

The 8th ASEAN & Japan High Level
Officials Meeting on Caring Societies

Poverty Alleviation and Decent Work

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Outline

- ILO — What it is
- MDG and Decent Work
- Global Jobs Pact and Social Protection
- Informal Economy and Formalization
- Welfare to Work



ILO Headquarters, Geneva



ILO at a Glance

- Created in 1919, as part of the Treaty of Versailles
- In 1946 became the first specialized agency associated with the newly formed United Nations
- Working with its 183 member States (UN: 192 member states)
- Only “tripartite” UN agency; representatives of governments, employers and workers jointly shape policies and programmes
- The headquarters is located in Geneva, Switzerland
- ILO was awarded the Nobel Prize (1969)

Mission



Realization of Social Justice

- “Universal and lasting peace can be established only if it is based upon social justice” “failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries” (**ILO Constitution, 1919**)
- “Labour is not a commodity” “Freedom of expression and of association are essential to sustainable progress” “Poverty anywhere constitutes a danger to prosperity everywhere.” (**Philadelphia Declaration, 1944**)
- Decent Work for All



Activities

- 1. Formulation of international policies and programmes** to promote basic human rights, improve working and living conditions, and enhance employment opportunities
- 2. Creation of international labour standards and its unique system of supervision of the application of standards**
- 3. An extensive programme of international technical cooperation**, developed and implemented in active partnership with member states' social partners
- 4. Training, education, research, and publishing**



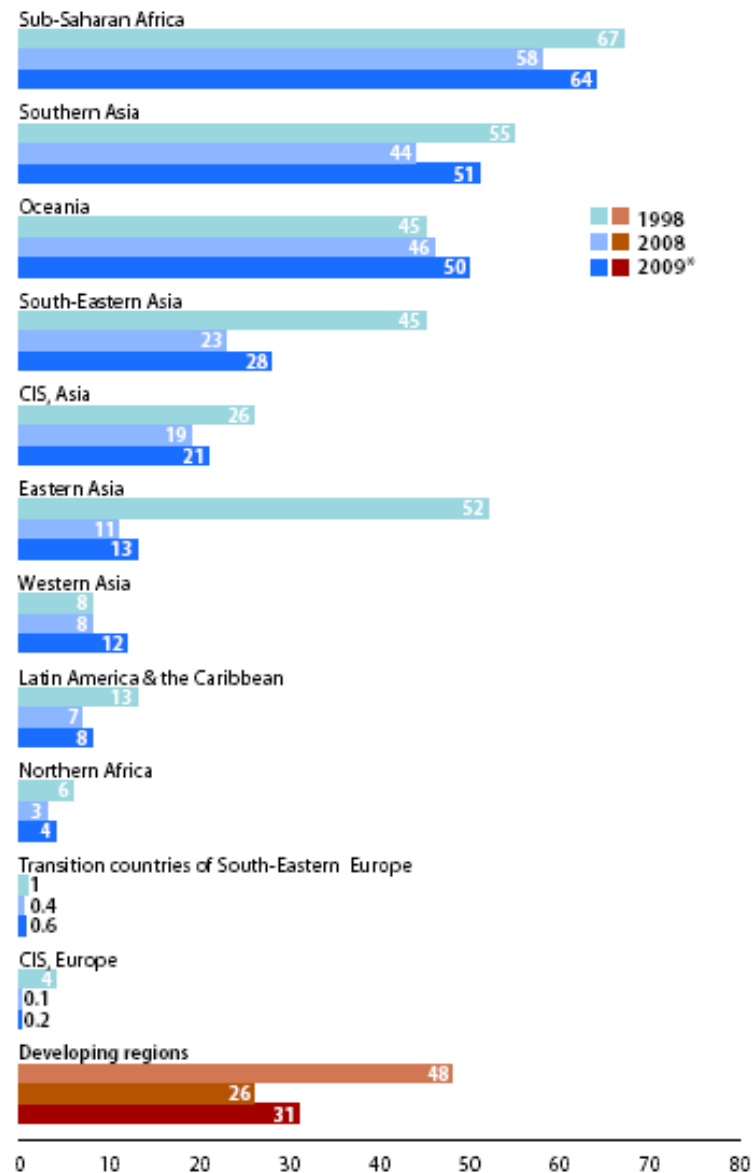
“Despite a fragile economic recovery, global unemployment is at its highest level ever, at more than 210 million, and we will need to create 470 million new jobs in the next 10 years to absorb new entrants into the labour markets. Youth unemployment has reached unacceptable levels. Gains in reducing the number of working poor living on less than \$1.25 per person per day are being reversed. The informal economy and vulnerable work are swelling.”

Director-General’s statement; June 2010
“G20 and the real economy: What’s at stake”

Since the economic crisis, more workers find themselves and their families living in extreme poverty

Proportion of employed people living below \$1.25 a day, 1998, 2008 and 2009 second scenario (Percentage)

The 'working poor' are defined as those who are employed but live in households where individual members subsist on less than \$1.25 a day. Most of these workers are engaged in jobs that lack the social protection and safety nets that guard against times of low economic demand, and they are often unable to generate sufficient savings to offset hard times.



*Data for 2009 are based on the ILO's second scenario. Details are available at mdgs.un.org



The Millennium Development Goals

Goal 1: Eradicate extreme poverty and hunger

TARGET

- Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day
- Achieve, full and productive employment and decent work for all, including women and young people
- Halve, between 1990 and 2015, the proportion of people who suffer from hunger



Decent Work

“The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity.” Juan Somavia, ILO Director-General

Quantity of Employment – Unemployment

Quality of Employment – Decent Work Deficit





Decent Work Deficit

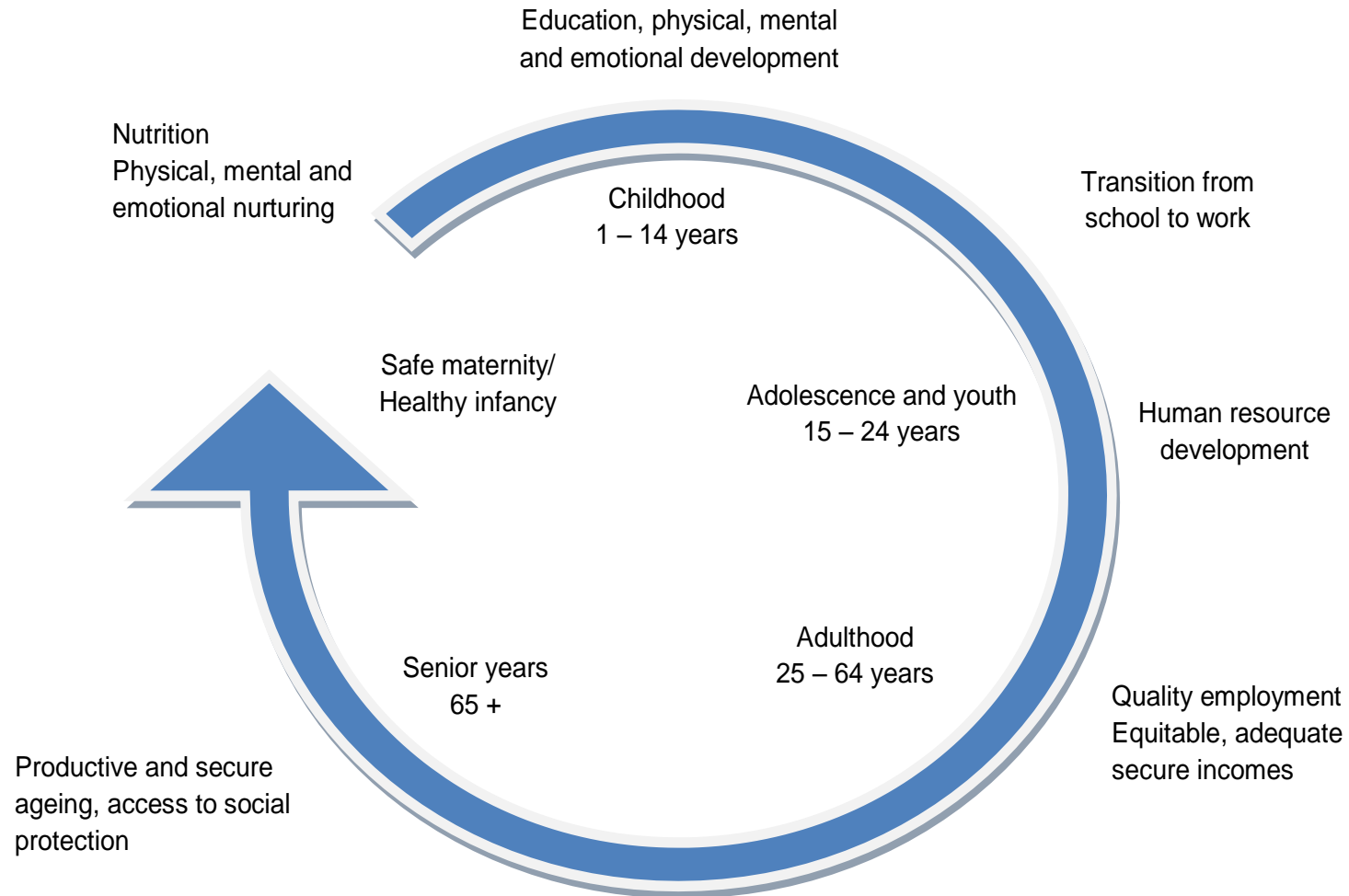
- Underemployment
- Low-quality, unproductive work
- Dangerous work
- Work with insecure income
- Work with rights unrecognized
- Work with gender inequality



Decent work four strategic objectives:

- Employment and income opportunities
 - Fundamental principles and rights at work and international labour standards;
Basic labour rights, elimination of forced labour and child labour, non-discrimination
 - Social protection and social security;
Social security, occupational safety and health, working time, etc.
 - Social dialogue and tripartism
- *Cross-cutting objectives= gender equality

Linking decent work to the life cycle



Source: Based on ILO Gender Promotion Programme, 2003.



Maternity, healthy infancy and working parents

- Safe maternity and health care for mother and infant
- Decent work and productivity for pregnant women and working mothers, especially social protection
- Employment: recruitment and retention



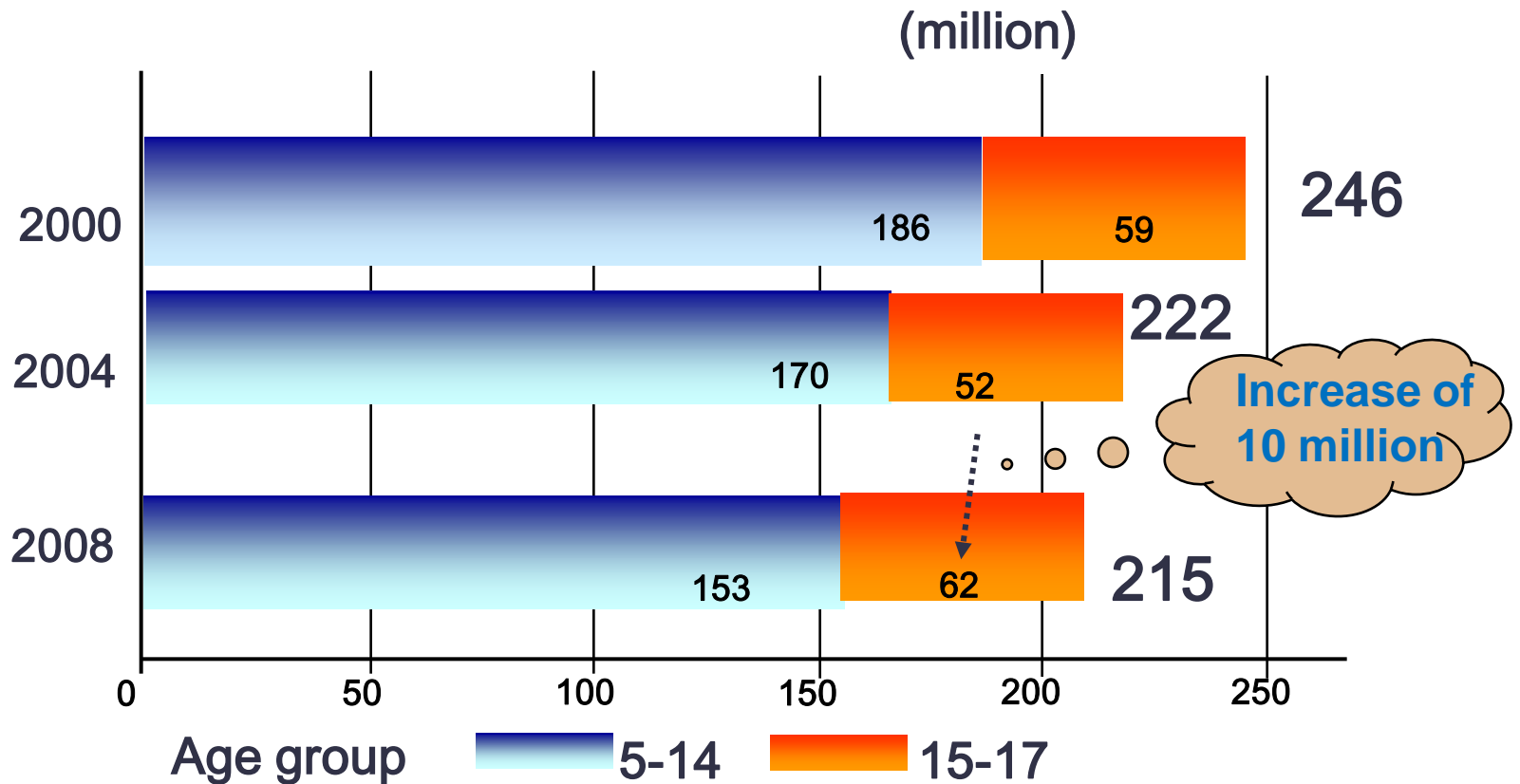
The way forward: Maternity protection

- Integration of maternity protection as part of governments' responsibility for social and economic policy
- Eliminating maternity-related discrimination and ensuring Employment Security through better legal frameworks and their application
- Developing systems for paid maternity leave (basic social security)
- Intensifying public policy for flexible work schedules, working time, parental leaves, child-care and family services
- Adopting policies on paternity, job-sharing, leave for men



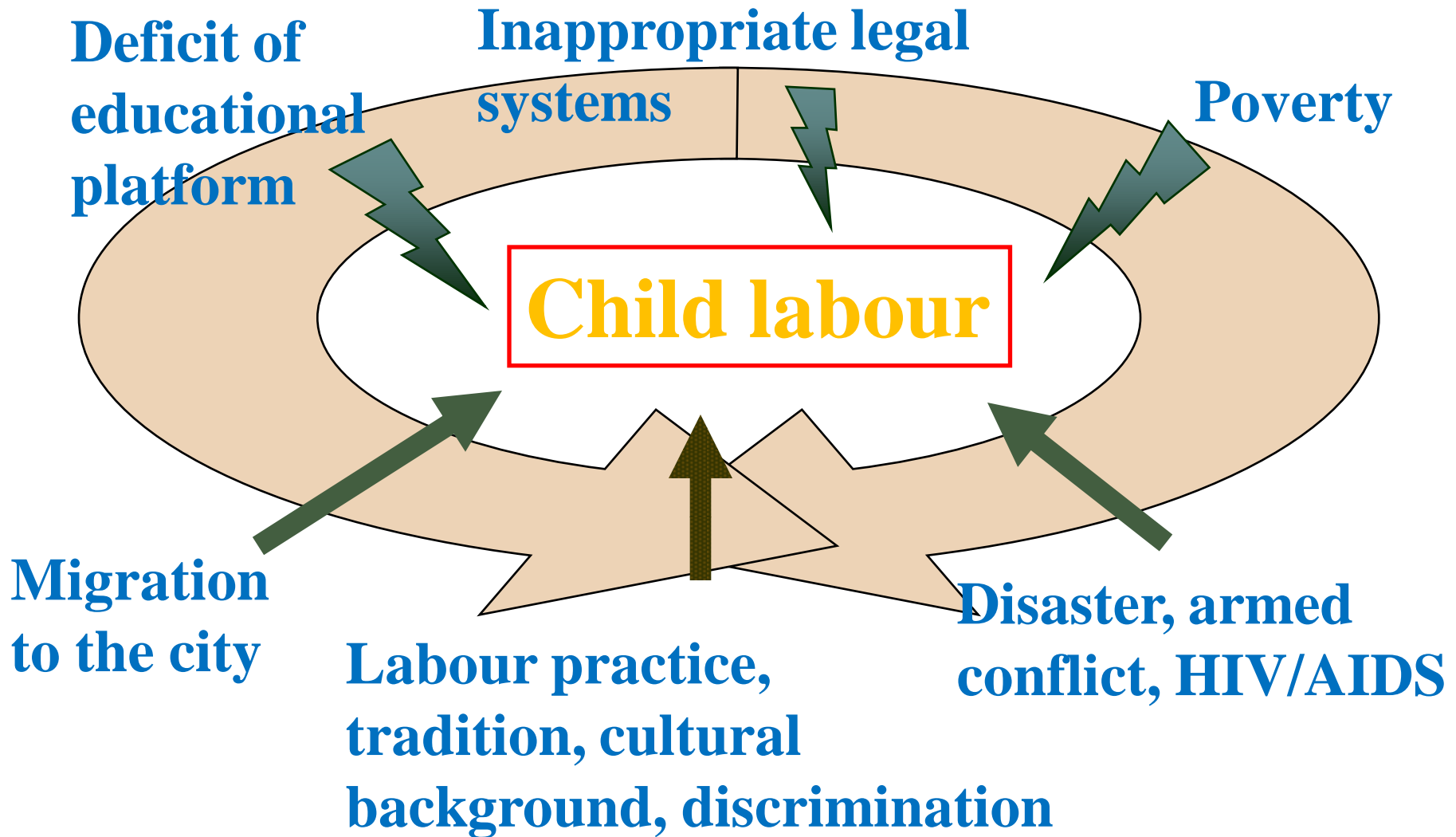
Global Trends of Child Labour

Number of child labour, distribution by age





Causes of child labour





Responding to the Crisis: Building a “Social Floor” (social safety-nets)

- In June 2009, International Labour Conference adopted “Global Jobs Pact,” unanimously by tripartite constituents (Government, Employers, Workers)
- “Global Jobs Pact”

Building social protection systems and protecting people

12. Sustainable social protection systems to assist the vulnerable can prevent increased poverty, address social hardship, while also helping to stabilize the economy and maintain and promote employability. In developing countries, social protection systems can also alleviate poverty and contribute to national economic and social development. In a crisis situation, short-term measures to assist the most vulnerable may be appropriate.

“Global Jobs Pact” -



- (1) Countries should give consideration, as appropriate, to the following:
- (i) introducing cash transfer schemes for the poor to meet their immediate needs and to alleviate poverty;
 - (ii) building adequate social protection for all, drawing on a basic social protection floor including: access to health care, income security for the elderly and persons with disabilities, child benefits and income security combined with public employment guarantee schemes for the unemployed and working poor;
 - (iii) extending the duration and coverage of unemployment benefits (hand in hand with relevant measures to create adequate work incentives recognizing the current realities of national labour markets);
 - (iv) ensuring that the long-term unemployed stay connected to the labour market through, for example, skills development for employability;
 - (v) providing minimum benefit guarantees in countries where pension or health funds may no longer be adequately funded to ensure workers are adequately protected and considering how to better protect workers' savings in future scheme design; and
 - (vi) providing adequate coverage for temporary and non-regular workers.



“Global Jobs Pact” -

(2) All countries should, through a combination of income support, skills development and enforcement of rights to equality and non-discrimination, help vulnerable groups most hard hit by the crisis.



Symbolic keys representing tripartism



ILO Summit on the Global Jobs Crisis (15-17 June) Geneva, 16th of June 2009



Social Protection

A set of institutions, measures, rights, obligations and transfers whose primary goal is:

- (a) To ensure access to health and social services
- (b) To ensure income security to help cope with important risks of life (such as loss of income due to invalidity, old age or unemployment) and prevent or alleviate poverty



Informal Economy

The ratio of informal employment as a share of non-agricultural employment

ILO Estimates (second half of 1990s)

North Africa	48%
Sub-Saharan Africa	72%
Latin America	51%
Asia	65%

Source: ILO, Women and men in the informal economy, 2002

Extending social protection to unprotected people in the informal economy



Three possible complementary and inter-related approaches

- 1.** The first is to extend existing social insurance schemes to the informal economy, wherever possible combined with voluntary community-based microinsurance schemes and other mechanisms.
- 2.** The second approach is to strengthen national capacity to ensure sound financial management, good governance and adequate institutional arrangements.
- 3.** The third approach is to design and test new approaches and tools to reduce poverty on the basis of comprehensive responses integrating social protection with employment promotion, microfinance, small enterprise development and cooperatives and local economic development.



Decent work strategies for the Informal Economy

Transition to Formality

- Growth strategies and quality employment generation
- Regulatory environment, including enforcement of ILS (International Labour Standards) & core rights
- Organization, representation and social dialogue
- Equality: gender, ethnicity, race, caste, disability, age
- Entrepreneurship, skills, finance, management, access to markets
- Extension of social protection
- Local (rural and urban) development strategies

↑ Integrated Strategy ↓

Source: ILC 2010 Report VI (p.133)



Promotion of Formalization of Informal Sector (Project idea)

- a. Improvement of entrepreneurship and industrial/enterprise development policy
 - More effective entrepreneurship trainings and micro-financing programmes

- b. Improvement of incentive scheme for promoting formalization
 - An incentive scheme of entrepreneurship;
exemptions from regulations of labour laws and social security contributions
exemption from taxation, and/or low-interest loan, etc. for small enterprises



Combating poverty through basic welfare schemes

- For many people in the developing world, their job is their only income. No work means no money for food, medicine or education. But having a job is still no guarantee of escaping poverty:

Conditional cash transfers (CCT)

- According to the World Bank, “conditional cash transfers provide money directly to poor families via a ‘social contract’ with the beneficiaries”.
- The government only transfers the money as long as the family meets certain criteria— for example, sending children to school regularly or bringing them to health centres.
- CCTs are also non-contributory schemes, meaning that they require no contributions from the participating families.



Bolsa Família Programme (Brazil)

- Providing a minimum level of income for extremely poor families
- Certain requirements (school attendance, vaccines and pre- and post-natal visits)
- Expected to reach 12.4 million families by the end of 2010 (a quarter of the country's population)

Oportunidades Programme (Mexico)

- Access to Oportunidades is dependent on parents (usually the mother) ensuring their children attend school and visit the doctor regularly.
- Covers five million poor families



Welfare to Work

Living with Assistance → Self-reliance → Work
(Welfare) (Contribution to the Society)

Empowerment
Assistance

Empowerment
Assistance

(mainly by Welfare Administration) (mainly by Labour Administration)

Eliminating Social Exclusion



“Balanced and Inclusive Development (Growth)”



Thank you for your attention
(Arigatou Gozaimashita)

ILO Website : <http://www.ilo.org>

