



Economic and Social Council

Distr.: General
23 April 2012

Original: English

Substantive session of 2012

New York, 2-27 July 2012

Item 2 (c) of the provisional agenda*

High-level segment: annual ministerial review

Statement submitted by Confederazione Generale Italiana del Lavoro, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31.

* E/2012/100.

Statement

The world is facing a jobs emergency. After three years of crisis, global unemployment has grown to around 200 million persons. The Organization for Economic Cooperation and Development (OECD), and the International Labour Organization estimate that 21 million jobs need to be created each year to return to pre-crisis employment rates by 2015. Only in the African and Asian countries, 1 million more jobs are needed every month to respond to youth coming on the labour market. Yet, with Europe slipping into recession, other OECD countries experiencing low rates of growth and growth slowing in emerging economies, unemployment is likely to rise further.

Following the onset of the crisis in 2008, Governments demonstrated their effectiveness, taking coordinated action to stabilize global demand and agreeing on proposals for financial regulation. But momentum has been lost, as many Governments have shifted to austerity. While in many political statements Governments and intergovernmental organizations identify the need to tackle the jobs crisis by addressing both the quality and the quantity of jobs, labour rights are under attack at the domestic and international levels. These are misguided policies that destroy workers' confidence and widen income inequality, recognized as being one of the major factors of the crisis.

The developing countries have a huge shortage of decent jobs, since the latter are not being generated by their economic growth. The high cost of living and the impact of the world food crisis are leading to situations of endemic poverty.

The austerity measures reduce, at the same time, public investments, public jobs, wages, consumption and internal markets. The contemporary reduction of bank loans is putting the concerned countries in a vicious circle without any positive prospect for jobs creation.

Together with rising long-term unemployment, growing youth unemployment threatens the long-term growth potential and increases the risk of social breakdown and political instability. Governments and international organizations must increase economic cooperation and boost demand through priority investments so as to prevent a renewed recession, restore growth and raise employment. This requires a shift in macroeconomic policy away from austerity to employment-contingent growth and a refocusing of structural policy on strengthening labour market institutions (including collective bargaining), extending social protection and promoting the formalization of the large informal economy.

Governments and international organizations must promote: investments in job creation, infrastructure and "green investment" to kick-start the recovery; reorientation of structural and labour market policies to create decent jobs through social dialogue; support to labour market institutions and collective bargaining to reduce income inequality, with particular attention to the gender gap and to same wages and rights for migrant workers; measures for halting precarious and irregular work; investments in education and skills; building a "green jobs" agenda; the introduction of social protection floors; the effective implementation of social and labour rights; the introduction of a global financial transactions tax, both to reduce financial speculation and to finance jobs creation and social security.