



Economic and Social Council

Distr.: General
27 November 2012

Original: English

Commission for Social Development

Fifty-first session

6-15 February 2013

**Follow-up to the World Summit for Social Development and
the twenty-fourth special session of the General Assembly:**

**priority theme: promoting empowerment of people in
achieving poverty eradication, social integration and
full employment and decent work for all**

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 36 and 37 of Economic and Social Council resolution 1996/31.



Statement

After four years of financial and economic crisis, the world is still facing a jobs emergency: 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. In the African and Asian countries alone, 1 million more jobs are needed every month to respond to young people entering the labour market. In Europe, youth unemployment, in particular in the Southern countries, is reaching unsustainable peaks, where both skilled and unskilled workers are concerned, leading to a new wave of migration. With the austerity policies imposed in many European countries having aggravated the economic recession or stagnation, 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. Momentum has been lost, however, as many Governments have shifted to austerity. The bail-outs of many financial institutions and the first stimulus packages have not been followed by consistent policies in favour of jobs and infrastructural investments to boost internal demand.

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.

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

Together with rising long-term unemployment, growing youth unemployment threatens 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, which is in fact strongly under attack by the European Commission), 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, paying particular attention to the gender gap and to ensuring equal 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; and the introduction of a global financial transaction tax, both to reduce financial speculation and to finance jobs creation and social security.
