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INTER-PARLIAMENTARY UNION

*Resolution adopted unanimously by the 116<sup>th</sup> Assembly*

*(Nusa Dua, Bali, 4 May 2007)*

## **JOB CREATION AND EMPLOYMENT SECURITY IN THE ERA OF GLOBALIZATION**

The 116<sup>th</sup> Assembly of the Inter-Parliamentary Union,

*Recalling* the Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (1966), and the International Covenant on Economic, Social and Cultural Rights (1966),

*Mindful* of the outcome of the World Summit for Social Development (Copenhagen, 1995), which adopted a Declaration and a Programme of Action constituting the basic framework for the promotion of social development for all at the national and international levels,

*Conscious* of the need to uphold and defend basic human rights, the rule of law and universal access to education, which are vital to social and economic development, as stipulated in the

Declaration on Fundamental Principles and Rights at Work adopted by the International Labour Organization (ILO) in 1998,

*Recalling* the United Nations Global Compact, launched in 2000, the United Nations Millennium Development Goals, adopted in 2000, and the report, "Investing in Development", published by the United Nations Millennium Project in 2005, and *recognizing* that the creation of jobs, decent work and employment security are key to the attainment of the Millennium Development Goals,

*Recalling* that at the World Summit 2005 Heads of States and government resolved to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of their national and international macro-economic policies and poverty reduction strategies, and also *recalling* the World Summit's commitment to ensure full respect for the fundamental principles and rights at work,

*Further recalling* the resolutions of the IPU, in particular those adopted by the 98<sup>th</sup> Inter-Parliamentary Conference (Cairo, September 1997) on employment in a globalizing world, the 107<sup>th</sup> Inter-Parliamentary Conference (Marrakech, March 2002) on the role of parliaments in developing public policy in an era of globalization, multilateral institutions and international trade agreements, and the 109<sup>th</sup> IPU Assembly (Geneva, October 2003) on the contribution of new information and communication technologies to good governance, the improvement of parliamentary democracy and the management of globalization, and *welcoming* the new IPU/ILO programme of cooperation,

*Recalling* the report, "A Fair Globalization: Creating Opportunities for All", drawn up by the World Commission on the Social Dimension of Globalization (ILO, 2004), and the Ministerial Declaration on Employment and Decent Work for All adopted at the High-level Segment of the United Nations Economic and Social Council in July 2006,

*Recognizing* ILO's unique role and competence, as recalled in the Ministerial Declaration on Employment and Decent Work for All, in bringing about the realization of decent work for all,

*Recalling* the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (2003), and *recognizing* the effects of international migration on millions of workers worldwide,

*Recognizing* that, while many countries have adhered to the ILO Convention on the Worst Forms of Child Labour, by which they undertake to reinforce legislation prohibiting child labour, the latter is in fact on the rise and continues to be one of the biggest scourges of society,

*Noting* that, according to data published by ILO between 2002 and 2006 in studies, conventions and reports on international events:

- (a) the global labour force continues to grow, with some 3 billion people currently employed or seeking employment;
- (b) about 80 per cent of the global labour force is in developing countries, which means that 430 million jobs will have to be created over the next 10 years, or 43 million jobs annually, in these countries alone;
- (c) the number of unemployed in developing countries, the majority of them women, grew from 157 million in 1995 to an unprecedented 195.2 million in 2006, with the Middle East and North Africa having the world's highest unemployment rate, 12.2 per cent in 2006, followed by sub-Saharan Africa at 9.8 per cent;

- (d) despite the many obstacles they have to overcome in the labour market, women make up 40 per cent of today's global labour force, with the overall number of women workers having increased from almost 1 billion to 1.22 billion between 1991 and 2005;
- (e) between now and 2020, the impact of HIV/AIDS on persons of working age could result in losses of up to US\$ 270 billion in the 41 countries most affected;
- (f) unemployment has risen globally by over 20 per cent in the past ten years, with unemployment among the young (86.9 million) rising from 12 to 13.7 per cent, or 44 per cent of all unemployed globally, and with young people in developing countries being 3.3 times more likely to be unemployed than adults in 2005, compared to 2.3 times in developed economies;
- (g) even though the overall number of child labourers has fallen by 11 per cent in the last four years, nearly 218 million children went to work rather than attending school in 2004;
- (h) the population pyramid has changed considerably in recent years, with the proportion of persons over the age of 60 and of working men and women over the age of 50 growing steadily on a global scale;
- (i) the percentage of workers employed in the services sector rose from 34.3 per cent in 1995 to 40 per cent in 2006, thus exceeding, for the first time, that of the agricultural sector;
- (j) the number of workers affected by violations of trade union rights remains at an unacceptable level,

*Noting* that people with disabilities, and especially women with disabilities, face multiple layers of disadvantage in accessing the labour market, such as prejudice and lack of education, and

that 80 per cent of people with disabilities are unemployed; *further noting* that unemployment among people with disabilities has knock-on effects for their carers, who are predominantly women and girls,

*Convinced* that public opinion is divided on globalization, which has brought about unprecedented change in the lifestyles of individuals, families and whole societies, and that innovative approaches are required to conduct a comprehensive assessment of the phenomenon's repercussions on social, economic and cultural development and its differential impact on women and men,

*Convinced* that trade regimes negotiated by international financial institutions such as the World Trade Organization (WTO), the International Monetary Fund (IMF) and the World Bank have in certain instances held back economic growth, resulting in significant job losses and unemployment, particularly in developing countries,

*Mindful* at the same time that fair globalization has the potential to promote economic growth and efficiency while advancing human development and prosperity,

*Convinced* that, for globalization to be fair, it must imply a more just distribution of its advantages,

*Stressing* the need for good governance to promote economic growth,

*Noting* that the debate about the effects of globalization on decent work tends to polarize along geographic and political lines rather than along living and working conditions or social and family roots,

*Recognizing* that lack of understanding of the driving forces of globalization and of its impact on labour markets complicates the search for adequate responses to the political challenges it poses nationally and internationally,

*Conscious* of the "brain drain" phenomenon involving the migration of skilled labour from developing to developed countries and the negative impact it has had on economic growth in developing countries,

*Conscious* of the breathtaking speed at which the process of globalization is affecting labour markets, in particular with regard to job creation and conditions of employment in both industrialized and developing countries,

*Convinced* that poverty reduction, compulsory State-provided and financed education until at least 16 years of age, the provision of full and productive employment and decent work should be central objectives of the long-term national development policies of all countries,

*Conscious* that the concept of work as a source of dignity has been devalued, the leading school of economic thought viewing labour as merely a factor of production and taking scant account of the value of work for individual human beings, their families, communities and society at large,

*Concerned* that globalization risks being accompanied by a process of polarization whereby some people, countries and companies reap the benefits in terms of increased markets, job creation, growth and further progress, while others bear the brunt in terms of limited competitiveness, job loss and impoverishment,

*Noting* that increased international competitiveness has led labour markets in many countries to evolve in the direction of greater flexibility and wider application of non-standard conditions of employment (temporary and part-time work, fixed-term contracts, etc.) which are not necessarily covered by labour legislation and social security norms, thus exposing workers to additional risks and disadvantages,

*Also noting* that the phenomenon of increased labour market flexibility can contribute to the insecurity and social marginalization of substantial portions of the population and that it is therefore necessary to improve employment security in all sectors of the national economy,

*Convinced* of the importance of striking a balance between the need for employers to exercise flexibility in workforce management, on the one hand, and the legitimate right of employees to freedom of association and the right to collective bargaining, job security, safe and healthy work conditions, access to vocational training and social protection, on the other, and *recognizing* that parliaments have an extremely important role to play in this respect,

*Persuaded* that, to meet the challenges of globalization while providing effective protection of employees' rights and duties, labour laws and their enforcement should be regularly reviewed, and *recognizing* that parliaments have an extremely important role to play in this respect,

*Stressing* the need for proactive labour market policies and targeted job-creation measures that enhance the prospects for better jobs and productive employment for all, and the need to create an enabling environment for entrepreneurship and private sector development, especially through small and medium-sized enterprises (SMEs) and cooperatives,

*Stressing* the need to develop both the public and the private sectors of the economy and to use the potential of international fair trade and foreign direct investment to create jobs and improve the performance of labour markets,

*Convinced* that education is a potentially liberating force and a fundamental tool for the professional development of women and men, and that it is therefore imperative to promote a well-planned link, in particular between higher education and labour market needs and demands,

*Emphasizing* that, to stay competitive in an increasingly knowledge-based economy and in the era of globalization, employees and the unemployed should have access to ongoing education and vocational training,

*Persuaded* that policies for the control and management of immigration must be coordinated with adequate policies for social integration, education and professional training to prevent spontaneous immigration from combining with illegitimate interests to force labour costs below the legal limits, and to avoid the formation of unskilled and underpaid labour ghettos and instances of modern slavery,

*Mindful* of the essential role of the social partners in promoting dialogue and curbing the harmful effects of labour market flexibility,

*Alarmed* at the increase in prostitution, forced labour and the global phenomenon of trafficking of women and girls, and *recognizing* that coordinated efforts are needed to ensure that women are protected from all kinds of sexual exploitation, including when masked as bogus job offers,

*Aware* that trade unions are deeply interested in preserving the potential benefits of fair globalization and in making use of faster economic growth and higher employment opportunities, coupled with the advantages of stability that come with economic interdependence,

*Convinced* that respect for human rights, including core labour standards, should be an essential part of the broader international agenda,

*Emphasizing* the need to uphold participatory democracy, strengthen the rule of law and promote respect for and fulfillment of international standards in the field of human rights and fundamental freedoms, including the right to decent work and the right to development,



*Also emphasizing* the need to provide social safety nets for different categories of workers who are confronted with employment difficulties as a direct or indirect consequence of globalization, especially in the informal sector,

*Further emphasizing* the role played by parliaments and their members in extending the benefits of fair globalization to developing countries, to ensure that their populations enjoy greater social justice, economic prosperity, stability, employment security, and social protection,

1. *Urges* parliaments to promulgate laws that favour employment growth and to exert pressure on governments, employers, trade unions and other stakeholders to place job creation and decent work at the centre of national policy agendas and to pursue the creation of an environment conducive to the balanced development of both rural and urban areas;
2. *Also urges* governments, with trade unions, employers, other social partners and ILO, to pay closer attention to the social and gender-related impact of globalization, focusing in particular on job creation and improvement of work conditions, and to ensure that women and men receive equal pay for equal work;
3. *Encourages* the development of policies that serve to change cultural attitudes with regard to women's place in the labour market and within the management of enterprises;
4. *Calls* on States to establish systems that enable all persons to have the opportunity to receive an education and vocational training appropriate to their individual needs;

5. *Calls on* governments to fight against the precariousness of labour conditions and *urges* them to conclude bilateral, regional and multilateral agreements that provide legal protection and ensure better treatment for all workers;
6. *Calls upon* States that have not ratified the United Nations Convention on the Protection of All Migrant Workers and Members of Their Families to do so, and *urges* parliaments to establish regulations that provide better treatment and protection for all migrant workers, including women;
7. *Urges* governments and parliaments to combat discrimination based on sex, age, religion, ethnicity or health, including pregnancy, as well as all forms of exploitative work, such as bonded labour, forced labour, the worst forms of child labour, human trafficking and forced prostitution, and other slavery-like practices;
8. *Urges* governments not to enter into any precarious or informal labour contracts with their staff, and to support alternative modes of organization and collective bargaining, setting an example for the community;
9. *Calls on* the international community to ensure more equal access to the benefits of globalization for all countries and groups of population, removing discrimination based on age or sex and levelling out the enormous disparities and irregularities that exist in terms of access to means of livelihood and social protection;
10. *Urges* governments to collect and analyze employment data disaggregated by sex, age, ethnicity and religion, in order to assess the different impacts of the globalized labour market;

11. *Draws the attention* of parliaments and governments to the fact that, difficult as it may be, job security, safety and health at work should not suffer in the face of increasing labour market flexibility;
12. *Encourages* all social partners, including employers' and employees' organizations, to engage in effective and inclusive social dialogue aimed at identifying policy tools and operational procedures for creating more jobs, reducing unemployment, and improving employability through skills development;
13. *Encourages* governments to create a propitious environment for women's associations, so as to assist women in gaining skills to become entrepreneurs;
14. *Encourages* parliaments to support the entry into force of the United Nations Convention on the Rights of Persons with Disabilities and the implementation of its provisions relating to work and employment;
15. *Calls on* governments to enhance development, reduce poverty and inequality within and between countries, narrow the educational gap between countries and sustain the transformations resulting from new information and communication technologies (ICT);
16. *Recommends* that more training and skills development be provided, in particular to women, in the field of ICT, organizational skills in management and financial systems, and *further recommends* that training and educational curricula be better tailored to respond to labour market needs;
17. *Recommends* that priority in terms of public and foreign investment be given to labour-intensive infrastructure projects that provide massive employment for the poor and are located in poor areas;

18. *Also recommends* that a strict balance be observed between the interests of the private and the public sectors in terms of ensuring sustainable productivity growth and improved economic competitiveness, as well as social stability, equality for all, respect for workers' rights and equality of opportunities between men and women, and that unpaid work performed within the domestic sphere, primarily by women, be taken into account in policy-making;
19. *Calls on* corporations to follow the principles of corporate social responsibility;
20. *Urges* governments and financial institutions to support and promote self-employment and medium, small and micro enterprises in both urban and rural informal sectors; while giving particular attention to measures that promote women's self-employment and entrepreneurship, such as micro finance; and *urges* international organizations to help the developing countries build the social and financial framework needed to enhance local entrepreneurship;
21. *Urges* governments and parliaments to see to it that labour legislation continuously provides opportunities for enterprise development and jobs expansion, and ensures adequate social protection for employees in an environment conducive to sustainable development;
22. *Urges* parliaments to review all relevant laws and regulations to ensure that they do not discriminate against women, including property rights laws to ensure that women enjoy the right to inherit land, capital and other assets, all of which constitute important sources of business financing as well as unemployment insurance;

23. *Urges* parliaments to legislate working conditions that enable men and women to balance work and family responsibilities, *recommends* that child-care services and paid maternity leave be provided for women in the workforce, and *further encourages* the introduction of paternity leave to help parents balance family and work-related obligations;
24. *Calls on* governments to implement the recommendations of the report, "A Fair Globalization: Creating Opportunities for All", drawn up by the World Commission on the Social Dimension of Globalization;
25. *Calls on* governments to bring the Doha Round of the WTO to a successful conclusion in order to facilitate fair trade as the motor for generating employment in the developing countries;
26. *Invites* the IPU to conduct a general study of how parliaments address the impact of globalization in their respective countries, including an assessment of the role of parliaments in promoting decent work for all, and *recommends* that the IPU facilitate the identification and exchange of best practices relating to parliamentary action in this area;
27. *Proposes* that governments draw up strategies and put together campaigns to prevent and eliminate the physical and psychological violence in the workplace that, as emphasized in the recommendations of the 114<sup>th</sup> IPU Assembly, has become a worldwide phenomenon affecting women in particular;
28. *Calls for* greater coherence between programmes and policies aimed at attaining the objective of decent work, and *invites* governments and the social partners to incorporate these recommendations into their national strategies with a view to bringing about a meaningful change in people's lives, in keeping with the priorities, policies and customs of every country.

