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Target 1.A

Halve, between 1990 and 2015, the proportion of people whose income is less than 1 \$ a day

Indicators

1.1 Proportion of population below \$1 (PPP) per day

1.2 Poverty gap ratio

1.3 Share of poorest quintile in national consumption

Target 1.B

Achieve full and productive employment and decent work for all, including women and young people

Indicators

1.4 Growth rate of GDP per person employed

1.5 Employment-to-population ratio

1.6 Proportion of employed people living below \$1 (PPP) per day

1.7 Proportion of own-account and contributing family workers in total employment

Target 1.C

Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Indicators

1.8 Prevalence of underweight children under-five years of age

1.9 Proportion of population below minimum level of dietary energy consumption

1. Eradicate extreme poverty and hunger

"Poverty anywhere constitutes a danger to prosperity everywhere". The ILO promotes poverty reduction at the policy level and in practice through its Decent Work Agenda. Decent work was in 2005 recognized by the UN General Assembly as a global development goal and is central to the sustainable recovery of the real economy.

Work is the best route out of poverty. MDG 1 remains an area where accelerated progress is needed. The current crisis offers an opportunity for recovery oriented towards employment and decent work. The effective implementation of the Global Jobs Pact, adopted in June 2009 by the ILO and endorsed by the UN General Assembly and by G20 leaders, will enhance progress on MDG 1. The Pact provides concrete recommendations at policy, strategy and programme levels.

Decent Work is a necessary condition to attain MDG 1, the largest in scope of all the MDGs. As part of sound macroeconomic policy, freely chosen and productive employment – underpinned by rights, social protection, and democratic participation as embodied in social dialogue – is key to poverty reduction.

Pro-poor growth – decent work – fair globalization

Hunger and the lack of decent work are unacceptable facets of human poverty, reinforcing each other in a vicious circle: households suffering from hunger are generally deprived of decent jobs; the lack of decent work brings hunger and deprivation for families and communities.

Decent work sums up the aspirations of people worldwide in their working lives – their aspirations to opportunity and income; to rights, voice and recognition; to family stability and personal development; and to fairness and gender equality. The recognition that employment and decent work are legitimate and fundamental goals in their own right, and are not the automatic by-products of growth, led to the inclusion in 2005 of a new MDG Target (1.B): "achieving full and productive employment and decent work for all, including women and young people".

The relation between growth, employment and poverty has been largely overlooked. Efforts are needed to promote growth in areas where the poor earn their living and to improve their access to the benefits of growth, by improving their mobility and ensuring that infrastructure and markets serve their interests.

Decent work and poverty reduction

The ILO approach to the eradication of extreme poverty and hunger (MDG 1) is to promote decent work for all. Its four pillars are:

- Employment – the principal route out of poverty is through work and income
- Rights – without them, people will not be empowered to escape from poverty
- Social protection – safeguards income and underpins health
- Dialogue – the participation of employers' and workers' organizations in shaping government policy for poverty reduction ensures that it is appropriate and sustainable.

Together, these four pillars of the ILO Decent Work Agenda support coherent and gender-sensitive poverty reduction strategies.

Progress towards MDG 1

Globally, the target of reducing the poverty rate by half by 2015 seems likely to be achieved, while one billion people are likely to remain in extreme poverty by the target date of 2015. Progress has been uneven: there has been significant poverty reduction in some regions, most notably in East Asia, while especially in the least developed countries and in particular in sub-Saharan Africa the number of people living in poverty continues to increase, with women and children worst affected.

In 2009 the crisis pushed an additional 34 million people into unemployment, bringing the number of jobless worldwide to 212 million.

In 2009, the number of people in vulnerable employment increased by 110 million.

In 2009 as many as 215 million workers were at risk of falling into poverty. In 2008, 633 million workers and their families were living on less than US\$ 1.25 per day.

Efforts by governments to address the social impact of the financial and economic crisis have placed major emphasis on employment generation and income support to workers and families. They have also stimulated social dialogue and consultations with business and labour on measures to counter the crisis.

Full employment and decent work for all is the theme of the Second United Nations Decade for the Eradication of Poverty (2008-2017)

What the ILO does

The four pillars of the Decent Work Agenda serve as entry points based on national priorities. The social partners – employers' and workers' organizations – are vital civil society allies in the fight against poverty.

■ Partnerships

The ILO engages actively in partnerships to promote decent work and nationally defined development priorities. The ILO is taking the lead in promoting the CEB Toolkit for Mainstreaming Employment and Decent Work to ensure policy and operational coherence across the multi-lateral system. Through the "Delivering as One" UN reform process, the ILO forges strong partnerships with the UN system to improve coordination and fully integrate the Decent Work Agenda into national development policies.

The Global Jobs Pact: working out of poverty

The Global Jobs Pact was adopted by the government, employers' and workers' delegates of the ILO's 183 Member States in 2009 in response to the global crisis. The Pact proposes a range of tested crisis-response and recovery measures that focus on employment and social protection. It is a framework for action and a roadmap for the design of policies that can shorten the time lag between economic recovery and employment recovery. The Pact is intended as a reference tool for all development actors, including the multilateral organizations, which have endorsed it in the framework of the UN-CEB Joint Crisis Initiatives. More information can be found at www.ilo.org/jpobs Pact.

The ILO has also taken an active role in the UN-CEB Joint Crisis Initiatives. These cover additional financing for the most vulnerable; food security; trade; the Green Economy Initiative; the Global Jobs Pact initiative; a social protection floor; humanitarian, security and social stability; technology and innovation; and monitoring and analysis.

Significant support for the Global Jobs Pact is being provided by a range of donors, including the European Union.

■ Research and analysis

The ILO undertakes research and analysis in areas that are essential to poverty reduction, using sex-disaggregated labour statistics and indicators. As the lead UN agency promoting full, productive employment and decent work for all, the ILO has central responsibility for facilitating the use of the employment indicators in national and international labour market monitoring systems. In 2009 the ILO released the *Guide to the new Millennium Development Goals Employment Indicators*, including the full set of Decent Work Indicators.

The ILO is the lead agency tracking progress in relation to full employment and decent work (Target 1B) and the employment of women (Goal 3.2). The new target and indicators were introduced in the ILO's *Key Indicators of the Labour Market* (5th Edition), which alongside the *Global Employment Trends* report provides broad analysis of employment and labour market trends.

Working with partners, the ILO examines the interplay of economic and social policies and their impact on the world of work. In advising governments, it analyses the impact of global developments in trade, capital flows, commodity prices and economic fluctuations on poverty, employment, social protection and workers' rights. The ILO backs up policy advice with practical tools and capacity-building initiatives.

■ National policy formulation

At the country level the ILO works for the inclusion of decent work goals in Poverty Reduction Strategies coordinating with the UN family through the United Nations Development Assistance Framework (UNDAF), an important tool through which UN Country Teams can support national development priorities and MDGs.

■ Promoting a human rights-based approach

International labour standards are an integral part of human rights-based approaches to development. This is recognized in the 2009 UNDAF Guidelines and in the *Guiding principles on Extreme Poverty and Human Rights: the Rights of the Poor*, which were adopted by the UN High Commissioner for Human Rights to guide the implementation of existing human rights norms and standards in the context of the fight against poverty.

Highlights

■ International labour standards

In 1998 the International Labour Conference adopted the Declaration on Fundamental Principles and Rights at Work. The Declaration emphasizes that all Member States have an obligation to respect the values reflected in the eight fundamental Conventions, whether or not they have ratified them since they are essential to the attainment of decent work. To date, 179 Member States have ratified at least one of the core Conventions, and 130 Member States have ratified all eight. The eight core Conventions concern the rights of workers and employers to freedom of association and the effective right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in employment and occupation.

46 countries have ratified the Social Security (Minimum Standards) Convention, 1952 (No. 102), which establishes worldwide-agreed minimum standards for all nine branches of social security.

102 countries have ratified the Employment Policy Convention, 1964 (No. 122), which provides that “each Member shall declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment”.

■ Social protection: reaching the poor

More than 75 per cent of the global population do not enjoy a set of social guarantees that allow them to deal with life's risks. In 2001 the ILO launched a Global Campaign on Social Security and Coverage for All to develop awareness and achieve basic income security for all. The ILO and WHO are the lead agencies for the Social Protection Floor Initiative, but they collaborate with all the various stakeholders.

■ Contribution of the social partners

In January 2007 the International Trade Union Confederation, the European Trade Union Confederation, Social Alert International/World Solidarity, the Global Progressive Forum and Solidar launched the Decent Work, Decent Life Campaign at the World Social Forum held in Nairobi. The Campaign aims to show that decent work is a sustainable way out of poverty and is fundamental to build democracy and social cohesion.

Employers and their organizations, including the International Organisation of Employers, are participating in the Global Compact. Launched in 2000, the Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten principles in the areas of human rights, labour, environment and corruption. It is the world's largest corporate citizenship and sustainability initiative, with more than 6,700 participants in 130 countries around the world.



ERADICATE EXTREME POVERTY AND HUNGER

The World Summit for Social Development (1995) created a global consensus to fight poverty. It adopted the Copenhagen Declaration, which calls for the promotion of full employment and secure and sustainable livelihoods through freely chosen, productive and decent work.

The Millennium Declaration, (2000): 189 nations committed “to develop and implement strategies that give young people everywhere a real chance to find decent and productive work”.

At the World Summit (2005), world leaders committed to four new development goals, in addition to those contained in the Millennium Declaration. They include “Achieving full and productive employment and decent work for all, including women and young people”.

Priorities

The eradication of poverty and hunger and achieving full employment and decent work for all are major challenges that require not only a renewed commitment from both poor and developed countries, but also persistent efforts centred on quality jobs, sustainable enterprises, excellent public services, and social protection, while safeguarding rights and promoting voice and participation. The recent inclusion of Target 1B under MDG1 enables countries to understand and use the employment indicators. Statistical capacity building must be upgraded to enable effective, well targeted policy and to measure the progress achieved. By putting full and productive employment and decent work at the heart of policy responses, UN organizations, governments and other stakeholders can take integrated and well targeted action which include the following:

Employment creation

- Give much greater priority to the generation of decent work opportunities with systematic, well-resourced, multi-dimensional programmes
- Implement effective active labour market policies
- Promote and develop sustainable enterprises
- Provide vocational and technical training and entrepreneurial skills development
- Address informality to achieve the transition to formal employment
- Recognize the value of agriculture in developing economies and the need for rural infrastructure, industry and employment
- Increase investment in infrastructure, research and development, public services and “green” production
- Enhance economic diversity by building capacity for value-added production and services to stimulate both domestic and external demand
- Implement a supportive regulatory environment.

Social protection

- Build adequate social protection for all, based on a basic social protection floor
- Extend and improve social protection by widening eligibility conditions and increasing the benefits of existing social security
- Increase access to social protection: income support measures such as cash transfers can enhance access to education and health services
- Introduce cash transfer schemes for the poor to meet their immediate needs
- Upgrade public employment guarantee schemes for the unemployed and working poor
- Respect, regularly review and adapt minimum wages.

Rights

- Recognize that respect for fundamental principles and rights at work is critical to human dignity and of key importance to development
- Increase vigilance to achieve the elimination of forced labour, child labour and discrimination at work
- Ensure the effective application of principles of freedom of association, the right to organize and effective recognition of the right to collective bargaining
- Ratify and implement the principles in fundamental Conventions and ILO instruments particularly those concerning employment policy, wages, social security, the employment relationship, the termination of employment, labour administration and inspection, migrant workers, labour conditions on public contracts, occupational safety and health, working hours and social dialogue mechanisms.

Dialogue

- Recognize that social dialogue is an invaluable mechanism for the design of policies to fit national priorities, and inspires confidence in the results achieved
- Include the social partners and civil society in the design, implementation and upscaling of government policies
- Help fill institutional gaps with the support of the social partners and civil society organizations
- Build the capacity of employers’ organizations, trade unions and local NGOs and develop more efficient procedures for channelling funds to them
- Strengthen capacities for labour administration and labour inspection
- Ratify and effectively implement Conventions on labour inspection and administrative systems.

“All human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity.”

ILO Declaration of
Philadelphia (1944)

MDG 1

**ERADICATE
EXTREME POVERTY
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