

# **SPEECH TO ILO CONFERENCE**

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I am glad to have the opportunity to address the Conference on behalf of the Trade Union Advisory Committee to the OECD. The OECD is a governmental organisation grouping the industrialised countries; but through the TUAC and in conjunction with our Global Union partners working people have a chance to get their voice heard in those governmental debates.

I would like to focus my remarks on the Director-General's crucially important report on the follow up to the report of the World Commission on the social dimension of globalisation - "A Fair Globalisation- the role of the ILO".

The World Commission Report correctly has pointed to the failure to manage globalisation so that it serves human needs. It rightly claims: "Key international negotiations are deadlocked and international commitments go largely unfulfilled." This rings true for many workers who see globalisation used as a concept to justify delocalisation, reductions of wages and benefits and violations of the ILO's fundamental rights at work. It rings true for the populations in developing countries because four years into the new millennium, the world is further from achieving the UN's millennium development goals on poverty reduction than it was when they were agreed. As the report shows, one billion people in developing

countries remain in extreme poverty and three billion – half the world’s population live on less than two dollars a day.

The World Commission Report is also important because the political fractures and tragedy evident in the Iraq crisis must not be allowed to undermine the multilateral system and what is already inadequate economic and social coordination as well as basic respect for human rights. The failure of the Sea Island G8, that ended last night, to even treat the social agenda, although not surprising, is disturbing and must be a warning to all. Similarly we have important and unfulfilled promises on the Table from Monterey and Johannesburg that are in danger of being forgotten.

As the Report shows by its emphasis on coherence, the task is a wider one than convincing ourselves and Labour ministers. We have to convince the Finance, Economics and Trade Ministers that meeting the challenge of achieving fair globalisation is crucial to the very survival of both our societies and our economies.

The Report follow up must be a call to urgent action. I will just refer to one proposal that need to be followed up the call for a policy coherence initiative on Growth, Trade and Employment. Key elements should be as follows:

Firstly as called for in the 2003 Director General’s report we have to double income growth per head from one per cent to two per cent a year and make sure that this growth generates jobs. The industrialised countries have to take a

lead here and re-balance the world economy through a co-ordinated pro-growth and pro-poor policies.

Secondly we have to make sure that resources are made available to fund development. Here new ideas touched on in the Report need serious consideration and then to be acted on.

Thirdly, we have to strengthen institutions in the labour market that represent and protect the poor and vulnerable. To start with that means trade unions, and giving the poor the basic rights to organise and bargain collectively.

A coherence initiative is one reason why increased co-operation between the OECD and the ILO is essential. It is an objective that we in TUAC have promoted incessantly in the OECD.

Working with our Global Union partners, TUAC has sought to make the ILO's Declaration of Fundamental Principles and Rights at Work a "system-wide standard" also in the OECD and the IFI's. It is now included in the OECD Development Assistance Committee's Guidelines on Poverty Reduction; in the OECD Guidelines on Multinational Enterprises; and through the OECD's work on trade and labour standards and Sustainable development it is still in the WTO debate. We have also insisted that as all OECD members are members of the ILO, OECD countries have to respect all of those features and notably core labour rights. It is for this reason that the TUAC continues to insist that countries such as the Republic of Korea, which have had freedom of association violations condemned by the ILO, reform their labour

legislation to bring it into line with ILO principles. We expect the new government in Korea to act rapidly and live up to their international commitments.

The World Commission Report reinforces the crucial link between poverty reduction and decent work including the respect for human rights at work, the key elements of the ILO's fundamental mandate – this is now more relevant than ever given the evident failings of the current model of globalisation. We don't have much time to make its recommendations work.