

## OPENING SPEECH BY MR. CHARLES DAN ASSISTANT DIRECTOR-GENERAL AND REGIONAL DIRECTOR FOR AFRICA

## AT THE MEETING OF SADC MINISTERS AND SOCIAL PARTNERS RESPONSIBLE FOR EMPLOYMENT AND LABOUR

(WINDHOEK, 31st MARCH 2011)

H.E. Mr Nahas Angula, Prime Minister, and Acting Head of State of the Republic of Namibia,

Chairperson of SADC Employment and Labour Meeting of Ministers and Social Partners,

Honourable Ministers,

Distinguished Social Partners,

Dear friends,

May I start by conveying the sentiments of respect of our Director-General, Mr Juan Somavia, to H.E. Mr Hipikepunye Lucas Pohamba, President of the Republic, to the Honourable Prime Minister, as well as to the Government and people of Namibia.

I feel greatly honoured and pleased to represent him at your SADC Employment and Labour Meeting of Ministers and Social Partners.

I salute your tripartite ambition to move ahead together because everywhere in the world today, regional integration is the name of the game if you want to play a role in the globalized knowledge economy,

As the ILO in Africa, we stand by you as you are getting together to implement the Decent Work Programme in the SADC region, including through an Employment Policy, a common Labour Market Information System, conducive labour standards for enhancing productivity and social protection, and social dialogue.

In this connection, I would like to focus today on three policy directions to further enhance SADC/ILO cooperation.

## First, promoting an employment-rich-growth:

After a tense period, due to the global economic and financial crisis, Africa's growth has rebounded. GDP growth is projected to reach 5.0 per cent in 2011 - compared to 2.3 per cent rate recorded in 2009.

Of all Africa's sub regions, the global crisis hit Southern Africa hardest. But GDP growth for Southern Africa as a whole has also improved in 2010, up from negative (-) 1 per cent in 2009 to 3.7 per cent in 2010.

But despite the return to positive growth rates, employment creation and poverty reduction have been limited.

So, how can we recover with jobs?

To confront the consequences of the global crisis, many countries have placed employment creation at the centre of their national economic and social recovery policies, through the adoption of Decent Work Country Programmes, in line with the Global Jobs Pact.

In this context, and as discussed at the first ILO/IMF Conference in Oslo, last September, we need to target employment creation as an objective of our macroeconomic policies. Full employment should become a key macroeconomic objective alongside low inflation and sound fiscal accounts.

So the real test of recovery should not be whether the economy in aggregate is back on track, but whether there are concrete signs of improvement in the labour market.

For that - and it is my second point - we also need to invest in Africa's workforce skills.

Indeed, skills and employment policies should be viewed together.

The future prosperity of any country or region depends ultimately on the number of persons - women and men - in employment and how productive they are at work.

Estimates for European countries show that a 1 per cent increase in training days leads to a 3 per cent increase in productivity.

But, in sub-Saharan Africa, only one-fifth of boys and girls of secondary-school age attend school.

Everywhere, young people with low skill levels are finding it hard to access the labour markets.

And everywhere, women have also to face widespread barriers in seeking to achieve the goal of equality of opportunity and treatment in employment.

How do we address the vicious circle of low education and skills and low productivity?

A strong partnership between government, employers and workers is an essential feature of an effective and enduring bond between the world of learning and the world of work.

Social dialogue and collective bargaining at the enterprise, sector and or national levels are also highly effective in creating incentives for investment in skills and knowledge.

And we should never underestimate the crucial role of sound Labour Market Information Systems as they generate, update and disseminate strategic information on current and future skill needs, in order to make this continuous flow of timely information available to education and training institutions, private market trainers, employers, trade unions and young people.

Yes indeed, we should focus on education and training, because skills are the foundation of decent work.

But skills by themselves do not automatically lead to more and better jobs. Skills policies must also be part of a broad set of policies that are conducive to high rates of growth and investment, including investment in health care and social protection.

## And this leads me to my third point: protecting the most vulnerable.

In Africa, only about 10 per cent of the labour force, principally those in the formal economy, are covered by social security schemes. The large part of the excluded are found in the informal economy and amongst the poor and vulnerable populations of society.

Can we really expect more productivity out of such large vulnerability?

Social protection is not a luxury. It is an investment in productivity.

And it is Africa's new tripartite development journey.

As you know, at our 2<sup>nd</sup> African Decent Work Symposium last October, the "Yaoundé Tripartite Declaration on the Implementation of the Social Protection Floor" was adopted by the tripartite delegates from 47 African member states of the ILO.

This Declaration calls upon governments and social partners to improve the level of social security for all, by the rapid implementation of national Social Protection Floors, consisting of a minimum package of transfers, rights and entitlements that provide access to essential medical care as well as sufficient income to all in need of such protection. Employment - Skills - Protection: to confront these critical challenges, policy coherence and unity of action are key.

Nobody can do it alone. Alone, you may go faster. Together, you will go further.

So I would like here to pay tribute to the political leadership of COMESA, EAC and SADC, as they decided, in Kampala, Uganda on 22 October 2008, to give direction towards making Eastern and Southern Africa one major economic block.

To accompany this vision, we have created one ILO Decent Work Team for Eastern and Southern Africa, led by Vic van Vuuren, in Pretoria, to support our ILO Country Offices based in Antananarivo, Dar-es-Salam, Lusaka, and Harare, in order to better serve you.

We stand at your disposal and look forward to intensifying our cooperation as you promote true African integration.

I can assure you that your deliberations will feed into the one hundredth celebration of the International Labour Conference, next June in

Geneva; as well as the 12<sup>th</sup> ILO African Regional Meeting that the Republic of South Africa has so kindly offered to host in Johannesburg from 10 to 14 October this year.

We all know that Africa is the continent of the future. And we all know that the future starts now and here.

When I look around this room, what I see is sense of purpose, unity of direction and commitment to action.

English-speaking - Portuguese-speaking - French-speaking: What SADC is telling the world is that Africa is one.

And your tripartite SADC epitomizes Africa's ambitions for economic transformation and a shared and sustainable social development at the service of our peoples.

Thank you so much for your attention.