



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY
HONOURABLE MR EBRAHIM PATEL, THE SOUTH AFRICAN MINISTER OF
ECONOMIC DEVELOPMENT, AT THE INTEGRATION SEGMENT OF THE
UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL (New York, 31 March
2015)**

Mr. President,

I have the honour to deliver this statement on behalf of the Group of 77 and China.

At the outset, I would like to thank you for convening this meeting of the Integration Segment of the United Nations Economic and Social Council (ECOSOC) entitled "Achieving sustainable development through employment creation and decent work for all".

We look forward to the enriching discussions during this Integration Segment, which will unravel the persistent and emerging challenges to our development and explore policy options to enhance job creation and sustainable human development.

Mr President,

Allow me to utilize data and the figures that were sourced from the ECOSOC's "Key facts on employment and decent work," to illustrate a few points on the issues of paramount concern to this Segment.

As we look towards a transformative global development agenda beyond 2015, it is important to reflect on the fact that global employment grew at an average annual rate of 1.7 per cent between 1991 and 2007. However, since the emergence of the global economic crisis, employment growth slowed to 1.2 per cent per annum between 2007 and 2014. It is estimated that global unemployment stood at 201.3 million in 2014. About 277 million jobs would need to be created over the coming five years to close the crisis-related global jobs gap and to absorb the increase in the labour force.

Of great concern is the fact that the share of jobs in the agricultural sector, in developing countries fell from around 53 per cent in 1991 to 35 per cent in 2013. In least developed countries, about 60% of total employment is still located in agriculture, 42 per cent in the case of lower middle income countries and around one-fifth in emerging economies.

Youth unemployment rate reached 13.0 per cent in 2014, which is almost three times higher than the unemployment rate for adults. Given that the youth constitutes almost a quarter of the global population, the issue of employment creation becomes even more critical for economic growth and sustainable development. Africa, with 200 million people aged between 15 and 24, has the highest concentration of young people anywhere on the planet and thus requires particular attention.

Almost half of the world's employed population is still working in vulnerable conditions, and is predominantly women, who face huge obstacles in accessing basic necessities and decent work. South Asia and Sub-Saharan Africa account for most of the vulnerable employment globally.

With regards to wage, productivity, and inequality, it is noted that while real wage growth in 2013 reached 6 per cent in Asia and nearly 6 per cent in Eastern Europe and Central Asia, it amounted

to less than 1 per cent in Latin America and the Caribbean and also Africa. The combination of slow employment and wage growth has contributed to a long-term decline in the labour income share in most countries. In developing countries, the middle class currently makes up more than 34 per cent of total employment. In the advanced economies almost 25 per cent of total income went to the richest 10 per cent in society in 2011.

These huge disparities and inequalities need to be addressed if we are to attain equitable and balanced development. This can only be achieved through a coordinated international effort to develop new thinking and forging a new dialogue on appropriate strategies to spur inclusive economic growth and employment creation. In doing so, governments must be afforded their policy space to deal with their inherent and peculiar domestic economic challenges based on their own realities. Development must not be imposed but rather be in line with the domestic economic strategies and objectives of Member States.

The current world economic situation makes it all the more necessary for developed countries to fulfill their commitment regarding Official Development Assistance (ODA) to the developing countries and to also provide genuine debt relief to the Least Developed Countries (LDCs).

Mr President,

The Group would also like to emphasize that development goals cannot be credible if they are not backed by the recognition of a need for an urgent reform of the global financial and economic governance structures. The Group therefore, calls for the implementation of the 2010 International Monetary Fund (IMF) Governance and Quota Reform. It is critical that the IMF is well resourced to be able to respond to members who are facing financial and economic crisis. The failure to implement the agreed reforms is compromising the ability of the IMF to access the necessary resources to perform this critical function. In addition, the Group looks forward to the related commitment to further advance a more comprehensive reform process of the International Financial Institutions (IFIs). In building a more equitable and enabling international environment for development, it is necessary to move away from a model based on profitability to one that focuses on productivity, with the rewards going to productive efforts rather than to the interests of the speculative market economy.

Mr President,

It is the conviction of the Group that the United Nations is in a unique position as a universal forum, to strengthen international cooperation for promoting development in the context of globalization, in particular the integration of developing countries into the globalizing economy to enable them to take full advantage of all their potentials for economic growth and development. Therefore, the United Nations must play a fundamental role in the promotion and the strengthening of international cooperation and coherence, coordination and implementation of the internationally agreed development goals, including the unmet Millennium Development Goals and the outcome of the post-2015 development agenda, which are currently high on the agenda of negotiations in development issues.

Mr President,

The Group therefore believes that it is imperative for the United Nations to spearhead global efforts of assisting Member States in achieving sustainable development through employment creation and decent work for all through its platforms and universal coverage. This can be done, inter alia, through the available tools in the United Nations development system and the attendant focus on

strengthening the current South-South Cooperation Office through human and financial means. While focusing on these critical political economic dimensions, we should be cognizant that North-South Cooperation remains the main imperative and bedrock in opening up the glaring and unpalatable development bottlenecks that affect the developing countries in the main.

We therefore call upon all participants and stakeholders attending this Segment to have a common goal and resolve to work together in creating synergies to assist in putting steam into the locomotive to bring into fruition decent employment to benefit the entire global workforce seeking employment and to bring hope to those who have given up looking for work. This would engender possibilities to catalyze world economic growth to assist millions the world over, to come out of poverty and thus joining the main economy as opposed to being left out in the periphery of development.

Thank you!