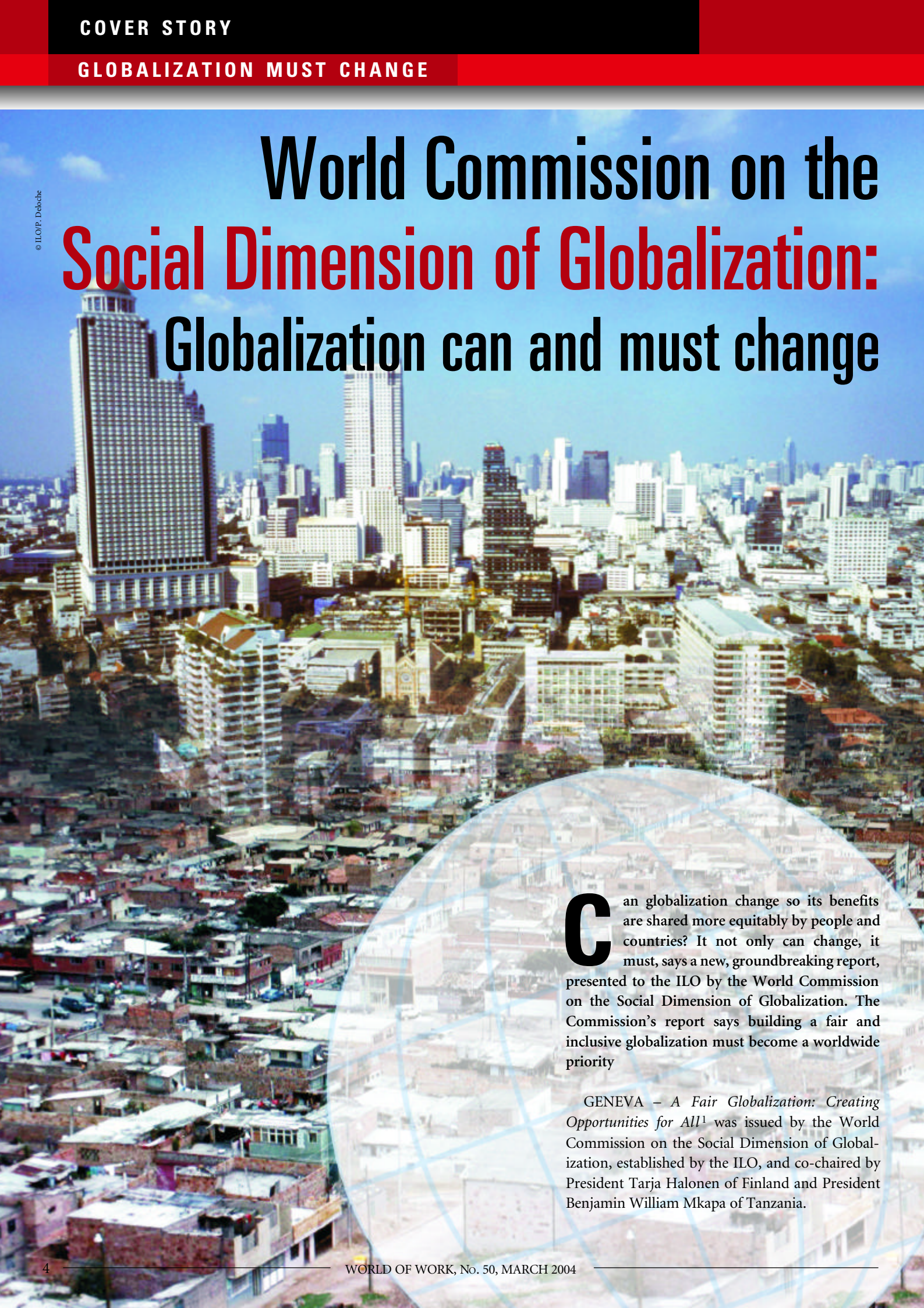
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Created in 1919, the International Labour Organization (ILO) brings together governments, employers and workers of its 177 member States in common action to improve social protection and conditions of life and work throughout the world. The International Labour Office, in Geneva, is the permanent Secretariat of the Organization.



# World Commission on the Social Dimension of Globalization: Globalization can and must change

An aerial photograph of a city, likely Manila, Philippines, showing a dense urban landscape with numerous high-rise buildings and a mix of modern and older architecture. A large, semi-transparent globe is overlaid on the bottom right portion of the image, partially obscuring the city view.

**C**an globalization change so its benefits are shared more equitably by people and countries? It not only can change, it must, says a new, groundbreaking report, presented to the ILO by the World Commission on the Social Dimension of Globalization. The Commission's report says building a fair and inclusive globalization must become a worldwide priority

GENEVA – *A Fair Globalization: Creating Opportunities for All*<sup>1</sup> was issued by the World Commission on the Social Dimension of Globalization, established by the ILO, and co-chaired by President Tarja Halonen of Finland and President Benjamin William Mkapa of Tanzania.



The report acknowledges that globalization's "potential for good is immense", and that it "has opened the door to many benefits...promoted open societies and open economies, and encouraged a freer exchange of goods, ideas and knowledge..."

Nevertheless, "there are deep-seated and persistent imbalances in the current workings of the global economy, which are ethically unacceptable and politically unsustainable", the report says. "Seen through the eyes of the vast majority of men and women, globalization has not met their simple and legitimate aspirations for decent jobs and a better future for their children."

"There is growing concern about the direction globalization is currently taking," says the report. "Its advantages are too distant for too many, while its risks are all too real. Corruption is widespread. Open societies are threatened by global terrorism, and the future of open markets is increasingly in question. Global governance is in crisis. We are at a critical juncture, and we need to urgently rethink our current policies and institutions."

Juan Somavia, Director-General of the ILO, who originally proposed the Commission, said this was the first time there had been a systematic attempt to deal with the social dimension of globalization. He added that the Commission was convened by the ILO to search for common ground and make proposals on issues which are today the subject of "parallel monologues". "This Commission provides a clear-eyed, common sense message of hope. Making globalization fair and inclusive is difficult but doable, and is an urgent worldwide priority," he said.

Mr. Somavia said the 26 Commission members – including a Nobel economics laureate, politicians, parliamentarians, social and economic experts, and representatives of business and multinational corporations, organized labour, academia and civil society – were "broadly representative of the diverse and contending actors and issues that characterize globalization today, and had accepted the challenge to analyze its effects and provide a series of proposals for righting its imbalances".<sup>2</sup> Their report "offers no miraculous or simple solutions, for there are none, but is an attempt to help break the current impasse by focusing on the concerns and aspirations of people and on the ways to better harness the potential of globalization itself".

Among its prescriptions for achieving a fair and inclusive globalization, the Commission proposes a series of coordinated measures across a broad front to improve governance and accountability at both national and international levels. These include

fairer rules for international trade, investment, finance and migration, which take account of all interests, rights and responsibilities; measures to promote core labour standards and a minimum level of social protection in the global economy; and new efforts to mobilize international resources to raise capabilities and meet the Millennium Development Goals. The Commission argues that a fair globalization also depends on better national governance in all countries, and maps out the priorities for national, local and regional policies which can empower people to participate effectively in the opportunities of globalization.

The Commission recommends that "decent work for all should be made a global goal and be pursued through complementary national and international policies. This would respond to a major political demand in all countries." Addressing the need to accelerate employment creation in all countries would help to reduce social tensions within countries and economic frictions between them. The report calls for "enhanced coordination of macroeconomic policies to attain a more balanced strategy for sustainable global growth and full employment, including an equitable sharing among countries of the responsibility for maintaining high levels of effective demand".

Noting that one reason social goals, such as employment, fail to receive priority at the global level, is because international organizations with different mandates do not work together sufficiently well, the Commission recommends that "Policy Coherence Initiatives" be launched by the relevant international organizations to develop more balanced policies for achieving a fair and inclusive globalization. The objective would be to progressively develop integrated policy proposals on specific issues which balance economic, social, and environmental concerns. The first initiative should address the question of global growth, investment and employment creation, and involve relevant UN bodies, the World Bank, the Interna-

<sup>1</sup> *A Fair Globalization: Creating Opportunities for All*, World Commission on the Social Dimension of Globalization, International Labour Office, Geneva, 2004, ISBN 92-2-115426-2. See [www.ilo.org/wcsdg](http://www.ilo.org/wcsdg).

<sup>2</sup> *The World Commission had full and independent responsibility for its report, and its members served in their individual capacity. It was composed of two co-Chairs: H.E. Tarja Halonen and H.E. Benjamin William Mkapa; nineteen members: Giuliano Amato, Ruth Cardoso, Heba Handoussa, Eveline Herfkens, Ann McLaughlin Korologos, Lu Mai, Valentina Matvienko, Deepak Nayyar, Taizo Nishimuro, François Perigot, Surin Pitsuwan, Julio Maria Sanguinetti, Hernando de Soto, Joseph Stiglitz, John J. Sweeney, Victoria Tauli-Corpuz, Aminata D. Traoré, Zwelinzima Vavi and Ernst Ulrich von Weizsäcker; and five ex officio members: Bill Brett, Eui-yong Chung, Daniel Funes de Rioja, Juan Somavia and Alain Ludovic Tou. See [www.ilo.org/wcsdg](http://www.ilo.org/wcsdg)*



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*World Commission on the Social Dimension of Globalization. From left to right, Benjamin William Mkapa, President of Tanzania, Tarja Halonen, President of the Republic of Finland and Juan Somavia, Director-General of the ILO. London, February 24, 2004.*



© AFP



Call centre in Tunisia

tional Monetary Fund (IMF), the World Trade Organization (WTO), and the ILO. Priority areas for other such initiatives include gender equality and the empowerment of women, education, health, food security, and human settlements.

The co-Chairs of the Commission, Presidents Halonen and Mkapa, said, "We believe a better globalization is the key to a better and secure life for people everywhere in the twenty-first century. Ours is a critical but positive message for changing the current path of globalization. We believe the benefits of globalization can be extended to more people and better shared between and within countries, with many more voices having an influence on its course. The resources and the means are at hand. Our proposals are ambitious but feasible. We are certain that a better world is possible."

## >> Divergent views, converging voices

The Commission examined a wide range of data during its deliberations and concluded, "The current process of globalization is generating unbalanced outcomes, both between and within countries. Wealth is being created, but too many countries and people are not sharing in its benefits." It noted that work and employment are central to any strategy for widening the benefits of globalization, and highlighted the fact that global unemployment has reached over 185 million people, the highest-ever recorded figure. In addition, it says the "informal economy" continues to grow.

It developed its conclusions and recommendations after listening to the voices of a wide variety of people in consultations held around the world over the last two years. In the 26 "dialogues" held in over 20 countries, the Commission sought not only to establish the facts, but also to encourage debate among a range of divergent and often critical views. Special dialogues were also arranged for business, labour and civil society to bring their perspectives to the table.

The Commission noted, "In the kaleidoscope of opinions that emerged from the dialogues, there was also much common ground." This included a

sense of insecurity and concerns about employment; in the words of one dialogue participant from the Philippines, "there is no point to a globalization that reduces the price of a child's shoes, but costs the father his job". There was fear of threats to what one participant called "traditional institutions, such as the family and the school", and worries about unfair rules biased towards the powerful. The Commission also found people expressing the need for a more effective State.

"There is a growing feeling that we live in a world highly vulnerable to changes we cannot control," said one participant from Costa Rica, "a growing sense of fragility among ordinary people, countries and entire regions". Added another participant from Egypt when summing up the power of globalization, "We were sleeping on the shore when a big wave came."

Among the widespread concerns was migration, in sending and receiving countries alike. In addition to the "brain drain", which undermined efforts to build national capabilities, participants said poor migrants from all regions often found themselves – especially if they were women – driven into an illegal economy in countries of destination.

In all parts of the world, regional integration was seen as a route towards fairer, more inclusive globalization and there were repeated expressions of support for the United Nations as the best means of responding to the challenges of globalization.

The Commission said that most participants in the dialogues believed that solutions were possible, and many were already actively seeking or promoting them. Whatever the negatives of the present model of globalization, it was recognized that globalization is a reality, and that it is necessary to adjust policy priorities to deal with it.

"The outside world can do without us, but we can't do without it," it was said in a dialogue in Tanzania. Added a participant in the dialogue in Poland, "If globalization is a river, we must build dams to generate power."

## Addressing globalization begins at home

The report argues that a fair globalization requires improvements in governance, both within countries and at the international level. Public and private actors in countries at all levels of development must be democratically accountable for the



policies they pursue and the actions they take. Says the report, "No country has a monopoly of good governance."

A first requirement is that each nation respect the needs and interests of others in formulating domestic policies. The report highlights the particular responsibility of those countries with greater decision-making power in international bodies to consider all interests, and to meet their international commitments.

Within countries, the benefits of globalization can only be widely shared, and the adverse effects controlled, if the basic principles of democracy, social equity, human rights and the rule of law are respected. Sound institutions are likewise required to promote opportunity and enterprise in a well-functioning market economy.

The report calls for a more effective State with the capacity to manage the process of integration into the global economy, to strengthen the capabilities of people and enterprises, to provide adequate social protection, and to deliver on key social and economic goals. An integrated approach is needed, and that means that economic and social authorities have to work together effectively. Strong institutions for dialogue and the participation of a range of interests are essential, based on representative organizations of employers and workers, and a vibrant civil society.

The report emphasizes that the benefits of globalization can only reach all people if the huge informal economy is brought into the economic mainstream by establishing and respecting property rights and the rights of workers, and by increasing productivity and access to markets.

"Our vision of globalization", says the report, "is anchored at the local level." It emphasizes local policies, including defending rights to voice, culture and identity, and building up local production capabilities which can hold their own in the global economy while respecting local aspirations and priorities. Because what happens to their work and employment determines for most people whether

they benefit or suffer from globalization, the report argues that it is vital to promote employment and decent work, and calls for a new social contract recognizing the interests of both workers and employers.

The report points to a range of means and instruments which are available to governments and to social actors within countries, to enable citizens to participate effectively in the gains of globalization, and to protect and provide assistance when adjustments are required. It calls for international organizations and wealthy nations to support national efforts to achieve these goals. That includes an international commitment to ensure the basic material and other requirements of human dignity for all, enshrined in the Universal Declaration of Human Rights. The eradication of poverty and the attainment of the Millennium Development Goals should be seen as the first steps towards a socioeconomic "floor" for the global economy.

## Fair rules, equitable policies

Among its key recommendations, the Commission said global rules and policies on trade and finance must allow more space for policy autonomy in developing countries, adding, "This is essential for developing policies and institutional arrangements best suited to their level of development and specific circumstances. Existing rules that unduly restrict their policy options for accelerating agricultural growth and industrialization, and for maintaining financial and economic stability, need to be reviewed."

"The policies of international organizations and donor countries must also shift more decisively away from external conditionality to national ownership of policies," the report says. "Affirmative action is required in favour of countries that do not have the same capabilities of those who developed earlier."

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The report also says:

- The multilateral trading system should substantially reduce unfair barriers to market access for goods in which developing countries have comparative advantage, especially textiles and garments, and agricultural products. In doing so, the interests of the Least Developed Countries should be safeguarded through special and differential treatment to nurture their export potential.
- Fair rules for trade and capital flows need to be complemented by fair rules for the cross-border movement of people. Steps have to be taken to build a multilateral framework which provides uniform and transparent rules for the cross-border movement of people, and balances the interests of both migrants themselves and of countries of origin and destination.
- Global production systems have proliferated, generating the need for new rules on foreign direct investment (FDI) and on competition. A balanced and development-friendly multilateral framework for FDI is needed, which takes into account all interests, rights and responsibilities, and to achieve that it will have to be negotiated in a generally accepted forum.

*Enterprise producing fishnets - Export Processing Zone of Dar Es Saalam-Tanzania.*



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- Core labour standards, as defined by the ILO, provide a minimum set of global rules for labour in the global economy, and respect for them should be strengthened in all countries. Stronger action is required to ensure respect for core labour standards in export processing zones and, more generally, in global production systems. All relevant international institutions should assume their part in promoting these standards, and ensure that no aspect of their policies and programmes impedes implementation of these rights.
- A minimum level of social protection for individuals and families needs to be accepted and undisputed as part of the socioeconomic “floor” of the

global economy, including adjustment assistance to displaced workers. Donors and financial institutions should contribute to the strengthening of social protection systems in developing countries.

- The international financial system should be made more supportive of sustainable global growth. Cross-border financial flows have grown massively, but the system is unstable, prone to crises and contagion, and largely bypasses poor and capital-scarce countries. Efforts to devise effective and equitable mechanisms for debt resolution should be intensified, so as to provide for a fair allocation of responsibilities and burdens between debtors and lenders, alongside an acceleration and deepening of debt relief.
- A greater effort is required to mobilize more international resources to attain key global goals, particularly the Millennium Development Goals. The 0.7 per cent target for official development assistance must be met and new sources for funding over and above this target should be actively explored and developed. If this target had been met over the last 30 years, an additional US\$2.5 trillion would have been available for development.
- Pointing to the absence of a global institutional framework with political authority to coordinate action on taxation, the report urges stronger measures to reduce tax avoidance and evasion, and highlights the potential of possible new sources of financing at the global level and other resource-raising schemes such as an international financing facility, the reallocation of military expenditures to development assistance, and private, voluntary efforts.

## Reinforcing the multilateral system: Improving the quality of global governance

“The implementation of reforms in international economic and social policy will require worldwide political support, the commitment of key global actors, and the strengthening of global institutions,” the report says. “The UN multilateral system constitutes the core of global governance and is uniquely equipped to spearhead the process of reform. For it to cope with the current and emerging challenges of globalization, it has to enhance its effectiveness and improve the quality of its



governance, especially with respect to democratic representation and decision-making, accountability to people, and policy coherence.”

Key recommendations in the report include a variety of measures to make the multilateral system, including the Bretton Woods Institutions and the WTO, more democratic and accountable to people, in its decision-making procedures, mechanisms for independent evaluation, and through parliamentary scrutiny of international policies. The report recommends a global parliamentary group to develop integrated oversight of the major international organizations.

At both national and international levels, the report highlights the need for greater coherence between economic and social policies. That requires governments to take a more integrated view of global policies and to address the social dimension of globalization more effectively in major bodies such as the G8, and the Economic and Social Council of the United Nations (ECOSOC).

An important proposal in the report is for “Policy Coherence Initiatives”, which would engage the key international organizations in developing a common, integrated approach to key global concerns. The first of these would cover the issue of a global strategy for growth, investment and employment.

The report notes, “The roots of the problem of global policy coherence lie at the national level.” The Commission calls on heads of state and government to ensure that in international forums, national representatives promote an integrated policy approach to economic and social matters.

## Making it happen: Buy-in of multiple stakeholders

The Commission stresses the responsibilities of all actors to respect universally shared values and principles and to contribute to the overall goal of a fairer globalization, and calls for follow-up of its recommendations by a wide range of people, in government, politics, business, labour and civil society. At the international level, the Commission notes that many of the proposals in the report should be addressed in existing institutions and forums which have the mandate to do so. But other issues require new forums for dialogue and consensus-building among all interests concerned.

It therefore proposes a series of multi-stake-

holder “Policy Development Dialogues”, designed to bring all relevant actors together to work towards agreement on key issues, such as building a multilateral framework for the cross-border movement of people; a development framework for FDI, which balances the rights and responsibilities of investors, host and home countries; corporate social responsibility for a fairer globalization; globalization, adjustment and social protection; global capacity-building in education and information technology skills to widen the benefits from globalization; and gender equality as an instrument for a more inclusive globalization.

The Commission also argues that a broader “Globalization Policy Forum” is required, to bring together international organizations and other key actors and participants in global debates on globalization and its social impact, and the design of global economic and social policies. It suggests that such a forum could also produce a regular “State of Globalization Report”, and promote the wide range of research and data collection which is needed to support policy development.

The report will be discussed by the ILO Governing Body in March, and the Director-General will make proposals for follow-up in the ILO to its International Labour Conference in June. It will also be submitted to heads of state and government, the Secretary-General of the United Nations and the heads of the main international organizations, as well as other intergovernmental bodies, and to the key non-state actors of the global community. Each will be invited to debate the recommendations, and consider appropriate follow-up action in their own spheres of responsibility and institutional competencies.

In conclusion, the Commission report says that as a collective document, it is quite different from alternative reports each one of its members would have written individually, adding, “But our experience has demonstrated the value and power of dialogue as an instrument for change. We are convinced that our experience can and should be replicated on a larger and wider scale.”

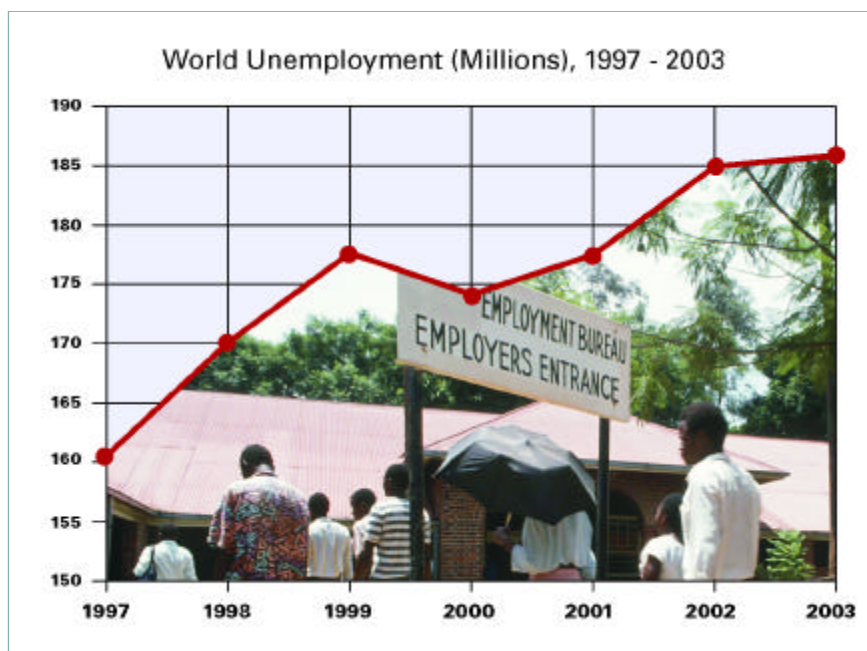
“This is an ambitious but realizable common sense vision,” the two presidents say. “The choice is clear. We can correct the global governance deficit in the world today, ensure accountability and adopt coherent policies that forge a path for globalization that is fair and just, both within and between countries, or we can prevaricate and risk a slide into further spirals of insecurity, political turbulence, conflicts and wars.”

*Editor’s note: This article was written just as World of Work was going to print. A more detailed and extensive review of the report and reactions to it will appear in the next edition of the magazine.*



# Global Employment Trends

## Record joblessness, but rel



Source: ILO, Global Employment Trends Model, 2004

**D**espite a second-half economic recovery in 2003, global unemployment continued its relentless climb, hitting a new record of 185.9 million for men and women, rising especially sharply for young people. Meanwhile, the number of “working poor” remained at an all-time high of 550 million. A hopeless scenario? Not quite, says a new ILO report

GENEVA – On the face of it, the ILO annual jobs report, released in January, makes grim reading: more people out of work, looking for work or living in poverty than ever before, especially if they are young.

Yet, all is not doom and gloom. Cautiously optimistic, the report, *Global Employment Trends 2004*,<sup>1</sup> also says the economic recovery which took hold in the second half of 2003, if continued through 2004, could bring some relief. Add to that a paradigm shift in employment policies, and the jobs picture may just begin to brighten this year.

Said Juan Somavia, Director-General of the ILO, “Our greatest concern is that if the recovery falters and our hopes for more and better jobs are further delayed, many countries will fail to cut poverty by half as targeted by the Millennium Development Goal (MDG) for 2015. But we can reverse this trend and reduce poverty if policymakers stop treating employment as an afterthought and place decent work at the heart of macroeconomic and social policies.”

This year’s report cites the following developments:

- The number of people out of work and looking for work in 2003, reached 185.9 million, or about 6.2 per cent of the total labour force, the highest unemployment figure ever recorded by the ILO. However, this was a marginal increase over the number for 2002, which the ILO puts at 185.4 million<sup>2</sup>
- Among the world’s unemployed, some 108.1 million were men, up 600,000 from the year 2002. Among women, there was a slight decline, from 77.9 million in 2002, to 77.8 million in 2003
- Hardest hit were some 88.2 million young people aged 15 to 24 who faced a crushing unemployment rate of 14.4 per cent
- Although the so-called “informal economy” continued to increase in countries with low GDP growth rates, the number of “working poor” – or persons living on the equivalent of US\$1 per day or less – held steady in 2003, at an estimated 550 million

### Regional overview

Unemployment and underemployment continued to rise in the first half of 2003, because of a slow upturn in the industrialized world’s economic situation, the impact of SARS on employment in Asia, and the effects of armed conflicts. Here is a region-by-region breakdown of the unemployment statistics and what lies ahead:

**Industrialized** regions saw a recovery from the economic slowdown over the past two years, espe-

<sup>1</sup> *Global Employment Trends*, International Labour Office, Geneva, 2004, ISBN 92-2-115107-7, available online at [www.ilo.org/public/english/employment/strat/global.htm](http://www.ilo.org/public/english/employment/strat/global.htm).

<sup>2</sup> *Global Employment Trends 2003*, originally reported 180 million unemployed at the end of 2002, a figure which has since been revised to reflect more recently available information.



# 2004: Chief may be on the way

cially in the second half of 2003. They are expected to see declines in unemployment rates in the event that GDP growth in the United States leads to job creation, and employment as a share of working-age population continues to rise within Europe.

**Latin America and the Caribbean** were most affected by the global economic slowdown in 2001, in terms of output growth as well as employment losses, but saw some recovery in growth in 2003. Although the recovery has been slow, the regional unemployment rate saw a decline, which may be due to the recovery in Argentina and the decrease in labour force growth.

Despite solid GDP growth rates of over 7 per cent, **East Asia** saw an increase in unemployment. In **South-East Asia**, unemployment declined significantly in 2003, at the same time as labour force participation rates increased. In **South Asia**, the unemployment rate remained stable despite 5.1 per cent GDP growth. Consequently, South Asia saw no decline in working poverty, in addition to growing informal employment. **East Asia** will see a slight increase in unemployment, resulting from the high number of entrants into the labour markets (over 6 million people a year until 2015). **South-East Asia** has the potential not only to reduce unemployment further but also to reduce working poverty – if those economies with the highest poverty incidence manage to reach GDP and employment growth paths similar to those achieved in the past few years by wealthier economies in the region.

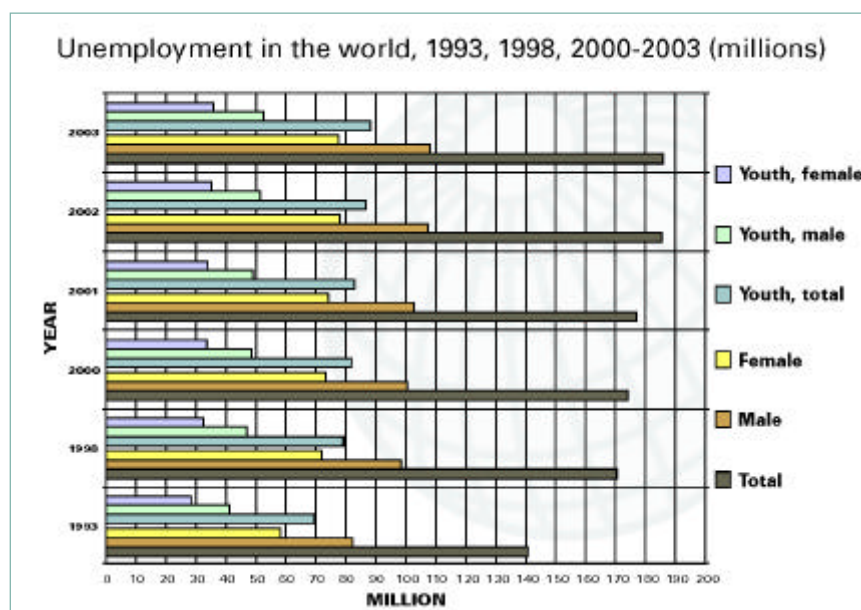
The **Middle East and North Africa** also experienced increasing unemployment, with an unemployment rate of 12.2 per cent – the highest incidence of unemployment in the world. This resulted from a major restructuring of employment in the public sector, and high labour force growth rates. An additional cause of increasing unemployment in sending countries is the effort of a number of Gulf economies to replace foreign workers with nationals. However, the report says prospects for both subregions are still clouded. Dependence on

oil prices, high labour force growth rates which some economies are unable to absorb, deficits in the quality of public institutions, and the high incidence of poverty in some economies, are all threats to real improvements in the labour markets.

**Sub-Saharan Africa** has neither reduced its unemployment rate nor its high incidence of working poverty. In addition, the impact of HIV/AIDS on labour markets and the continuing “brain drain” deprived the region of much-needed human capital, making it unlikely to reach the MDG. In **sub-Saharan Africa**, a high incidence of working poverty – compounded by the HIV/AIDS pandemic – is the biggest obstacle to growth and development.

After years of increases in unemployment resulting from economic changes, the **transition economies** seem finally to have reversed this trend, with unemployment decreasing in 2003. The labour market situation in the transition economies is expected to improve somewhat as a consequence of the foreign investment they have attracted. Strong domestic demand, trade growth

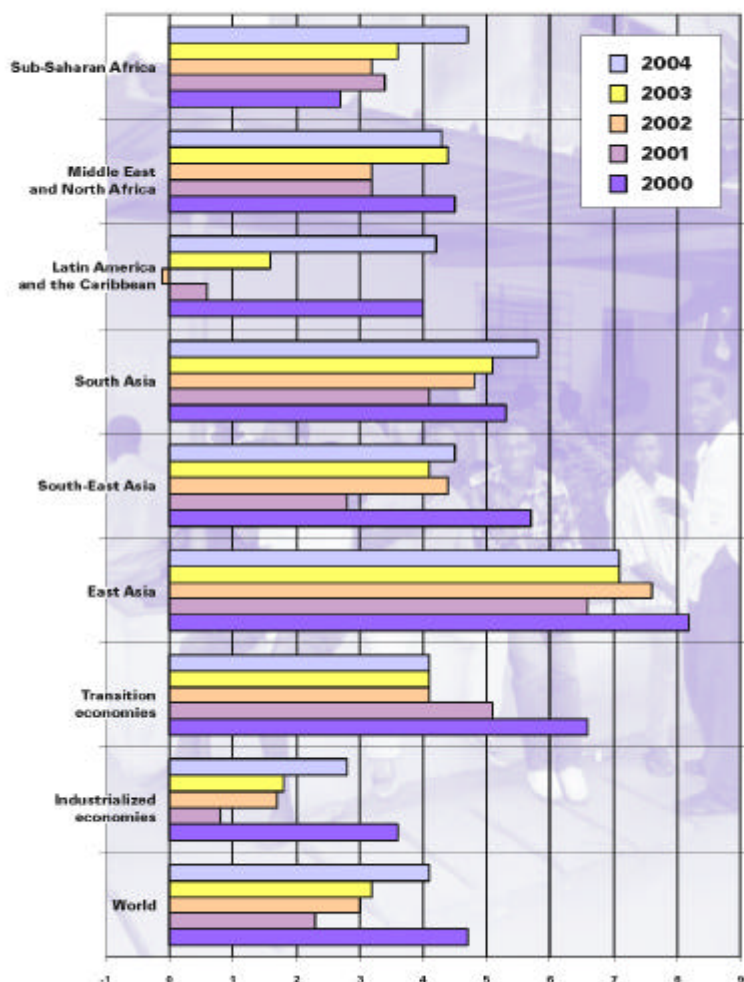
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Source: ILO, Global Employment Trends Model, 2004



Economic growth and projections, 2000-2004  
(annual percentage change)



Source: ILO, Global Employment Trends Model, 2004

#### WHAT CAN BE DONE? POLICY POINTS FOR JOB CREATION

- Adopt "pro-poor" policies. Poverty, hand-in-hand with growing unemployment and underemployment, inhibits employment growth. Because of a lack of education, health and often empowerment, poor people cannot use their own potential to lift themselves and their families out of poverty. Pro-poor policies should be designed to provide this possibility by means of a decent job. This implies creating employment opportunities to help women and men secure productive and remunerative work, in conditions of freedom, security and human dignity.
- Promote growth and job creation. If jobless growth continues, it will threaten future growth. No country can sustain growing unemployment rates in the long run, because diminishing demand will, at some point, limit economic growth. In addition, continued high rates of unemployment are a waste of human capital. The creation of decent work implies not only decreases in poverty but, at the same time, provides the essential precondition for future growth.
- Think about young people. Reducing youth unemployment rates and utilizing the high potential of young people avoids the creation of a huge cadre of frustrated, uneducated or unemployable young people, which could have a devastating impact on long-term development prospects.
- Seek development solutions. Increased international assistance aimed at improving access to developed-country markets, and reducing external debts and debt servicing, can free up resources for reform programmes targeted at improved governance, job creation and poverty reduction – the absence of which will prevent most of the developing world from participating in growing world demand.

>> and overcoming the problems associated with the transition process, are encouraging signs. Once again, HIV/AIDS poses a growing threat for further development in some economies in the region.

#### What prospects for the future?

"The overall challenge is to absorb the 514 million new entrants to world labour markets and to

reduce working poverty by 2015," the report says. "How well GDP growth will translate into productive and decent employment growth in 2004 and beyond, depends on the efforts of policymakers to prioritize the importance of employment policies, and to put them on equal footing with macro-economic policies."

Unemployment rates by region and sex, 2001-2003  
(percentages)

	2001			2002			2003		
	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE
WORLD	6.1	6.3	6.0	6.3	6.5	6.2	6.2	6.4	6.1
INDUSTRIALIZED ECONOMIES	6.1	6.4	5.9	6.8	7.0	6.7	6.8	7.0	6.7
TRANSITION ECONOMIES	9.5	9.4	9.5	9.4	9.3	9.5	9.2	9.2	9.2
EAST ASIA	3.3	2.7	3.8	3.1	2.6	3.6	3.3	2.7	3.7
SOUTH-EAST ASIA	6.1	6.7	5.7	7.1	7.8	6.5	6.3	6.9	5.9
SOUTH ASIA	4.7	6.0	4.1	4.8	6.1	4.2	4.8	6.2	4.3
LATIN AMERICA AND THE CARIBBEAN	9.0	11.3	7.6	9.0	11.2	7.6	8.0	10.1	6.7
MIDDLE EAST AND NORTH AFRICA	12.0	16.3	10.5	11.9	16.2	10.4	12.2	16.5	10.6
SUB-SAHARAN AFRICA	10.6	9.3	11.6	10.8	9.5	11.8	10.9	9.6	11.8

Note: Different aggregation techniques and methodologies may lead to differences in aggregate figures.

Source: ILO, Global Employment Trends Model, 2004

## LATIN AMERICAN FOCUS: THE CHALLENGE OF UNEMPLOYMENT

**W**ith 19 million urban unemployed, Latin America's recovery from its unemployment crisis will require strong measures, including a reorientation of economic priorities and a more equitable globalization process

Rampant unemployment, coupled with poor quality jobs, falling real wages and losses in productivity, pose a challenge to Latin America in making the creation of decent work the central pillar of development.

In the 2003 edition of *Panorama Laboral*,<sup>1</sup> the annual labour market review for the region, the ILO says that despite a modest economic recovery over the past year, most Latin American labour markets showed little job growth, while the unemployment rate remained stagnant. ILO Director-General Juan Somavia called unemployment "the main political problem of our time", during the presentation of the report in Santiago, Chile.

According to *Panorama Laboral*, 19 million urban workers were unable to find work in 2003, despite regional economic growth of 1.5 per cent of GDP. The report said labour market performance was weak during the past year, with urban unemployment reaching 10.7 per cent<sup>2</sup> – virtually unchanged from the 2002 figure of 10.8 per cent. What is more, the report also said that even an accelerated estimated growth rate of 3.5 per cent in 2004, would fail to reduce unemployment significantly.

Four out of ten Latin Americans had insufficient income to satisfy basic needs, while seven out of ten new jobs have been created in the informal sector since 1990. Women and youth were particularly affected by the lack of jobs, with women experiencing greater job losses than men as unemployment rose, and one out of three youths is out of work on average in the region.

"These figures indicate that the current model of globalization actually devalues work," said Mr. Somavia. "We have to work for a different, more just and equitable form of globalization."

*Panorama Laboral* proposes a series of political measures designed to promote the ILO decent work agenda, saying that the creation of more and better jobs requires the active involvement of political and social actors. The report highlights the need for "sustainable macro-economics".

To reach consensus on these issues, the report insists on the essential role of social dialogue between governments, employers and workers, and the need to strengthen it.

"Obviously no strategy can overcome the poverty of 220 million people in Latin America and the Caribbean if it is not based on the creation of quality jobs and more and better enterprises capable of generating employment," said the ILO Director-General.

<sup>1</sup> *Panorama Laboral 2003, América Latina y el Caribe*, ILO, 2003.

To view the report and press release (in Spanish) please visit [www.oit.org.pe/portal/despliegue\\_seccion\\_panorama.php?secCodigo=22](http://www.oit.org.pe/portal/despliegue_seccion_panorama.php?secCodigo=22), and for more information see ILO Online 2004/24 at [www.ilo.org/public/english/bureau/inf/features/04/latin\\_unemp.htm](http://www.ilo.org/public/english/bureau/inf/features/04/latin_unemp.htm).

<sup>2</sup> Weighted estimates of regional labour force figures published in *Panorama Laboral*, are benchmarked to urban labour force estimates. In contrast, estimates in the *Global Employment Trends 2004*, presented by the ILO in February, are benchmarked to national labour force figures.



# Waiting in Correntes:

## Forced labour in Brazil



© ILO/K. Cassidy

In a small, dusty town in Brazil's Para State, the "escravos", or modern-day slaves, at the Correntes truck stop are on the fault lines of forced labour. In this report, the ILO shows how they become ensnared in a trap of debt and coercion – as well as what the ILO, in collaboration with the Government of Brazil, is doing about their plight

MARABA, Brazil – For five days now, Jorge has been waiting for work, and each day it's costing him money. And the 20 other men waiting for jobs they've been told will pay well – it's costing them money too.

The long wait in this small dusty town in Para State is going to be expensive for these men. Because with each passing day, they are building a debt that will illegally bind them to backbreaking work. These are the "escravos", or slaves, of Maraba, poverty-stricken people who've been unwittingly trapped into a cycle of manipulation. They are mostly illiterate and innumerate, with few

skills. They are also modest, and often really believe they have a debt to pay.

Forced labour affects some 30,000 to 40,000 men, women and children in Brazil today, according to figures cited by the national media. The exact number is unknown because of the remoteness of the locations and the illegality of the work.

This kind of work can take many forms. It may be seasonal, or can last for many years. Its victims often fall into the same trap time and again.

"After I ran away from the last 'fazenda' [farm], I could not believe that this would happen to me again," says Guilherme Pedro of his work herding cattle. "But it did, for the third time!"

According to a government survey, up to 40 per cent of victims are in Guilherme's shoes, gaining their freedom only to return to the fields again as forced labourers.

### Debt Bondage

Forced labour in Brazil invariably involves debt bondage – a type of forced labour often used in remote agricultural areas. People incur debt, sometimes as small advances, or unknowingly build debt through accommodations, supplies or travel – like the men waiting in Maraba, eating chicken and drinking beer – even before they start working.

Recruiters, known as "Gatos", or cats, have no trouble exploiting the vulnerability of the poor and unemployed. In Brazil's northeast, where most forced labourers are recruited, recent estimates classified 49 per cent of the population as poor. In their search for work, many people will take anything on offer in the hope of escaping poverty, starvation and idleness.

The Gatos visit small towns and villages looking for victims suitable for heavy work. These victims are almost always poor and uneducated, and they are easily seduced by the promise of stable employment at good rates of pay.

The workers then travel to a collection point, normally in another state hundreds of miles away from their homes. From there they are taken to a fazenda, but only after waiting several days or even weeks. And while they wait in ramshackle dormitories, they are constantly building a debt. When the bill for room, food and drink is paid by the farm supervisor, the worker is bound to a lengthy term of labour.

Somehow, their debt can never be paid. In such remote places, landowners run the stores selling food, drink and other items at inflated prices. Workers are told not to worry about the price and the store manager has the only record of their purchases. When the work is completed, the landowner gives them an exorbitant bill.

Many of the work sites are deep in the undeveloped areas of the Amazon, in the remote Far West, as the edge of the jungle is called.

"We traveled by boat and on foot for 15 days to reach a fazenda we knew was using forced labourers," recalls a Federal Prosecutor of his last raid. "It was almost impossible to reach them."

Even outside the Far West, families of forced labourers suffer.

"I was starving with my kids, worrying about [my husband] there. I had to beg people for food. And I begged for any kind of daily work. That's how I survived," says one woman, her eyes welling with tears.

### Responding to the challenges

These forced labourers are the hidden victims of a global phenomenon which affects millions of people in both developing and developed countries. But across the world, governments, employers' and workers' organizations, and civil society groups, are starting to face up to the problem with the support of the international community.

Under the leadership of its new President, Ignace Lula da Silva, Brazil has recognized the reality of forced labour, and has formally committed itself to eradicating this practice. Under a bold initiative, entitled "Plano Nacional Para a Erradicação do Trabalho Escravo", a multi-agency approach to eradicate forced labour has been put into motion.

The plan calls for increasing raids by inspectors on ranches, logging operations and mines, which lure people into servitude. These inspection teams, called "mobile squads", investigate and track forced labour based on information from escaped workers. Most of these rescues have taken place in Bahia

and Mato Grosso States. In a recent raid in Bahia, 850 workers were released in the biggest single operation to date. The mobile squads successfully released 2,306 and 4,779 enslaved workers in 2002 and 2003, respectively.

The Government is also moving to increase fines and criminal penalties for offenders, as well as to pass legislation to allow the seizure of businesses and properties where forced labour is used. These seized assets can be used to compensate forced labourers, as well as to offset the costs of eradicating the practice.

A broad-based partnership is providing information about patterns and locations of forced labourers to international organizations and government agencies. This collaboration, which includes individuals, workers' associations, local communities, NGOs and the church, is enhancing our understanding of the problem and its causes. Respected institutions like the Pastoral Land Commission are providing vital assistance to freed workers, such as shelter, food, and medical treatment.

Raising awareness of the practice of forced labour is another major challenge. Through workers' organizations, such as the Confederação Nacional dos Trabalhadores na Agricultura, workers are trained on how to recognize and avoid potential forced labour situations.

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**The ILO Special Action Programme to Combat Forced Labour is marking the UN International Year to Commemorate the Struggle against Slavery and its Abolition, with a special push to place forced labour at the forefront of policy agendas.**

The International Year will "help provide the impetus for heightened activity", says Roger Plant, head of the ILO Special Programme to Combat Forced Labour (SAP-FL). The Programme is planning a number of public events in 2004, leading up to the publication of the Director-General's second Global Report on Forced Labour, in 2005. A global estimate of the dimension of forced labour today is now well underway, the first of its kind undertaken by the ILO.

SAP-FL was set up in 2002, under the promotional follow-up to the ILO 1998 Declaration on Fundamental Principles and Rights at Work. The programme spearheads ILO activities against forced labour, giving them more external visibility and internal coherence. It assists member States, employers' and workers' organizations, and other civil society partners, in their efforts to eradicate forced labour in all its forms and in all parts

of the world – whether the forced labour outcomes of human trafficking, bonded labour, coercive recruitment practices or state-exacted forced labour.

According to Mr. Plant, of the core labour standards and principles covered by the Declaration, forced labour has so far received the least attention. "This is despite the urgency of the problem, and the fact that new forms of forced labour are emerging in today's globalized world."

SAP-FL has responded by giving priority to research and awareness-raising. Detailed research has been undertaken on the causes and characteristics of forced labour in Africa, Asia, the Americas and Europe, while workshops and seminars have been held in locations ranging from Hanoi to Islamabad, and from Lima to La Paz.

This has prepared the ground for specific technical cooperation projects. These are now underway, or will soon start, in south Asia, south-east Asia, west Africa and Europe. Important law and policy advice is also being provided to governments; for example, on forced labour concerns in new anti-trafficking laws.

as initiating awareness-raising, rehabilitation and prevention activities. A national campaign, targeting rural workers and their families, has been launched to help them avoid being ensnared into forced labour. Partnerships with other key players, such as the media, are also helping to ensure wide dissemination of national policy and information on forced labour in Brazil.

### **The road ahead**

The complex nature of forced labour recruitment and the remoteness of the locations where the people work, have hobbled eradication efforts. And with a quarter of the population living on less than US\$2 a day, grinding poverty will continue to make people vulnerable to forced labour.

Even more difficult to overcome is the general perception that landowners have impunity. Freed forced labourers often fear for their lives because landowners are wealthy and have many friends in powerful places. When these workers denounce the landowners to the authorities, they can be at risk of retaliation. Even government officials and prosecutors have been targeted with death threats.

On 28 January 2004, four Labour Ministry officials were ambushed and killed in a shooting which the authorities believe is related to the discovery of slavery in a farming region dominated by large soybean farms, about 140 km (90 miles) from the capital, Brasilia. These officials often travel with armed federal police officers. However, since this was a routine inspection, they were not accompanied by police.

This tragic event has renewed calls for the passage of a constitutional amendment, which, if passed, will enable confiscation of lands where slavery is found. The bill has already passed the Senate, but due to pressure from the rural landowners' lobby, a vote is still pending in the House of Representatives.

The President of the Tribunal Superior do Trabalho, Francisco Fausto, calls forced labour "the shame of humanity" which must be eradicated. "We still need stronger laws. Someone who does not respect human rights, who assaults the human dignity of people, should be subjected to a stronger punishment. It is a war we must win."



Local unions provide workers with information about work destinations, alerting them to potential abuses. The workers are also given contact numbers and locations, in case they need to flee forced labour.

In collaboration with the Brazilian Government, the ILO has launched a technical cooperation project, *Combating Forced Labour in Brazil*. With funding from the US Department of Labor, the project is supporting national efforts, including the Government's mobile inspection teams, as well

# Strangers in a foreign land

## Migration's hidden risk: Increased child trafficking



© ILO/Nick Rain

**I**n many parts of the world, migration is adding a new dimension to the child labour problem, exposing many children to potential exploitation by traffickers. This article explains how migrants can fall into the trafficking trap and how the ILO is working to stop this worst form of child labour

BANGKOK – As the music thumps from a popular Bangkok nightspot, a young boy sells chewing gum to a group of tourists sitting outside. The boy can't be more than eight or nine. When asked where he's from, he says "Thailand". "Where in Thailand?" asks one of the customers. The boy shrugs and, after further questioning, admits he's actually from neighbouring Cambodia.

Nearby, the boy's controller will be watching. The boy will be a member of a "team" of exploited chil-

dren who beg, shine shoes, sell flowers, and sometimes, most sadly of all, sell themselves.

This small, scruffy, barefoot child is almost certainly a victim of human trafficking, either sold by his village parents or guardians to a trafficker, or taken by a broker to "find work" in the city. Often the broker is a relative or family friend who then sells the child on to someone else. Some children never see their families again.

This kind of exploitation is common in many parts of the world, including south-east Asia. Both demand and supply exist and are major obstacles in eliminating the worst forms of child labour, a mandate given to the ILO through various international Conventions including the unanimous adoption by its member States of the Worst Forms of Child Labour Convention, 1999 (No. 182).

Increased migration adds another dimension to







\* *Labour Migration Survey in Khammuane, Savannakhet and Champasack 2003*

the problem of child trafficking. A new ILO-supported survey,\* conducted by the Government of Laos (Lao People's Democratic Republic), confirms fears that international migration, at least in the case of Laos, exposes many to potential exploitation by traffickers. Many migrants are unaware of the risks of ill-prepared and uninformed migration and the difficulties they can face in a foreign land. It is this vulnerability which human traffickers exploit, and children – especially girls – and young women are the primary targets.

Most disturbingly, the Lao survey, carried out in three provinces, discovered that more than 50 per cent of migrants under the age of 18 had not been heard from since leaving home. The vast majority of these migrations had occurred within the last three years.

Of the nearly 6,000 Lao households surveyed, nearly 7 per cent had family members who had migrated, and one in five was under the age of 18. Two-thirds were girls.

Although the Lao survey results are troubling, the country is only one of a number of south-east Asian countries where ill-prepared migration, poverty, deep-rooted gender inequality and lack of information create the perfect environment for human traffickers to ply

their trade.

Virtually no corner of the world is untouched. Victims are often “chosen” in one country, and then sent to another, sometimes transiting through a third.

But trafficking is not just an international phenomenon. In China, the white-hot economic development of urban areas along the Eastern seaboard has resulted in a human tidal wave of rural-to-urban migration. In Henan Province alone, a staggering 28 per cent of the province's 96 million inhabitants are believed to be on the move.

This massive internal migration is helping support China's blistering economic development, and certainly most migrants profit from their move. But the stampede toward the cities provides a well-worn trail for human traffickers to follow. Girls and young women are easy prey, unwittingly trafficked into the “entertainment” industry or forced marriage.

Consider the story of 13 year-old Mei. She and two of her classmates were trafficked after agreeing to a daytime outing with two men they met. They soon

realized they had been tricked and the men were planning to sell them into wedlock. Mei managed to escape and alerted police, who rescued the other two.

Although this story has a happy ending, many do not. Each day, children are being trafficked into prostitution or begging, slave-like servitude often as domestic workers, and other forms of exploitative and forced labour.

Trafficking appears to be a growing “dark” industry, but efforts to reveal this underground trade in human misery and find new ways to combat it, are providing rays of hope. Through a project of the International Programme on the Elimination of Child Labour (IPEC), the ILO is raising awareness among children, their parents and community leaders about the dangers of ill-informed and unprepared migration. The ILO Mekong Sub-Regional Project to Combat Trafficking in Children and Women, is operational in five countries: Cambodia, China's Yunnan Province, Laos, Thailand and Viet Nam.

Early indications are encouraging. Following an ILO-funded awareness-raising exercise in a village in northern Thailand, five previously unreported cases of child trafficking and exploitation were revealed. Four have now been resolved. In some targeted villages of Yunnan Province of China, ill-prepared and uninformed migration dropped by more than 50 per cent following similar interventions. And in Cambodia, one of the project's micro-finance initiatives supplied cows to villagers, providing them with a new source of income which allows their children to remain in school. This “cow bank” allowed the entire village to benefit by “borrowing” the cow during calving season. The villagers were allowed to keep the first and third calves, while the mother and her second calf were returned to the cow bank to continue the cycle with other villages.

Stopping trafficking is a slow process. But the ILO is increasingly engaged with governments and social partners in south-east Asia and worldwide to address its structural causes – striving to provide opportunities for decent work and establish legal migration channels for labour supply to reach demand.

Now, through the work of the ILO and others, governments, authorities, and families rich and poor, are realizing that human trafficking and the exploitation of children robs their nation of a brighter and more productive society – one where parents can support their families through decent work, and where children complete their education, offering the promise of a more prosperous future for all.



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# Asbestos in the workplace:

## A difficult legacy

Once used nearly universally for its fire-retardant qualities, asbestos – and the illnesses it causes – has become a major issue for the industries which used and produced it, as well as for individuals who contracted various diseases and cancers as a result of exposure in the workplace. Journalist Andrew Bibby examines the state of asbestos litigation today, and how workers and employers are facing up to the problem



*Acre Mill,  
Hedben  
Bridge, UK,  
circa 1910*

HEBDEN BRIDGE, England – This small town in the hills of northern England is today a popular tourist destination. But at one time it was at the heart of the industrial revolution, with mills producing woollen and cotton cloth.

Unfortunately for some, Hebden Bridge also had a mill manufacturing asbestos products. Though long closed, its legacy lingers on in the asbestos waste dumps now sealed and abandoned, as well as in the ill health of many of the local residents.

A local newspaper regularly carries stories about former employees who have died from asbestos-related causes, including the cancer mesothelioma.<sup>1</sup>

This spectre is not unique to this idyllic English town and is occurring in other parts of the world. In Slovenia, the town of Nova Gorica (like Hebden Bridge, a picturesque town in the hills) was the centre of the Yugoslavian asbestos industry for over 70 years. Nova Gorica residents, concerned at the growing number of asbestos-related diseases, last year organized an international conference on the issue.

In other parts of the world, conditions during the heyday of the asbestos industry are equally grim. Fred Higgs, General Secretary of the Global Union federation for the chemical sector, has drawn attention to the situation in South Africa, where, he says, “children were employed, unprotected, in the most hazardous tasks of sorting asbestos with their bare hands and trampling it with their bare feet”.

### A difficult legacy

Asbestos was once considered the “miracle mineral” of the twentieth century, used almost universally for its fire-retardant qualities. As is now known, however, asbestos exposure can lead to illness and death. Mesothelioma, a cancerous tumour in the membranes of the lungs, is slow to develop (typically, 30 to 40 years after exposure to asbestos fibres) but rapidly fatal. Other cancers, including lung cancer, are associated with asbestos exposure, again after a long latency period, while other asbestos-linked diseases include asbestosis, which causes severe breathing difficulties and may also be fatal.

The ILO has calculated that at least 100,000 people worldwide have died from exposure to asbestos. Currently, mesothelioma annually kills about 3,000 people in the United States and perhaps 5,000 in Europe, with numbers expected to increase in coming years. In total, worldwide, hundreds of thousands of people may have had their health affected by what has been called the “asbestos epidemic”.

The question of who is liable is turning into a crisis in its own right. In many countries, victims and their families have gone to court to demand compensation, often paying high legal fees in the process.

In the United States, the latest attempt to bring together companies and insurers, with trade union and political support, to establish an adequately

<sup>1</sup> See “The Killing Mill”, 31 October 2003, at [www.halifaxtoday.co.uk/newsfront.aspx](http://www.halifaxtoday.co.uk/newsfront.aspx)







© ILO/M. Crozet

resourced trust fund administered by a “court of asbestos claims”, now seems to have failed to gain consensus.

US insurers and companies agreed last year to jointly contribute to a US\$114 billion compensation fund. However this was still US\$40 billion below the figure established during debates on a US Senate bill, and was immediately criticized by US unions.

#### An uncertain future

For the foreseeable future, therefore, asbestos compensa-

tion in the US remains a matter of litigation, a situation which applies in other countries as well. In the United Kingdom, some uncertainty appeared to be resolved in 2002, with a judgment rejecting the argument that companies could escape liability

for workers exposed to asbestos from more than one employer.

This judgment was seen as a victory for asbestos sufferers and was estimated to cost insurers UK£6-8 billion (US\$10-14 billion). Since then, however, insurers have been back in the courts, arguing for a proportionate reduction in damages where employees worked for a period for employers now defunct or insolvent.

The problem of company insolvency is a major one and has been a factor in the response to asbestos issues. Fear of company insolvency was one of the factors motivating parties in a South African case to reach an out-of-court settlement with a UK-based producer. In the Netherlands, the cooperation of employers, insurers and the government led to the creation of an institute for asbestos victims which acts as a mediator between employers and workers on the basis of fixed amounts for damages. In Australia, there is a similar initiative by the major asbestos company to create a fund for claimants in asbestos cases. This solution has been controversial, however, with recent allegations that the fund may not be able to cover the final costs of compensation.

Because of the long latency period for asbestos-related diseases, it will be many years before all past claims for compensation are resolved. But the story doesn't end here. White asbestos is still used in many parts of the world. Moreover, the ILO Asbestos Convention, 1986 (No. 162) on safety in the use of asbestos, bans only certain types of asbestos; it has been ratified by 27 of the ILO's 177 member States.<sup>2</sup> This means that – despite the known health risks of asbestos – some people may still be working with materials whose impact may only become apparent many years from now.

The ILO is working to promote the use of its international instruments (Convention 162 and the related Recommendation 172) by member States to increase the protection of workers against asbestos exposure. The aim is to protect workers and prevent the development of asbestos-related diseases which lead to human suffering and litigation. Many litigation cases result from previous exposure when ILO instruments weren't properly applied and protection was inadequate. The use of ILO instruments and approaches towards prevention and control of asbestos exposure, in combination with national policies, would intensify preventive efforts and reduce the effects of exposure.

#### ASBESTOS AND SAFE WORK

Being concerned with the continuing wide use of asbestos in the world, the EU and the ILO convened the European Asbestos Conference in September 2003, in Dresden, Germany. Gerd Albracht, Chairman of the Conference, underlined that “millions of workers and consumers have been exposed to asbestos dust. Twenty thousand asbestos-related lung cancers and 10,000 mesotheliomas occur annually across the population of Western Europe, Scandinavia, North America, Japan and Australia alone, but developing countries have much higher risks of exposure. In such countries, asbestos is thus a time bomb which looks set to lead to an explosive increase in asbestos-related diseases and deaths in the next 20 to 30 years.”

“Due to strong initiatives at national, European and international levels, numerous countries have banned imports and handling of asbestos; other countries are

preparing bans. The total world production has decreased since the 1970s by more than 50 per cent. Nevertheless, 2 million tons of asbestos are still produced every year, and it is precisely in the developing countries that consumption is on the increase.”

The Conference adopted the “Dresden Declaration on the Protection of Workers Against Asbestos”, the full text of which can be found in many languages at [www.asbestkonferenz2003.de/](http://www.asbestkonferenz2003.de/). The final report of the Conference will be available on the same Web site shortly. More technical data and ILO-related activities can be found in the keynote presentation at the Conference by Dr. Jukka Takala, Director of the ILO InFocus Programme on Safety and Health at Work and the Environment (Safe-Work), which is accessible from <http://www.ilo.org/public/english/protection/safework/accidis/asbestos-dresden1.pdf>.

<sup>2</sup> See the ILO Asbestos Convention, 1986 (No. 162), at [www.ilo.org/public/english/info/index.htm](http://www.ilo.org/public/english/info/index.htm)

# Quebec: Labour-sponsored "Solidarity Funds" are generating jobs

**T**he success of the Quebec Federation of Labour Solidarity Fund is founded upon twin objectives. Its main goal is profit, yet the Fund promotes workers' rights, and training and development for employees. Fernand Daoust, former president of the administrative council of the Fund and now special counsellor to the president, explains the vision of a unique organization

MONTREAL – The Solidarity Fund is a financial innovation in North America, and is one of few similar institutions in the world.\* Created in 1983 by the Quebec Federation of Labour, the Fund was born into a period of deep recession in Quebec and Canada. "Full employment was a highly attractive prospect at the time," affirms Daoust. New ideas were needed, and the Quebec Federation of Labour had a solution: A new investment fund, sponsored by workers themselves, and with attractive tax rates for investors.

From the start, realities had to be tackled. "Firstly, there has to be a starting point, a trade union open to such a project. Secondly, you need the will of the authorities and the government. Thirdly, it is critical that those in control of business and finance – those who, to a certain extent, hold the reins of the country's economy – do not kill off the idea before it has hatched." In the end, despite scepticism, the Fund received the support of all the actors involved.

The Fund seeks profitability, but it is considered first and foremost a "capital for development" fund, financial output representing only one part of the equation. The Fund's philosophy is

founded upon a social logic which promotes the creation and maintenance of jobs. "Our end goal is, without any doubt, profitability, but beyond profitability, we seek the economic development of Quebec."

In 2003, the Solidarity Fund had over half a million shareholders. From active assets of 4.6 billion Canadian dollars, 2.6 billion were invested in 2,104 companies, to create, maintain or safeguard over 90,000 jobs in Quebec. Although the Fund had initially been blamed for investing in controversial

\* For more information on Labour-sponsored investment funds, see ILO Online 12, "Labour-sponsored investment funds: More jobs, more money and job security", at [www.ilo.org/public/english/bureau/inf/features/03/funds.htm](http://www.ilo.org/public/english/bureau/inf/features/03/funds.htm)

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>> companies, it is today respected as a financial institution which benefits not only the shareholders and the companies in which the Fund invests, but also the population of Quebec and Canada as a whole.

### Guiding principles of the Fund

The Solidarity Fund has four guiding principles: to invest in suitable companies and provide them with services to create, maintain and safeguard jobs; to support the training of workers to allow them to increase their influence on the economic development of Quebec; to stimulate Quebec's economy through strategic investments; and to foster awareness and encourage workers to save for their retirement and contribute to the development of the economy by purchasing Fund shares.

As a result, workers have a role beyond the execution of tasks. They gain an insight into the operation of their company and its internal mechanisms, not only in terms of the microeconomics of the enterprise, but also of the workplace, the region and Quebec.

Beyond the four initial guiding principles, the Solidarity Fund knew it had to develop other characteristics over its 20 year history – the reason for its success today.

The *Responsables Locaux* (Local Representatives) hold great pride in the Fund. “Voluntary workers are in charge of enrolling new members in their own workplaces. They play an important part because they work directly on the ground, at the centre of the companies. It's these [*Responsables Locaux*] who form the spine of the Solidarity Fund. Under the Fund, over 2,000 volunteers have received training, attended courses, taken part in all the public actions of the Fund (i.e. meetings) and have become, in their work environment, the experts, the people who have a good knowledge of the operation of the Fund.”

The Fund does not make any investment in any company until it has a “social assessment” of working practices there. “It requires a meticulous examination of the operation of the enterprise with regard to its employees, its style of management, the employers' profiles, the working conditions, the working relationships, the production, competition and respect for the principal policies of the Federation, in particular as regards health and safety at work, and environmental laws.”

Moreover, focusing much of their work on small and medium-sized enterprises, the Fund set up regional structures which are – with the *Responsables Locaux* and the social assessment – at the front line of operations. The Solidarity Fund has 17 regional Funds, which can invest between 50,000 and 2 million Canadian dollars; 86 local investment companies, which have the right to invest between 5,000 and 50,000 Canadian dollars; and 43 specialized funds (agro-businesses, technologies, etc.).

The success of the Solidarity Fund is not limited to Quebec. Currently, it directs two projects on the African continent. “One is in Senegal and the other in Algeria. In the case of Senegal, it is due to be set up in the next few months. Protocols have been signed by our partners. It's extraordinary, in both Senegal and Algeria. The process we started two years ago is soon to come into action.”

By acting with transparency, the Solidarity Fund proposes a new way of managing a sector of the economy, by founding a “participative economy” where all members are important actors.

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## PLANET WORK

### A REVIEW OF TRENDS AND DEVELOPMENTS IN LABOUR ISSUES

As the world marks another International Women's Day (see ILO in History, News, elsewhere in this issue), what are some anecdotal indicators of how women are faring in the workplace these days? While workplaces are becoming more gender-balanced, like breaking the glass ceiling, breaking old taboos in the workplace remains challenging

#### WOMEN AND WORK

■ It's the glass ceiling that just won't break. As a report elsewhere in this magazine shows, breaking through the glass ceiling and climbing to the top of the corporate ladder still requires major effort – and can be achieved by few, and far between. The Equal Opportunities Commission (EOC) in **Great Britain** reports that women hold only 9 per cent of executive and non-executive board directorships in the FTSE 100 companies, and only 13 per cent of small businesses are held by women. The EOC findings indicate that “where it matters – in politics, local authorities and the judiciary – women bosses are still a minority”.

– Source, *The Guardian*, UK

■ In all, women, who account for 51 per cent of the **European Union's** population, still make up less than 6 per cent of the top executives in the 10 countries for which data is available. In terms of salaries, women in the EU still earn on average 82 per cent of what men do, compared to 90 per cent in the US.

– *Business Times*, Asia, February 2004

■ In **Switzerland** only 26 per cent of working women reach middle management, compared to 49 per cent for men, while earning salaries which are 25 to 33 per cent lower. And women account for only 1 per cent of chief executives and board members. Part of the problem, according to a spokeswoman for the National Council for Women's Organizations, is getting women to the



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general management level in the first place so they have a shot at the top. Another, according to the spokeswoman, is “lack of self-confidence”. As a result, Swiss employers are issuing recommendations with practical advice on how companies can help women up the career ladder.

– Source, *NZZ Online*, January 2004

■ What does it take to break through? In **India**, women in business are becoming “confident, assertive and successful”, and demolishing “almost all professional male bastions”. Though an article in the publication, *Hindu Business Line*, doesn't give precise data, it implies that at least in India, the glass ceiling appears to be breaking. “Make a head count and you'll probably find the number of senior women managers

swelling – thoroughbred professionals who ‘Palm Pilot’ their careers with battle plan exactitude.” Among the remaining bastions – army combat units. Says the *Times of India*, “In today's India, the millennial woman might have broken through the glass ceiling and established her credentials in diverse fields, but the ultimate male bastion – the army – is still in the realm of ‘no-woman's-land’.”

– Source, *Hindu Business Line*, November 2003

■ In **Japan** there are other signs of change. A recent out-of-court settlement reached in an eight-year lawsuit involving a major corporation and two women charging sexual discrimination in pay and promotion, has been called a “major step forward”. The

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## PLANET WORK

A REVIEW OF TRENDS AND DEVELOPMENTS IN LABOUR ISSUES

>> company was ordered to pay each woman 5 million yen and to promote them. What was significant in the case is that the judge ordered the promotions – even though neither plaintiff demanded it, prompting the company to promote four other women who hadn't brought a case. In another development showing change in the workplace, a recent survey found that 87 per cent of housewives want to get a job outside the home.

– Source, *News, Asahi Shimbun*, January 2004

■ For some, child care is the deciding factor between working or staying at home. The need to provide more possibilities for women to choose from, is now on the agenda of the **European Union**. Employment and social ministers agreed on the need for greater availability of child care as a way of

expanding female participation in the labour force. Said a summary of the discussion, "it was also stressed that greater emphasis must be placed on parental leave and, indeed, on a change in culture in the workplace, so that men can take on the family role and allow more women to access the workplace".

– Source, *Irish Times*, January 2004

■ The question is whether people take advantage of such initiatives. A recent study found that 81 per cent of companies in the **United States** provide employee-assistance programs to people balancing work and family, compared to 70 per cent in 1996. Still, many employees don't seem to be making full use of them. Some women say the reason is "subtleties in the promotion process"; i.e., penalties resulting from taking time off for family reasons. One

reaction is to become a so-called "stealth Mom". One computer executive who works from home managed to cook, talk on a mobile phone with a co-worker and carry on an instant-message conversation with another on her laptop – all at the same time. Neither co-worker knew what the other was doing, because the executive, a mother of two, hit the "mute" button on her phone while using her mixer.

– Source, *Wall Street Journal*, February 2004

■ Do gender and family sensitivity pay? Absolutely, according to various studies. In **Sweden** and **Denmark**, where governments subsidize an extensive system of pre-school care, the proportion of women on the job totals around 73 per cent, the two highest rates in Europe. That increase in labour availability apparently translates into a better bottom line. The 25 Fortune 500 countries in the **United States** with the best record of promoting women to senior management, are up to 70 per cent more profitable than the median companies in the same industries. Says one female CEO, "The bigger the pool of talent you pick from, the better the people you're going to get."

– Source, *Glass Ceiling Research Center*, January 2004

■ Do glass ceilings apply only to the corporate world? In **Japan**, some taxi companies are offering "female-only" taxis, driven by women for women customers. Some women like the service, saying they feel safer with more conscientious women drivers, or while alone in a cab after dark. But finding a woman-



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only taxi may be difficult. Of the 361,800 taxi drivers in the country in 2001, only 8,400 or 2.3 per cent were women.

– Source, *Asahi Shimbun*, February 2004

■ And in sports? Consider these: The number of women professional golfers taking part in a Professional Golf Association Tour in the past 58 years is exactly two. And the amount of time television devotes to covering women's sports? Five per cent. Stay tuned.

– Source, *PA News*, February 2004

#### BRIEFS

■ Customers of an insurance company were assured when they talked to “Nancy”, who flawlessly advised them in an accent just like theirs. The only problem was that Nancy’s real name is Nayanima, and she’s taking calls from the industrialized world, in **India**. Nayanima is among the 250,000 young Indians working in the UK£1.7 billion BPO – Business Process Outsourcing – industry, which has grown in India alone by 60 per cent since 2000. The industry capitalizes on a vast, well-educated, English-speaking workforce working for a fraction of the wages sought in the **United States** and **Britain**. For many Indians, the salaries are superb – but the work can come at a price. Foreign callers angered to find they’re speaking to someone halfway across the planet can become verbally abusive, cursing the employee for “stealing our jobs”. Other workers reported exhaustion and stress from long hours and high productivity demands. The



result: some company owners report an attrition rate of 30 per cent.

– Source, *The Guardian*, London

■ In **Poland**, outsourcing resulting from EU membership is being seen as a coming bonanza. Studies predict the rapid development of the BPO sector to produce between 250,000 and 500,000 jobs in the next five years, as wealthier countries move service centres there. So far, BPO investments in Poland have amounted to US\$1.5 billion, but a recent study suggests this figure could increase 10-fold before 2010.

– Source, *Polish News Bulletin*

■ A new survey in **Britain** shows that one in ten people feels incompetent at their jobs. The survey of 72,000 employees by the Learning and Skills Council, found that inexperience was the main problem – though lack of motivation and inadequate training contributed. Meanwhile, the study says

20 per cent of all job vacancies go unfilled due to skill shortages, causing businesses to lose out to competitors.

– Source, *BBC News Online Magazine*

■ Will working in a record store soon go the way of vinyl? Possibly, according to major music companies and a recent survey entitled, “From Discs to Downloads”. Cybermusic and MP3 players are cutting into sales of CDs and other tangible music products. Even though some people still seem to like browsing in real shops, the virtual music stores are threatening their existence. Says one music shop owner, “We’re five to seven years from a complete meltdown.” Another indicator: travel agencies are flying into bankruptcy court as more people purchase electronic tickets online.

– Source, *Washingtonpost.com*





# Tenth African Regional Meeting:

## JOB AT THE HEART OF POLICY

### Tenth African Regional Meeting, 2-5 December 2003 Addis Ababa

Mr. Juan Somavia, Director general of the ILO with H.E. Blaise Compaoré, President of Burkina Faso and H.E. Alpha Oumar Konaré, Chairperson of the Commission of the African Union.



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ILO delegates lay the groundwork for the Extraordinary Summit on Employment and Poverty Alleviation in Africa, convened by African Union heads of state and government

ADDIS ABABA, Ethiopia – In four days of discussion between nearly three hundred delegates, the Tenth ILO African Regional Meeting held in Addis Ababa from 2 to 5 December confirmed that the “Decent Work Agenda” must be at the heart of the plan for the fight against poverty. “The African-led development agenda, headed by the creation of decent jobs, is connecting with people’s priorities and is a recognition of the essential link between jobs and poverty eradication,” declared Juan Somavia, ILO Director-General. The Agenda is discussed in his supplementary report.\* “Together, we can make more and better jobs the engine of Africa’s development,” he said.

All participants (governments, employers, and workers) agreed that the time had come to place the creation of decent work at the centre of a new generation of macroeconomic policies, and that they were ready to activate the tripartite network of the ILO to support the Extraordinary Summit on Employment and Poverty Alleviation, to be con-

vened by African Union heads of state and government, in September 2004, in Ouagadougou.

President Blaise Compaoré of Burkina Faso, honorary host of the Addis meeting, called the ILO the strategic partner for the success of the Extraordinary Summit, which will be preceded by a Social Forum where “the deliberations and conclusions will usefully inspire the decisions of the heads of state and government”. He hailed the role of the ILO in the fight against inequality and poverty for a more humane globalization, and hoped that the ILO would be “involved in the approaches and policies initiated by the Bretton Woods Institutions to ensure due consideration for the social dimension of development”.

The African Regional Meeting proposed an integrated approach to the Summit’s work programme, based on the ILO Decent Work Agenda, which is rooted in the organization’s strategic objectives of employment and enterprise creation, rights at work, basic social protection and social dialogue. The approach addresses the need to develop local markets, micro and small enterprises, and cooperatives. At the heart of the action plan, successful pilot projects show how to progress in three essential sectors:

\* *Working out of poverty: Views from Africa, Tenth African Regional Meeting, Addis Ababa, December 2003, Supplementary report of the Director-General, ISBN 92-2-215191-7*

Abidjan – Roaslie’s new venture is a small restaurant. The “Maquis Du Val” employs 47 people and serves 600 meals a day. In her hand she holds a photo of her humble original “café”.



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© ILO/M. Crozet

- Agriculture, in which the majority of Africans work
- The informal sector, and the need to develop entrepreneurship
- Major infrastructure works, in which highly labour-intensive investments have already resulted in the creation of numerous jobs

Special emphasis must be placed on promoting employment among women and youth. These two groups possess tremendous human potential, and their role in the development process must be boosted.

During the Meeting, delegates called on the ILO to give top priority to its efforts in the fight against HIV/AIDS in Africa. They approved a resolution calling on governments to support the efforts of employers and workers in this regard, by providing an enabling legal and policy framework for workplace action, measures to oppose stigma and discrimination and, more generally, the strengthening of national AIDS plans through the inclusion of a strategy for the world of work.

*Mtongani – Lazia and her six children used to break stones for less than a dollar a day. ILO projects now provide extra income through decent work. They now cultivate mushrooms.*

## Answering a “cry for no help”

### IN ADDIS, NEW JOBS FOR PEOPLE WITH DISABILITIES

This year marks a new era for some 250 workers with disabilities in Addis Ababa. A World Bank grant – won in a competition involving nearly 3,000 projects – will provide them with decent work for the first time in their lives. The ILO’s Cristiana Falcone explains how the new project, conceived with ILO support, will give these workers an opportunity to improve their own living standards as well as those in the city in which they live

ADDIS ABABA, Ethiopia – For foreign visitors, this African city – named “New Flower” in Amharic – is a gateway to Ethiopia’s fascinating nature and history. Yet day-to-day existence for some of its residents involves urban problems which are repeated across this vast continent.

Many of the residents live in sprawling, informal settlements known as Erri Be Kentu (“To Cry For No Help”). These shantytowns are riven by a maze of narrow streets and shacks with no running water or electricity. Essential services are desperately lacking, and some 24 per cent of the city’s 3 million residents are without indoor sanitary facilities.

Municipal authorities say outsourcing the management of such public services could solve this

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Ms. Shitaye Astawes

>> problem. But in a country where the economy is recovering from over ten years of war and famine, finding an entrepreneur willing to invest in such a business wasn't easy. That is, until a group of people with disabilities, who are part of an ILO training and business development initiative, decided to accept the challenge – and, at the same time, find a way to create decent jobs.

“Working cleaning toilets means a lot to us. It is not only a matter of money, it is a matter of exercising life,” says Shitaye Astawes, a member of the Ethiopian Federation of Persons with Disabilities (EFPD). The Federation is an umbrella organization for five associations of persons with different disabilities, now working to provide better sanitary infrastructure in Addis Ababa.

The Federation put into practice techniques learned in the “Start and Improve Your Business” training provided by ILO experts. It sees the project as a unique opportunity to provide jobs for its members.

Their efforts bore results with their selection for a hotly contested grant from the World Bank. The ILO Disability Programme encouraged the Federation to enter the World Bank Development Competition because the theme for 2003, “Making Services Work for

Poor People”, matched the EFPD's business plan for Addis Ababa.

Since 1998, the World Bank has organized a global competition for innovative development ideas, known as Development Marketplace (DM), every 18 to 24 months. A jury of peers from the development community evaluates the proposals and the winners receive start-up funds to implement the projects in a one-year timeframe. Roughly US\$5 million in grants were available for the most innovative projects submitted in 2003.

The EFPD proposal not only provides sanitary services, but meets an urgent need to create decent job opportunities for women and men with disabilities, who are among the poorest of the poor. The project will create decent job opportunities for 250 workers. For people with disabilities, a secure income is only the first visible gain. A more sustainable result is the ability to participate in everyday life so they may be seen just as others are.

In July 2003, the World Bank notified the Federation that its proposal had been selected from among 168 finalists out of the 2,700 submissions, and EFPD representatives were invited to World Bank headquarters in Washington to defend their project. The EFPD and its ILO partners spent four months finalizing the proposal and preparing Federation representatives to defend it at World Bank headquarters in Washington. The US\$200,000 grant is the largest ever received by an Ethiopian NGO as a result of a World Bank competition.

## International Women's Day 2004

### UPDATED ILO REPORT SHOWS “GLASS CEILING” STILL HOLDS

Is the glass ceiling breakable? In the two decades ago since the phrase came into common usage, the invisible barriers to the top of the managerial tree seem to be tougher

than expected. A recent update of a classic ILO study on the issue shows, in fact, that women's share of top positions remains low and the rate of progress discouraging

GENEVA – For women striving to move into managerial and upper-level jobs, the recent update of the ILO 2001 study, “Breaking through the glass ceiling: Women in management”,\* may seem disheartening. What the update shows is that the number of women in top management jobs has only increased by between 1 and 5 per cent over the past five years in some 33 countries surveyed.

“A handful of women are making headlines here and there as they break through, but statistically they represent a mere few per cent of top management jobs,” said Linda Wirth, Director of the ILO Bureau for Gender Equality.

The overall employment situation for women hasn’t evolved significantly since 2001, the update says. Women’s share of professional jobs increased by just 0.7 per cent. And with women’s share of managerial positions ranging between 20 and 40 per cent, the data show that women are markedly underrepresented in management compared to their overall share of employment.

In politics, the proportion of women representatives in national parliaments remains low, increasing from 13 per cent to 15.2 per cent between 1999 and 2003. However, the update did find recent increases in the number of women in traditionally male-dominated cabinet posts, such as foreign affairs, finance and defense.

Deeply entrenched rules and practices also keep female representation in politics low, the update says.

In fact, across all professions, women face barriers to progress. The daily challenge of balancing family responsibilities with work leads some employers to consider women less able, and women still have to work harder to prove themselves, or adapt to “male” working styles. What’s more, women face isolation, limited access to mentoring and female role models, sexual harassment, and are often excluded from informal networks vital to career development.

Yet the news isn’t all bad. Some employers are beginning to shift attitudes, according to

the update. Businesses now understand that family-friendly policies, improved access to training, and stronger mentoring systems encourage female staff retention and can improve productivity. And governments and unions are advocating the reform of employment and welfare legislation to ensure that mothers can maintain seniority, benefits, and earning potential.

Pressures to choose between family and career can lead some women to avoid the top jobs. Says the ILO’s Wirth, “Family responsibilities play a major role in whether or not women accept promotion. The way work is organized is not always compatible with raising children. Some women also seek to avoid the impact of long working hours, stress and the prevalence of aggressiveness and authoritative-ness that can be found in the top ranks.” The update also highlights cases where young men are seeking to balance work and family life.

The update calls for strategies which debunk the myths surrounding women’s capabilities, and promote family-friendly policies which afford both men and women parental leave, ensuring that women who do have children and pursue a career are not penalized financially.

The ILO is working to expand income opportunities for women entrepreneurs by improving their business skills and access to resources, through its Women’s Entrepreneurship and Gender Equality (WEDGE) work. More information about this and other initiatives to empower women and promote gender equality is available at [www.ilo.org/gender](http://www.ilo.org/gender).

\* *Breaking through the glass ceiling: Women in management: Update 2004*, ILO, Geneva, ISBN 92-2-115523-4, also available at [www.ilo.org/gender](http://www.ilo.org/gender)



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# Statistics conference adopts new resolutions, discusses decent work measurement

For 80 years, the ILO has been at the forefront of statistical standard-setting. The 17th International Conference of Labour Statisticians (ICLS), held from 24 November to 3 December 2003, adopted two new resolutions on labour statistics and discussed statistics on child labour, informal employment, gender mainstreaming, and the challenge of measuring decent work

GENEVA – More than 300 participants from some 90 countries, representing ministries of labour, national statistical offices and workers' and employers' organizations, met to discuss two new resolutions and other guidelines, and make recommendations for future ILO statistical activities.

"Statistics are key to the lives of people and the lifeblood of the ILO," said ILO Director-General Juan Somavia in his address to the Conference. "They help to provide a picture of what is happening in the world of work and lay the foundations for policymaking."

Mr. Somavia set out two major challenges for ILO statisticians: measuring "decent work" – the ILO's guiding agenda – and capacity-building to ensure that all countries have the resources to collect relevant and reliable labour statistics.

## Highlights

The Conference adopted two new resolutions on:

- **Consumer Price Indices (CPIs):** The resolution to update guidelines on CPIs will impact the lives of workers and their families throughout the world. CPIs measure changes in the general level of prices of consumer goods and services, and the effect these have on the cost of maintaining a constant standard of living. They are used as an economic measure of price inflation, and for adjusting wages, compen-

sation, benefits and contracts, as well as many other purposes.

- **Household income and expenditure statistics (HIES):** New guidelines on these statistics will help the analysis of a wide range of social, economic and other issues, and are used for a variety of purposes, including assessing the economic well-being of households and individuals. They contribute essential information to the study of poverty and social exclusion.

New guidelines were approved on:

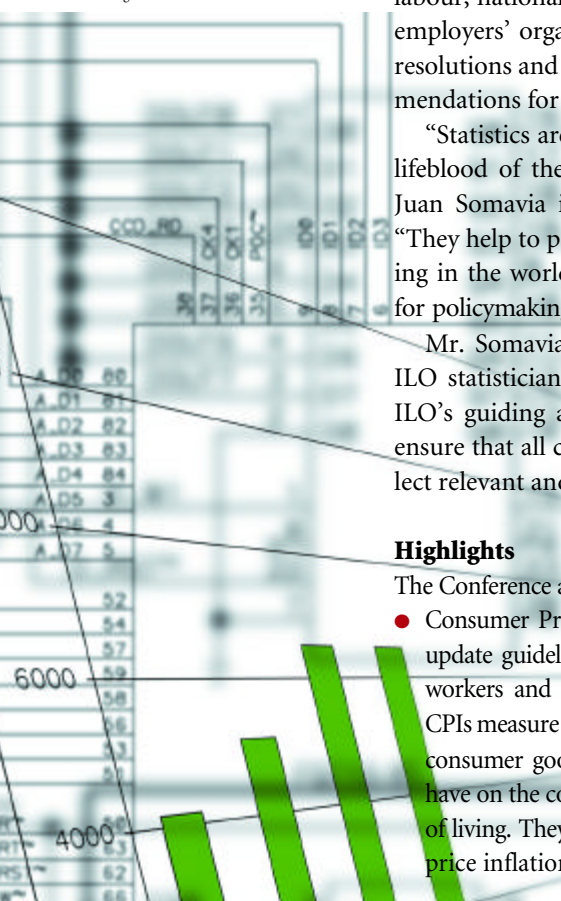
- **Employment in the informal economy:** The Conference endorsed guidelines which provide a statistical definition of informal employment and its components, to supplement the 15th ICLS resolution concerning statistics of employment in the informal sector (1993).
- **Gender mainstreaming in labour statistics:** The 17th ICLS strongly agreed on the need to gender mainstream all labour statistics to address the specific concerns and needs of women and men, and girls and boys, and enable a better understanding of the functioning of labour markets. It approved a checklist of good practices for this purpose.

## Decent Work

The Conference supported the concept of measuring decent work, and discussed developing decent work indicators for countries worldwide. It was opposed to a composite decent work index for the purpose of ranking countries, but proposed that a comprehensive report on decent work indicators – based upon wide consultation and exchange with countries at different levels of development – be submitted to the next ICLS, and the ILO Governing Body.

The 17th ICLS also recommended that a draft resolution on child labour statistics be discussed by the 18th ICLS, including a precise international statistical definition of child labour. A strong plea was made by the Conference to revise the 9th ICLS

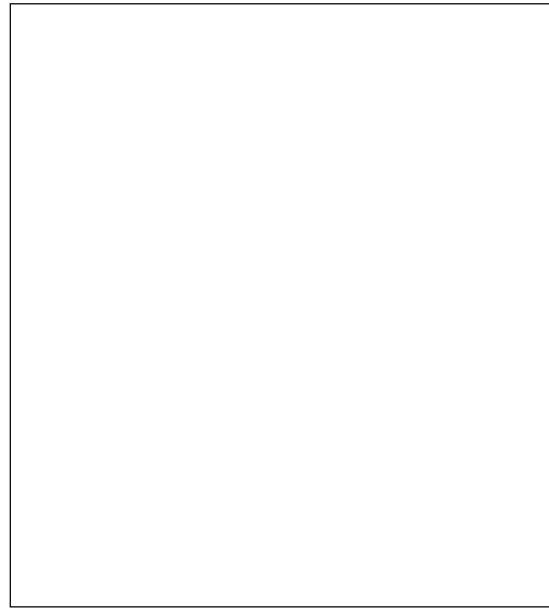
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Resolution on statistics of hours of work, to provide guidelines which apply to the self-employed and cover new topics, including annual hours of work and working time arrangements.

Also on the agenda of the 17th ICLS was the need to update the International Standard Classification of Occupations (ISCO-88), as well as statistics on the employment situation of persons with disabilities, on social security and on social dialogue. Delegates considered other proposals for future statistical work of the ILO, including statistics on labour demand and the balance between labour demand, and supply, labour underutilization, international labour migration, vocational training, and wages and employment-related income. The Conference also recommended that gender issues should be considered as a core principle in all aspects of future ILO work on labour statistics. In addition, it recommended that the ILO should increase its capacity to provide technical assistance to countries as a way of strengthening their labour statistics systems.

A joint ILO-PARIS21 seminar on capacity-building for labour statistics, held during the Con-



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ference, emphasized the need to foster better coordination between all stakeholders at the national and international levels and to mobilize funds for data collection and analysis in a number of countries.

## A new era for South Korea

A new partnership programme between Korea and the ILO represents a significant development.

Until the late 1980s Korea was a recipient of ILO funding. Now the country is poised to make a significant contribution to the Decent Work Agenda in Asia and the Pacific

GENEVA – South Korea has pledged US\$500,000 for projects tackling migration, occupational safety and health (OSH), basic vocational training, social security, and youth employment, in a new framework agreement signed here on 13 January.

Six projects in Cambodia, China, Lao PDR, Mongolia, Thailand and Viet Nam will benefit from the partnership.

The agreement was signed by Don Skerrett, ILO Executive Director responsible for Regions and Technical Cooperation, and Mr. Byung-Suk Chung, Deputy Minister of Labour, Republic of Korea.

“In a region of economic tigers, South Korea is a pacesetter; from a recipient of development aid to a donor of aid in just a few short years is a real success story,” said Mr. Skerrett.

“We have always been committed to our responsibility as an ILO member State,” remarked South Korea’s Deputy Minister of Labour. “We first became active in terms of providing support in 2002, in tandem with the Government of Japan, in efforts to combat child labour. We found it was a very positive and important development.”

Since joining the ILO in 1991 South Korea has become the tenth largest contributor to the ILO regular budget, with an annual contribution of US\$5 million. “We felt that generating additional

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>> funds could be a useful and effective way of supporting ILO programmes and the campaign for decent work,” said Mr Chung.

“South Korea is clearly committed to the development of decent work in the region,” said Christine Evans-Klock, Director of the ILO Subregional Office for East Asia, which developed the majority of the six projects included in the framework agreement.

The projects under the agreement aim to build national capacity on migration management,<sup>1</sup> occupational safety and health in hazardous occupations,<sup>2</sup> core work skills and basic vocational competencies for the working poor, technical assistance on social security,<sup>3</sup> and to develop a Training

Fellowship Programme in Technology Education.<sup>4</sup>

With 60 per cent of the world's youth living in Asia, youth employment is a priority concern. Under the framework of the ILO-headed Youth Employment Network (YEN), a project under the agreement will promote the sharing of experiences on youth employment policies and programmes among selected countries in the region. It will also provide support to Nepal and China to gather information on the problems young women and men face in making the transition from school to work, and to prepare action plans to meet the Millennium Development target of decent and productive work for youth.

<sup>1</sup> Cambodia, Laos, Mongolia and Thailand

<sup>2</sup> Cambodia, Laos, Mongolia, Thailand and Viet Nam

<sup>3</sup> Cambodia

<sup>4</sup> South Korea

## 288th Governing Body discusses labour rights, globalization



Trade unions of automobile and agricultural mechanical engineering (ASM) and radio-electronics (REP) hold a protest meeting under the slogan 'No to Impoverishment of People!'

The ILO Governing Body concluded its 288th Session in November 2003, following two weeks of discussion on issues ranging from the social dimension of globalization, to a new code of practice on workplace violence in the services sector, and labour rights in Belarus, Myanmar and other countries

### Violations of labour rights

Following a complaint under Article 26 of the ILO Constitution against the Government of Belarus for non-observance of the fundamental freedom of association Conventions Nos. 87 and 98, which was lodged by workers' delegates to the June 2003 Session of the International Labour Conference, the Governing Body decided to establish a special Commission of Inquiry to examine violations of trade union rights in the country.

In doing so, the Governing Body followed the recommendation of its Committee on Freedom of Association. For the seventh time, the Committee noted in its report that serious attacks have been and continue to be made on all attempts to maintain a free and independent trade union movement in Belarus.

The procedure under Article 26 has, on a number of occasions, been invoked in the case of persistent violations and disregard for the decisions of the ILO supervisory bodies. It has earlier been used by the Organization only on ten occasions.

In its report, the Committee on Freedom of Association also cited two other urgent cases, Cuba and Zimbabwe, for infringements of the principle of freedom of association and violations of trade union rights. The Committee also dealt, among other issues, with freedom of association rights of undocu-

mented workers in the United States, and collective bargaining issues in Denmark and Sweden.

The Governing Body also discussed the current state of negotiations between the ILO and Myanmar (Burma) on action for eliminating forced labour in that country. A joint plan of action had been agreed upon last May, but its implementation has been hindered by the uncertainties of the situation in the country. This plan of action includes the establishment of a facilitator for potential victims of forced labour who seek a remedy.

Employers, workers and governments expressed grave concern about the lack of substantive progress in the elimination of forced labour. The proposal was made to return to using the special measures decided by the International Labour Conference in 2000, in order to ensure the compliance of Myanmar with its obligations under the ILO Forced Labour Convention, 1930 (No. 29). However, the Governing Body decided to request that the ILO make an urgent evaluation of the situation in Myanmar regarding the prospects for implementing the joint plan of action.

A report will be made to the Governing Body in March 2004, which then will decide on further steps.

#### **Make globalization a positive force**

H.E. Tarja Halonen, President of Finland, spoke to the Governing Body Working Party on the Social Dimension of Globalization, on 17 November. Ms. Halonen was the first head of state ever to address the executive body of the ILO.

“In order to make globalization a positive force for people, it is important that the rules governing it are fair,” the Finnish President said. “We have today a global economy, but not a global society. The governance and rules are clearly lagging behind economic developments.”

President Halonen identified “a crucial role for the ILO to promote and ensure a situation where basic rights at work are effectively respected all over the world, without exception”.

President Halonen and H.E. Benjamin Mkapa, President of the United Republic of Tanzania, are the co-Chairs of the World Commission on the Social Dimension of Globalization, established in 2002.

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*The Governing Body is the executive body of the International Labour Office (the Office is the secretariat of the Organization). It meets three times a year, in March, June and November. It takes decisions on ILO policy, decides the agenda of the International Labour Conference, adopts the draft Programme and Budget of the Organization for submission to the Conference, and elects the Director-General.*

*It is composed of 56 titular members (28 Governments, 14 Employers and 14 Workers) and 66 deputy members (28 Governments, 19 Employers and 19 Workers). Ten of the titular government seats are permanently held by States of chief industrial importance (Brazil, China, France, Germany, India, Italy, Japan, the Russian Federation, the United Kingdom and the United States). The other Government members are elected by the Conference every three years.*

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## **New ILO code to tackle workplace violence in services sectors**

Millions of workers in industrialized and developing countries face the risk of violence in their place of work. Now, the ILO Governing Body has adopted a new Code of Practice on Workplace Violence in Services Sectors, in a bid to safeguard productivity and decent work\*

GENEVA – This Code provides workers and employers with guidance on how to develop practical responses to violence at work, promote dialogue, consultation and negotiation among governments, employers and workers, and to draft national laws, policies and programmes of action.

The Code puts priority on developing a constructive workplace culture based on decent work, work ethics, safety, mutual respect, tolerance, equal

\* “Code of Practice on Workplace Violence in Services Sectors and Measures to Combat this Phenomenon”, available at [www.ilo.org/sector](http://www.ilo.org/sector)





>> opportunity, cooperation and quality of service. Policies should address the definition of workplace violence, issue statements condemning workplace violence, and develop fair complaints systems, the Code says.

Education, training and communication are seen as keys to successful policies. Violent incidents also require effective intervention and management. The Code assigns specific roles and responsibilities to governments, employers and workers and their organizations, as they implement strategies to combat workplace violence and raise awareness of the issue.

The Code was discussed at a tripartite meeting in Geneva from 8 to 15 October 2003, by 36 experts representing governments, employers and workers, and received final approval from the Governing Body in November. The ILO will disseminate it widely, and activities will be encouraged to put the Code into practice around the world.

ILO codes of practice are not intended to replace national laws or regulations, or accepted standards. They are primarily designed as a basis for prevention and protective measures.

## India, US and ILO join forces to fight hazardous child labour

© ILO/M. Crozet



*Ragpicker on the outskirts of Delhi.*

NEW DELHI – The Government of India, in cooperation with the US Department of Labor (USDOL) and the International Labour Organization (ILO), launched a US\$40 million programme in February which directly targets some 80,000 children in ten hazardous industries. The “INDUS” programme is the largest child labour programme ever to be undertaken by the ILO at the country level.

Indian Minister of Labour, Dr. Sahib Singh Varma, US Deputy Under-Secretary of Labor, Arnold Levine, and ILO Executive Director Kari Tapiola, participated in the joint launch event of the programme which seeks “the prevention and elimination of hazardous child labour by enhancing the human, social and physical capacity of target communities”.

The USDOL and the Government of India will provide equal amounts of funding for the plan and the ILO International Programme on the Elimination of Child Labour (IPEC) will be the executing agency.

The project specifically targets children below 18 years of age working in hazardous industries, such

as manufacturing fireworks, beedi cigarettes, footwear, locks, matches, bricks, silk and glassware. India has an estimated 11.2 million child labourers, according to official government estimates.

In a meeting with ILO Director-General Juan Somavia in January, government officials confirmed their resolve to eliminate child labour and announced that India’s National Child Labour Project coverage was to be extended from 100 districts to 250 districts.

“Child labour is not inevitable,” Mr. Somavia said. “We know there is no simple solution. However, strategies have to reflect national specificities and be backed by political will. We must remain fixed on the goal of work for parents, education for children, opportunities for young people.”

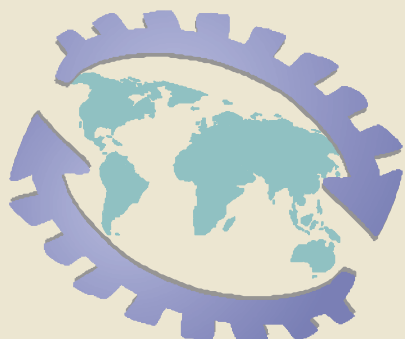
*Working in a match factory in Sivakasi.*



© ILO/A. Kemka

## AROUND THE CONTINENTS

A REGULAR REVIEW OF THE INTERNATIONAL LABOUR ORGANIZATION AND ILO-RELATED ACTIVITIES AND EVENTS TAKING PLACE AROUND THE WORLD.



© ILO/P. Deloche

## Agreement between the European Union and the ILO

■ Following a cooperation agreement between the European Commission's Employment and Social Affairs Directorate-General and the ILO, two new projects will be launched. A pilot project for the textile sector in Turkey aims to demonstrate that there is a link between productivity and the quality of production on the one hand, and labour rela-

tions and social dialogue on the other. The second project deals with working and employment conditions in the ten accession countries joining the European Union in May 2004, and in three other candidate countries (Bulgaria, Romania and Turkey). Currently, considerable differences between EU member states and future members exist, particularly in the context of working hours and conditions.

*For further information, please contact the ILO office in Brussels, phone: +322/736-5942, fax: +322/735-4825, email: [brussels@ilo.org](mailto:brussels@ilo.org)*

## Workplace policies on HIV/AIDS

■ Over 40 million people are living with HIV/AIDS. Nine out of every ten are adults in their productive prime. HIV/AIDS threatens livelihoods, undermines production, and weakens national economies. The ILO has established a Code of Practice on HIV/AIDS for the world of work and is now using it to promote and guide effective action in the workplace. To evaluate what makes good practice and how to replicate it, the ILO organized an Inter-regional tripartite meeting on best practices in workplace policies and programmes on HIV/AIDS, in Geneva, from 15 to 17 December. Participants shared examples of success, failure and lessons learned, and produced a consensus statement which sets out guidelines for identifying, adapting and implementing good practice in the workplace. The meeting stressed the advantages of tripartism and social dialogue for protecting rights and creating an atmosphere of trust which encourages both prevention and care. The ILO intends to produce a comprehensive reference and guidance document on workplace action to com-





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bat HIV/AIDS, from the proceedings and conclusions of the meeting. The consensus statement is available at [www.ilo.org/aids](http://www.ilo.org/aids)

*For further information, please contact the ILO Programme on HIV/AIDS and the World of Work, phone: +4122/799-6486, fax: +4122/799-6349, email: [iloaids@ilo.org](mailto:iloaids@ilo.org)*

## Improving workplace health and safety in Serbia

■ A US\$500,000 US-funded ILO project will help to improve the occupational safety and health of Serbian workers. The ILO will work with the Serbian Ministry of Labour to improve safety and health standards in the workplace by developing an effective labour inspectorate. The process began when the late Serbian Prime Minister, Zoran Djindjic, called for a complete reor-

ganization of the Serbian labour inspectorate to meet twenty-first century standards. Djindjic ordered such measures because of Serbia's high incidence of work-related injuries and deaths. The program, which started on 1 October 2003, will run for two years. The project is similar to a recent ILO labour inspection project in Bulgaria, which focused on integrating labour inspection services. This project will provide valuable assistance to the Serbia project and supply training materials for the labour inspectors.

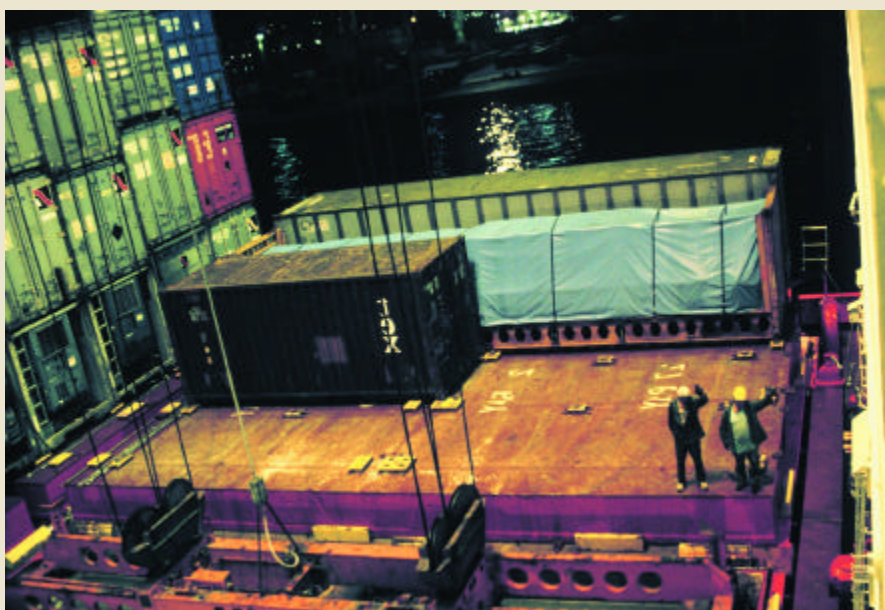
*For further information, please contact the project director, Annie Rice, at ILO SRO Budapest, phone: +361/301-4918, fax: +361/353-3683, email: [rice@ilo.org](mailto:rice@ilo.org)*

## Security, safety and health in ports

■ Thirty-six representatives of governments, and employers' and workers' organizations gathered in Geneva on 8 to 17 December, and

adopted two new draft ILO Codes of Practice, on security and on safety and health in ports. The Tripartite Meeting of Experts focused on an integrated approach to port-related security, safety and health. The practical recommendations are intended to provide relevant guidance to ILO constituents and all those responsible for the management, operation, maintenance and development of ports.

- The objective of the Code of Practice on Security in Ports is to enable governments, employers, workers and other stakeholders to reduce the risk to ports from the threat posed by unlawful acts. Following the September 11 events in the United States, the focus has shifted from the relatively minor threat to trade and transport from theft, hijackings, etc., to the much more alarming potential threat of the mechanisms and processes of transport which could be used as weapons.
- The Code of Practice on Safety and Health in Ports is intended to raise the profile of safety and health issues in ports and to encourage more countries to ratify the ILO Occupational Safety and Health (Dock Work) Con-



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vention, 1979 (No. 152). The draft Codes will be submitted to the March 2004 session of the ILO Governing Body for final approval.

*For further information, please contact the ILO Sectoral Activities Department,  
phone: +4122/799-7897,  
fax: +4122/799-7046,  
email: [marit@ilo.org](mailto:marit@ilo.org)*

## Iran becomes 9th lead country of the Youth Employment Network

■ In a move brokered by Iranian youth, Iran stepped forward as a lead country of the Youth Employment Network (YEN) in December 2003, to join Senegal, Namibia, Egypt, Sri Lanka, Indonesia, Hungary, Azerbaijan and Brazil, in action on youth employment. Iran has recently formulated a National Action Plan on Youth Employment, which places education and ICT training at its heart. The plan is now being implemented throughout the country, and Iran will use this role within the YEN partnership to share its experience regionally.

## Major youth employment project set to launch in Latin America

■ The ILO will shortly launch a four-year project to promote youth employment in Latin America, tar-

geting Argentina, Brazil, Chile, Colombia, Honduras, Mexico, Peru and the Dominican Republic. Under the framework of the Youth Employment Network, and brokered by the Spanish government and the Spanish Employers Confederation, the project seeks to provide decent and productive work for young people. A network of governments, and employers', workers' and youth organizations, and youth will develop activities and policies which focus on the creation of entrepreneurship initiatives and SMEs, and the improvement of youth employability, especially for those in the informal economy.

## ILO Quilombos project moves forward

■ The ILO is developing an employability programme targeted specifically at young black women and men from five Quilombos (communities which represent the remaining members of the runaway slave communities from the colonial period in Brazil). The Quilombos were selected in consultation with the Brazilian National Commission of Quilombos and the Brazilian Special Secretary for Racial Integration (SEPRIR). The project was positively received at a recent national meeting of rural black communities.

*For more information on the Youth Employment Network, please contact the Communication and Public Information Officer, Justin Sykes,  
phone: +4122/799-7454,  
fax: +4122/799-7978,  
email: [sykes@ilo.org](mailto:sykes@ilo.org)*

## Lifelong learning in Asia and the Pacific

■ In the face of rapid skills-obsolence and an ever-increasing demand for higher-skilled workers, representatives of governments, and employers' and workers' organizations from 15 countries in Asia and the Pacific gathered in Bangkok on 8 to 10 December, to promote lifelong-learning initiatives and to develop workforce knowledge and skills in response to changes in the labour market. The ILO meeting on Lifelong Learning in Asia and the Pacific, focused on innovative policies and programmes which promote life-cycle approaches to learning and skills development. The meeting agreed on a Common Understanding concerning policies and practices of lifelong learning.

*For further information, please contact Steve Thompson,  
ILO Regional Office for Asia and the Pacific,  
phone: +662/288-2482,  
fax: +662/288-1076,  
email: [thompsons@ilo.org](mailto:thompsons@ilo.org)  
A report prepared for the meeting can be downloaded from:  
[www.ilo.org/public/english/employment/skills/download/event/lll\\_meeting\\_bangkok\\_report.pdf](http://www.ilo.org/public/english/employment/skills/download/event/lll_meeting_bangkok_report.pdf)*

## Seventh European regional meeting to be held in Budapest

■ Acknowledging Europe's increasing integration, the Governing Body of the ILO decided to hold the Seventh European Regional Meeting in Budapest in February 2005, follow-



ing Hungary's candidature to the European Union. Among the agenda items of the Meeting, two ILO reports will be submitted for discussion to the participants. The first report will look at ILO activities and achievements in the period 2001-04. The second report will focus on the different transitions women and men in Europe as a whole will have to face in the coming years: transitions from school to work (youth employment); from work to pension (labour force participation of older workers/pension reform); from work to work (flexibility/security); and from country to country (migration). Efficiently managing these transitions implies good governance including improved social dialogue processes. The two reports will be available in late autumn 2004. The Government of Luxembourg, which will hold the EU Presidency during the first half of 2005, indicated that it would make the Meeting an integral part of its EU Presidency Agenda.

*For further information, please contact the ILO Regional Office for Europe and Central Asia, phone: +4122/799-6666, fax: +4122/799-6061, email: europe@ilo.org*

## Improving working conditions in the shipbreaking industry

■ The ILO is to implement a project in Bangladesh to reduce environmental pollution and improve working conditions for people who dismantle and recycle old ships, with a US\$1.3 million grant from the United Nations Development Programme. In October 2003, experts on shipbreaking approved

new health and safety guidelines at an ILO meeting in Bangkok. Most shipbreaking takes place in Bangladesh, China, India, Pakistan and Turkey.

*For further information, please contact the ILO Sectoral Activities Department, phone: +4122/799-7513, fax: +4122/799-7296, email: sector@ilo.org*

## Rights at work in Central America

■ A newly released ILO report looks at labour laws in five Central American countries, and whether they are in line with the ILO's eight core Conventions under the 1998 Declaration on Fundamental Principles and Rights at Work. The ILO conducted the survey, Fundamental principles and rights at work: A labour law study, at the request of the Governments of Costa Rica, Guatemala, Nicaragua, El Salvador and Honduras, while they were negotiating the US-Central Amer-

ican Free Trade Agreement (CAFTA). On 17 December 2003, Guatemala, Nicaragua, El Salvador and Honduras signed the agreement with the United States. The trade accord would allow more than 80 per cent of US consumer and industrial products into the four countries duty-free, as soon as it went into force. That figure would rise to 85 per cent within five years and to 100 per cent in a decade. Under the agreement, clothing made in Central America would come into the United States duty-free if the fabric and yarn were made in the United States or one of the Central American partners.

*For further information, please contact the ILO Washington office, phone: +1202/653-7652, fax: +1202/653-7687, email: washington@ilo.org*

## Helping former child soldiers

■ Ghana was the last stop on the US Labor Secretary's six-day visit to Africa, which also included stops in



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the Democratic Republic of the Congo (Congo DR) and Benin. During her stay in Congo DR, Elaine Chao helped launch an ILO project to help former child soldiers re-enter civilian life. The project is part of a US\$13 million US Department of Labor initiative announced in May, to help educate, rehabilitate, and reintegrate former child soldiers. The initiative earmarks US\$7 million to the ILO International Programme on the Elimination of Child Labour (IPEC) to develop comprehensive strategies to help former child soldiers in the Congo DR, as well as in Congo, Rwanda, Uganda, the Philippines, Sri Lanka and Colombia.

*For further information, please contact the ILO International Programme on the Elimination of Child Labour (IPEC), phone: +4122/799-8181, fax: +4122/799-8771, email: [ipec@ilo.org](mailto:ipec@ilo.org)*

## Fighting child labour in Pakistan

■ The US Ambassador to Pakistan announced on 19 November 2003, a US\$4 million grant of the US Department of Labor to ILO-IPEC to provide technical support to eliminate child labour in Pakistan. The aim is to remove an estimated 12,000 children from hazardous work and enrol them in schools. "It's important that resources and political will be brought together to bring about meaningful change," the Ambassador said. The program targets deep-sea fishing, the glass-bangle industry, tanneries, coal mining, surgical instrument manufacturing and rag picking, industries where children are most exposed to hazardous conditions.

*For further information, please contact the ILO International Programme on the Elimination of Child Labour (IPEC), phone: +4122/799-8181, fax: +4122/799-8771, email: [ipec@ilo.org](mailto:ipec@ilo.org)*

## Agreement between H&M and Union Network International

■ H&M Hennes and Mauritz AB, a multinational retail company, with about 950 stores in 18 countries and 40,000 employees, and the global union federation, Union Network International (UNI), with 15 million members in 900 affiliated unions in 140 countries, have signed an agreement to work together to secure and promote fundamental workers rights at all H&M workplaces worldwide. These include ILO core labour standards on freedom of association and the right to collective bargaining, as well as the ban on child labour, forced labour and all types of discrimination. Close to 30 international framework agreements had been concluded by the end of January 2004, between global union federations (IMF, IUF, IFBWW, ICEM and UNI) and transnational corporations, such as VW, Daimler Chrysler, Danone, Chiquita, IKEA, Faber-Castel and Anglo-American.

*For further information on framework agreements and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, please visit [www.ilo.org/multi](http://www.ilo.org/multi), or contact the Multinational Enterprise Programme, phone: +4122/799-6481, fax: +4122/799-6354, email: [multi@ilo.org](mailto:multi@ilo.org)*



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## ILO IN THE PRESS

**YONHAP NEWS**  
for yna.co.kr

South Korea to subsidize ILO programmes in Asia-Pacific region

## The New York Times

### U.N. Study Finds Global Trade Benefits Are Uneven

Washington, Feb. 23 – The uneven benefits of globalization are creating a growing divide between rich and poor countries,

as well as within countries, according to a two-year study by the United Nations' labor organization.

**elmundo.es**

La OIT asegura que la erradicación del trabajo infantil generaría más beneficios que costes.

## The Washington Times

### Globalization 'rethink' urged

INTERNATIONAL  
**Herald Tribune**  
THIS IS THE ORIGINAL

### For too many, globalization isn't working: People and profits

Juan Somavia

Geneva – The globalization debate is at an impasse. Trade negotiations are stalled. Jobs are disappearing. Financial instability continues. Meanwhile, politically sensitive issues such as migration and

outsourcing are high on people's concerns, but low on the global problem-solving agenda. We need new thinking to break the deadlock and bridge the divide.

**FT.com**  
FINANCIAL TIMES

### Economic case made for ending child labour

Eliminating child labour in the developing world would produce economic benefits of an estimated Dollars 5,100bn (Euros 4,060bn,

Pounds 2,780bn), nearly seven times greater than the costs, the International Labour Organisation says in a study published today.

**THE HINDU**

### Project to rescue 80,000 child workers

Il Sole  
**24 ORE.com**

Meno lavoro minorile,  
più ricchezza

**EL PAIS**  
DIARIO INDEPENDIENTE DE LA MANANA

### Globalizar la globalización

La OIT lanza un catálogo de propuestas para que todos los países se aprovechen de una economía abierta

**Le Monde**

Le chômage est la chose la mieux partagée au monde

**RAPPORT.** Pour le BIT, l'emploi doit être aussi prioritaire que les politiques macroéconomiques

**FINANCIAL TIMES**

Wednesday, February 25, 2004

### Rethink urged on global economy

An urgent rethink of globalisation is needed if the world is not to risk sliding into further insecurity and

conflict, an international commission chaired by two serving heads of state said yesterday.

**The Economist**

Economics focus /  
Sickness or symptom?

Child labour is reviled. There is much debate as to how it can be reduced.

**5Días.com**

Récord de paro en el mundo, 186 millones de personas

AL - MUSTAQBAL - Friday 23 January 2004

التقرير السنوي لمنظمة العمل الدولية:

ارتفاع معدلات البطالة العالمية  
وأشدها خطراً في الشرق الأوسط وإفريقيا

"Annual ILO report: escalating rates for unemployment rates worldwide, most serious in Middle East and Africa"

## Le Monde

### Le BIT passe au crible les faillites et les excès de la mondialisation

« LE POTENTIEL de la mondialisation est immense mais le processus génère des déséquilibres entre pays et à l'intérieur des pays. Pour la vaste

majorité des hommes et des femmes, la mondialisation n'a pas répondu à leurs aspirations, simples et légitimes, à un travail décent. »

## la Repubblica

L'Organizzazione internazionale del lavoro: "Creare opportunità per tutti"

La sfida della globalizzazione "buona"

*L'Omi: ecco le regole per governare il libero mercato*

## Business Line

ILO offers 'feasible' funding to eliminate child labour.

## O GLOBO

OIT desigualdade cresceu com globalização.

## Frankfurter Rundschau

Globale Arbeitslosigkeit auf Rekordstand



Global jobless hits record high

## FT.com

FINANCIAL TIMES

A 'catch 22' problem over jobs marketplace

## THE KOREA TIMES

Globalization Fails to Improve Living Standards for Many: ILO

## Le Monde

Eliminer le travail des enfants - un pari à 760 milliards de dollars.

## The Guardian

INTERNATIONAL EDITION

Global economy 'must adjust to include millions it puts in poverty'

UN, labour organisation seeks political will for a new ethical trust

## Neue Zürcher Zeitung

Die Vision einer gerechteren Welt  
Zur sozialen Dimension der Globalisierung

## THE TIMES OF INDIA



India, US launch \$40-million drive against child labour

## Libération

Soutien total de la CISL à la demande de la Commission mondiale pour une mondialisation plus équitable

## EL PAIS

DIARIO INDEPENDIENTE DE LA MANA

La cuarta parte de los jóvenes está en paro y un 65% con empleo precario

El desempleo mundial se estima ya en 185,9 millones de afectados

## DALNIK JAGRAN

2003 में बेरोजगारों की फौज साढ़े 18 करोड़ बढ़ी

भाषा, न्यूज़कॉ

पिछले वर्ष विश्व भर में बेरोजगारों की संख्या रिकार्ड 18 करोड़ 59 लाख तक पहुँच गई, लेकिन वर्ष के उत्तरार्ध में अर्थव्यवस्था में आई विश्वव्यापी तेजी ने हालात में कुछ सुधार जरूर किया है।

185 Million join the ranks of unemployed in 2003; says the Annual ILO Report released on Friday

## BBC NEWS

Can globalisation be tamed?

A new report has called for radical changes in the direction of world economic policy to overcome the negative effects of globalisation.

## LETEMPS

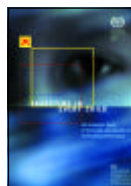
Le chômage est resté à un niveau record dans le monde en 2003, selon le BIT

## la Repubblica

Rapporto 2003 dell'Ufficio internazionale del lavoro. Possibile schiarita nel 2004, ma con molte incognite. Disoccupati record nel mondo. Sono 186 milioni. Meno di un dollaro al giorno per 550 milioni



## MEDIA SHELF



■ **Investing in every child: An economic study of the costs and benefits of eliminating child labour.**

ILO IPEC, 2004,  
ISBN 92-2-115419-X

The ILO estimates that one in every eight children worldwide is exposed to the worst forms of child labour, which endangers their physical, mental or moral well-being. This study is the first integrated analysis of the economic costs and benefits of eliminating child labour to be conducted worldwide. It compares costs and benefits – not with a view to justifying action to eliminate child labour, which is already called for by the ILO in its Conventions Nos. 138 and 182 – but with the aim of understanding the economic implications of these international commitments. The study concludes that the benefits of eliminating child labour will be nearly seven times greater than the costs, or an estimated US\$5.1 trillion, in the developing and transitional economies, where most child labourers are found. Eliminating child labour, and replacing it with universal education by the year 2020, will cost an estimated US\$760 billion.



■ **The High Road to Jepara: How the wood furniture industry in Central Java is facing the challenge of globalization.** ILO, 2004, video produced by the ILO Audio-visual Unit, in collaboration with the ILO SEED programme.

ISBN 92-2-115574-9.

Available in English, on CD and VHS format

Since the 1990s, the popularity of Asian teak furniture has opened global markets to thousands of small-scale producers in the region. Globalization has created new market opportunities, but also intense price competition. The pressure to retain export markets can lead small producers in developing countries to cut labour costs and disregard working conditions. The result: Indonesia's wood furniture industry is now at a crossroads; the small firms of the Jepara region in Central Java have a fine woodcarving tradition, but global competition may force them to squeeze labour costs and deplete their forests in order to survive in the global marketplace. The ILO is assisting furniture manufacturers and workers to find an alternative route: the "High Road to Jepara". The challenge for the industry is to find ways to upgrade, target better quality markets, embrace new technology and make better use of scarce resources, while respecting working conditions.



■ **Breaking through the glass ceiling: Women in management.**

Update 2004.  
ILO, ISBN 92-2-115523-4.

Also available at  
[www.ilo.org/gender](http://www.ilo.org/gender)

This short update of the book, "Breaking through the glass ceiling: Women in management", published in 2001, presents the most recent trends in the situation of women in professional and managerial jobs. The update highlights some of the institutional and attitudinal prejudices which continue to hamper women's progress into top jobs, and it describes good practices in support of women managers. The update concludes that the overall employment situation of women has not evolved significantly since 2001. Women continue to have lower labour market participation rates, higher unemployment rates and significant pay differences, compared to men. There has also been little change in their share of professional jobs in the last few years. As far as women's share of managerial positions is concerned, the rate of progress is slow and uneven. The update includes recommendations and strategies which can facilitate women's progression to management and executive positions.



■ **Moving forward: Toward decent work for people with disabilities. Examples of good practices in vocational training and employment from Asia and the Pacific.**

Edited by Debra A. Perry, ILO, 2003,  
ISBN 92-2-113552-7

This book was officially launched in Bangkok in recognition of the UN International Day of Disabled Persons. It contains stories about how practices initiated by ILO social partners, NGOs and disabled persons' organizations have had an impact on employment or income generation for people with disabilities. The book also highlights rural and self-employment projects in India, Cambodia, China and other countries, which are reaching people with disabilities in remote communities.



■ **The Committee of Experts on the Application of Conventions and Recommendations: Its dynamic and impact.** Eric Gravel and Chloé Charbonneau-Jobin, ILO, 2003, viii+100pp.

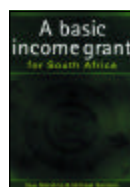
ISBN 92-2-114830-0,

15 Swiss francs, US\$10.95, UK£7.95, 11 Euros.

Also available in French and Spanish

Each year a report is published by the Committee of Experts on the Application of Conventions and Recommendations. The Committee examines the conformity of law and practice in the 177 member States of the International Labour Organization, with international labour law. This book looks at the impact of the work of the Committee and its report on the various countries concerned. It analyses the practical consequences of the work undertaken each year by independent experts, and looks at the changes which have occurred in the various legal and political systems.

The strength of the ILO lies in its permanent desire for dialogue between employers, workers and member States. All of them contribute with determination to the development of law and practice so that international labour standards become a reality in all countries and continents. This study bears witness to what has been achieved and also calls for continued progress on the effective application of international labour law, which in turn leads to decent work.



■ **A basic income grant for South Africa.** Guy Standing and Michael Samson, 2003, University of Cape Town Press,  
ISBN 1-91971-386-7

In March 2002, the South African Government's Committee of Inquiry into Comprehensive Social Security, completed its evaluation of policy options for addressing the severe levels of poverty afflicting the country. The Committee's report states that "the Basic Income Grant has the potential, more than any other possible social protection intervention, to reduce poverty and promote human development and sustainable livelihoods." This book provides an accessible collection of the current research on the issue by both proponents and critics of the Basic Income Grant. It questions how the grant can be financed, the ways in which it will promote job creation, economic growth and social development, and whether the Government will have the political will to implement the policy.



■ **Un revenu de base pour chacun(e) (A basic income for all).**

András November and Guy Standing, ILO, 2003, ISBN 92-2-215126-7  
30 Swiss francs, US\$21.95,  
UK£12.95, 22 Euros. Published in French.

This volume compiles French language texts presented at the time of the 9th International Congress of BIEN (Basic Income European Network) in September 2002, on the right to a secure income. The contributions focus primarily on the state of social income, or minimum income, in Switzerland, and clarify the various problems which were posed, and are still posed, by the introduction of such an income in Switzerland.

■ **Minimum income schemes in Europe.** Edited by Guy Standing, ILO, 2003, ISBN 92-2-114839-4, 35 Swiss francs, US\$22.95, UK£15.95, 25 Euros

This new volume examines the recent trends and developments in minimum income schemes in Western Europe. In the early years of the twenty-first century, even the richest countries in the world have levels of poverty which few social thinkers would have anticipated a century ago if told what their countries' per capita incomes would be today. In contrast, many countries contend that the eradication of poverty is the primary goal of social and economic policy. This book investigates how current policies often fall short, and shows why countries need mechanisms to reduce wage inequality and choose to provide universal benefits, instead of systems of selective benefits targeted at the poor. Along with cross-country comparisons, the volume

also presents analyses of the minimum income schemes in effect in France, Portugal, Italy, Finland, Ireland, Belgium and Greece.

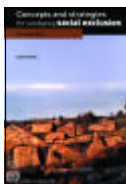


■ **ILO Convention on Indigenous and Tribal Peoples, 1989 (No. 169): A manual.**

2003, ISBN 92-2-113467-9, 20 Swiss francs, US\$12.95, UK£8.95, 13 Euros.

Also available in Spanish.

This is an easy-to-use manual to help understand ILO Convention No. 169, and how it can be used to gain recognition, promotion and protection of indigenous and tribal peoples' rights. The manual focuses on key concepts such as human rights, culture, land, development, education and health. For easy reference, the Articles of the Convention which are being discussed are included. The manual includes a descriptive explanation of each Article, and introduces concepts by providing examples and experiences from indigenous and tribal peoples to further demonstrate the Articles of the Convention in a practical way.



■ **Concepts and strategies for combating social exclusion: An overview.** ILO/STEP, 2003,

ISBN 92-2-113652-3. Can also be downloaded in English, Spanish and Portuguese from:

[www.ilo.org/public/english/protection/socsec](http://www.ilo.org/public/english/protection/socsec).

Millions of people are affected by social exclusion and poverty. It is increasingly important to identify appropriate strategies to combat a problem which is unlikely to disappear in the near future. This book aims first to decipher the concept of social exclusion alongside that of poverty. The second objective of this book is to describe ways of identifying exclusion, how to analyse it, measure it and make it more visible. The third objective is to provide a detailed overview of the whole range of actors and their initiatives: international institutions and networks, governments and public administrations, workers' and employers' organizations, community initiatives, etc. Finally, a distinction is made between the reproductive, palliative, preventive and emancipatory strategies which are intended to combat social exclusion. A number of guiding principles are outlined and the publication is illustrated with numerous examples and experiences.



■ **The fight against poverty and social exclusion in Portugal: Experiences from the National Programme for the Fight against Poverty.** 2004, ILO/STEP,

ISBN 92-2-113584-5. Also available in Portuguese and Spanish (French forthcoming).

This book aims to show one of the responses Portu-

gal has found in the fight against poverty and social exclusion: the National Programme for the Fight against Poverty. It analyses its guiding principles and methodologies, from its inception to the time of this study, and presents some of the specific actions taken in Portugal which have contributed to social integration and poverty alleviation. The conclusions and lessons learned demonstrate that the Programme has made a significant contribution in Portugal, and can do so in other contexts where the effects of poverty and social exclusion must be tackled. The book raises questions on local intervention for development, where integrated social policy based on participation and partnership is formulated and applied at a national level.



■ **Guide de gestion des mutuelles de santé en Afrique (A management guide for promoters and managers of mutual health insurance organizations in Africa).** ILO/STEP 2003,

ISBN 92-2-213872-4, 30 Swiss francs, US\$22, 22 Euros.

Published in French.

This guide was designed to reinforce the competence and knowledge of mutual health insurance organization managers in Africa. It aims to help consolidate the capacities of support structures and mutual benefit organizations. This guide, produced by the STEP programme, is based on the experience and contribution of multiple actors in Africa, and also benefits from the contribution of the Association Internationale de la Mutualité (AIM).



■ **Preventing and responding to violence at work.** Kimberly Ann Rogers and Duncan Chappell, 2003, xi+139, ISBN 92-2-113374-5, 25 Swiss francs, US\$14.95, UK£9.95, 16 Euros, available at

[www.ilo.org/publications](http://www.ilo.org/publications)

A new ILO publication, "Preventing

and responding to violence at work", presents concrete guidance on combating violence in the workplace, while addressing the factors and conditions which contribute to it.

The guide approaches the issue from two fronts. First, it demonstrates how workplace violence is already being tackled. It reviews an array of existing guidelines and policies developed by governments, trade unions, special study groups, workplace violence experts, employers' groups and specific industries, and generates a survey of best practice strategies.

Second, using a risk management approach, the guide details reliable and effective ways to develop programmes against workplace violence. It shows how to assess and describe the risk of violence, design and implement prevention and reactive measures, monitor the effectiveness of these measures, and review the risk-management process.

As well as offering key strategies for reducing risk in the workplace, the guide discusses how to prepare for, respond to, and recover from, a critical incident of violence.

■ **International Labour Review, Vol. 142, No. 3.**

ILO, Geneva 2003, ISSN 1564-913X, 30 Swiss francs. In the opening article of this issue, Wouter van Ginneken examines approaches and practices which have been used successfully to extend social security coverage in developing countries, with an analytical focus on social health insurance, contributory pensions and tax-financed social benefits in low-income countries. The second article, by Saliha Doumbia and Dominique Meurs, is an empirical case study of gender equality in modern-sector enterprises in Mali. While the authors find no significant pay gap at any given skill level, their study identifies significant occupational segregation. In the third article, Olivier Boiral looks at the strengths and weaknesses of corporate codes of conduct as means of enforcing labour standards in the operations of multinational corporations. While multinationals may seek to use such codes to regain the confidence of society, their credibility and verification remain a problem. The last article in this issue, by Mohammed Bougroum and Aomar Ibourk, assesses government measures targeting graduate unemployment in Morocco.

**Vol. 142, 2003, No. 4** This is a special issue on discrimination. The opening article, by Manuela Tomei, examines the concepts of discrimination and equality, arguing for a policy approach based on several conceptual models of equality. In the second article, Adelle Blackett and Colleen Sheppard make a strong case for removing structural obstacles to the realization of collective bargaining's full potential as a means of promoting equality. The next article, by Barbara Harriss-White, focuses on the workings of – and remedies to – discrimination in the informal sector, where identity-driven "social regulation" rules in the absence of state regulation. In the fourth article, Virginie Perotin, Andrew Robinson and Joanne Loundes offer detailed empirical evidence (from Australia and the United Kingdom) of the positive productivity effects which enterprises, both large and small, can achieve by adopting equal opportunity practices. The fifth article, by Marco Fugazza, draws on theoretical models of racial discrimination to suggest improvements in policy approaches designed to target subtle and hidden forms of discrimination which cannot be overcome by legislation alone. This special issue of the Review closes with a Perspective by Janine Rodgers and Jill Rubery, highlighting the potential of minimum wages for enhancing the well-being of members of vulnerable groups subjected to discrimination, including those who work outside of the organized sector.

I AM NOT INFERIOR



No. 50, March 2004

I AM EQUALLY QUALIFIED AND SKILLED

Right now, millions of people are being deprived of a better future by discrimination.

*This must change.*

The nations of the world are working together  
with the International Labour Organization under the  
**Declaration on Fundamental Principles and Rights at Work**  
to abolish discrimination in the workplace and free the potential of every person.

**ABOLISH DISCRIMINATION AND CHANGE THE FUTURE OF THE WORLD**



INTERNATIONAL LABOUR ORGANIZATION

[www.ilo.org/declaration](http://www.ilo.org/declaration)