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PRESENTATIONS BY THE PARTNER INSTITUTIONS OF THE
JOINT SUMMIT WORKING GROUP - JSWG

INTERNATIONAL LABOUR ORGANIZATION

**PRESENTATION BY MR. VIRGILIO LEVAGGI ON BEHALF OF THE INTERNATIONAL
LABOUR ORGANIZATION AT THE 3RD PLENARY SESSION OF THE SIXTH SIRG
MEETING, EL SALVADOR
11 December 2008**

1. Last November, at the 11th OAS Policy Round Table, on Youth, Decent Work, and Human Prosperity in the Americas, I stated that “job losses and deteriorating working conditions for millions of men and women in the Americas, as a consequence of the global financial crisis, is a possibility that cannot be ignored on any Inter-American agenda that aspires to ensure the future of its citizens by promoting human prosperity, energy security, and environmental sustainability.”

Some days later, the Secretary-General of the United Nations said that decent work was essential in helping to overcome the global financial crisis, which had become a “job crisis.”

Last week, the president-elect of the United States – which currently faces a unemployment rate of 6.7 percent, its highest level since 1993, and reported the loss of 533,000 jobs in November, the highest such figure since 1974 – announced a plan to help create 2.5 million new jobs as soon as he takes office.

Assuming that in 2009 Latin America and the Caribbean will attain a growth rate of close to 3.2% – reflecting levels of internal and external demand weakened by decreases in remittances, in commodity prices, and in household incomes (caused by increases in inflation and curtailed rises in earnings) – that will not be adequate to ensure enough new jobs to maintain 2008’s employment rate: the region’s urban unemployment rate would rise to between 8 and 8.3 percent, leading to an increase of between 1 million and 1.7 million in the total number of unemployed urban dwellers. In other words, there would be between 17.4 million and 18 million unemployed residents of urban areas, compared to an estimated 16.3 million in 2008.

2. Following the G-20 meeting, President Sarkozy – the current leader of the European Union – said that “**Decent Work** has to be at the heart (...) of any decision we adopt over the coming months.” He added: “I urge the ILO to make its voice heard in the emerging global debate on how to define a new form of global governance, and to submit concrete proposals so that the promotion of **Decent Work** stands at the heart of the rules that will lay the foundations for a new world order.” “The ILO,” he said, “has for a long time been working (...) so that bolstered social rights can serve to improve economic performance.”

The Declaration of Mar del Plata was a landmark in the international consolidation of the concept of **decent work** and its implications. The concept was addressed by the Summit of the Americas held in Nuevo León (2004) and it has been on the agenda of the last seven Ibero-American Summits. It has also been supported by the Latin America and Caribbean Heads of State and Government at their meetings with their European counterparts since 2004.

Ever since 2003 and up to their most recent conference last year, which was held in Port of Spain, the Labor Ministers of the Americas have further explored the idea of *decent work*. At the ILO’s American Regional Meeting held in Brasilia in 2006, it was agreed to declare a *Decade for the Promotion of Decent Work in the Americas from 2006 to 2015*.

Since Mar de Plata, tripartite agreements have been reached for **decent work** promotion programs in Argentina, Bahamas, Bolivia, Chile, El Salvador, Honduras, Nicaragua, Panama, and the Dominican Republic. Three have been signed this year, and others are currently being negotiated.

3. The concept of *decent work*, in the words of the coiner of the term, ILO Director-General Juan Somavia, is “productive work under conditions of freedom, equity, security, and dignity, in which rights are protected and adequate remuneration and social coverage are provided” (1999). **Decent work** marks the point where the ILO’s four strategic objectives come together: the promotion of basic rights at work, of employment, of protection, and of social dialogue.

It is not just any work that dignifies the worker and allows the development of his or her individual capabilities: a job that is done without respect for basic labor principles and rights is not decent; neither is one that does not provide decent earnings in proportion to the effort made, free of discrimination on gender or any other grounds; nor is a job carried out without social protection, or a job that excludes social dialogue.

Worthy of note in this regard is the “Declaration on Social Justice for a Fair Globalization,” adopted by the ILO member states last June. In that Declaration, the central concept is that of decent work.

4. One of the key items on the agenda of the Summit of the Americas in Port of Spain is human prosperity. That entails a process that must involve the expansion of options and the building of individual capacities for attaining personal realization and common progress. Human prosperity is broader than the combination of social progress and economic growth, in that it involves such elements as enhanced democracy, environmental protection, and the promotion of the personal rights of the individual. Economic growth is necessary but is not, in and of itself, sufficient to promote prosperity and human development, and *decent work* can serve as a bridge between that kind of growth and that kind of prosperity. Studies conducted by the ILO and the UNDP show that there is an important positive correlation between decent work and human development.

5. By taking into account factors such as environmental sustainability and energy security, the type of human prosperity that flows from the creation of **decent work** offers us the opportunity to emphasize the importance of what have been called green jobs.

Addressing climate change and reducing the relationship between economic growth and energy consumption based on fossil fuels demands transformations that offer opportunities for the creation of decent, ecologically efficient, and low-emission jobs.

- Brazil’s biodiesel program has been explicitly designed to involve a large number of small-scale farmers in the country’s underprivileged areas.
- But public initiatives are not the only undertakings involved. In the Sonoran Desert, a group of engineers from the U.S. company PetroSun can already visualize the artificial lake that they are going to create with a thousand 80-meter-by-14-meter tanks where they will plant and harvest microalgae and for conversion into 9 billion liters of fuel.
- Antigua Guatemala boasts an innovative public-private partnership: the municipal government has launched a program to collect used oil from 137 hotels and restaurants, use it to

produce fuel, and then sell it on at cost price to a hospital. Because of the origin of its raw material, this oil transformation process in no way competes with food production.

6. Last September's report on "*Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World*" states that efforts to reduce climate change and its effects create new jobs in many sectors and economies, and that they could create millions of additional jobs in both industrialized and developing countries.

The report notes that the jobs needed to tackle climate change could include some that are "dirty, dangerous, and difficult." The areas where most concerns arise – in particular, though not exclusively – are agriculture and recycling, where prompt changes are needed in the areas of workplace security and hygiene on account of exposure to hazardous materials.

The global market for environmental products and services is set to increase from its current level of 1.37 billion dollars a year to 2.74 billion by 2020.

- Energy efficiency accounts for half of this market, with the rest coming from sustainable transport, water supplies, sanitation management, and waste handling.
- The sectors that will be of particular importance in terms of their environmental, economic, and employment impact are energy supplies (renewable energy in particular), buildings and construction, transportation, basic industries, agriculture, and forestry.
- In the United States, the clean technology sector receives the third largest inflows of risk capital, behind only information and biotechnology.
- 2.3 million people have found new jobs in the renewable energy sector in recent years, and the sector's potential for employment growth is enormous.
- Renewable energy creates more jobs than fossil fuels. Investments worth 630 billion dollars are planned for 2030, which will translate into at least 20 million new jobs in this sector.
- In agriculture, 12 million people could work to produce biomass for energy generation and in other related industries.
- A worldwide evolution toward residential energy efficiency could create millions of jobs and, at the same time, improve the cleanliness of the existing jobs of many of the almost 111 million workers employed in the sector.

The report offers examples of the mass creation of green jobs throughout the world. In the United States, over the coming decade, 150 billion dollars could be invested in producing clean energy, pursuing second-generation biofuels, and promoting the commercial development of renewable energy projects. This would lead to an economic transformation and the creation of five million new jobs in research, manufacturing, and construction, as well as the creation of new companies.

7. The Green Jobs Initiative already exists: it was created in 2007 as a partnership between the UNEP, the ILO, and the ITUC, with the IEO joining in 2008. It was launched to promote

opportunities, equality, and fair transitions, and to mobilize governments, employers, and workers to participate in a dialogue on coherent policies and effective programs to bring about a green economy with green jobs, working together to promote decent work in the world.

The IEO is the only internally recognized organization that represents the interests of companies on labor and social policy matters. At present, it comprises 146 employers' organizations from 138 of the world's countries. ITUC represents 168 million workers in 155 countries and territories, and has 311 national members. UNEP is the environmental voice of the United Nations system.

I believe it is vital that we consider the importance of encouraging the creation of green jobs in the Americas – not only for ethical and economic reasons, but also as a part of our response to the economic crisis. It is a topic that would appear to be of relevance to the Declaration of Commitment of Port of Spain.

8. I thank you for your attention and would like to close by stating that in 2015, Latin America and the Caribbean will have the largest numbers of young people they have ever had. We thought about their aspirations and contributions to joint progress last month in Washington, DC, and I believe the fruits of that Policy Round Table could be of use as we advance along the road toward Port of Spain.

In addition, young people have a greater sensitivity toward environmental and energy matters, and a better future for the Hemisphere must not be constructed merely for them, but also with them.