



**STATEMENT BY THE MINISTER OF LABOUR OF THE REPUBLIC OF SOUTH AFRICA, MR. MEMBATHISI MDLADLANA, ON BEHALF OF THE GROUP OF 77 AND CHINA ON “CREATING AN ENVIRONMENT AT THE NATIONAL AND INTERNATIONAL LEVELS CONDUCIVE TO GENERATING FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL, AND ITS IMPACT ON SUSTAINABLE DEVELOPMENT” TO THE ECONOMIC AND SOCIAL COUNCIL, HIGH LEVEL SEGMENT (Geneva, 4 July 2006)**

Mr. President,

I have the honor to speak on behalf of the Group of 77 and China.

It is cruel irony that as we come together we are faced with an added challenge as a result of the Ministerial Meeting of the World Trade Organization having failed yet again to reach an agreement on the Doha Development Round. The Doha Round is supposed to lead to a better life for all poor people around the world. The fact that we still have to contend with the impact of trade distortions and the unfair agricultural subsidies makes our challenge of creating an environment for generating full and productive employment at national and international levels difficult to achieve.

The United Nations can help Member States develop the correct labor rules and regulations at the local and national level. But these are unlikely to have a lasting improvement in achieving sustainable development unless there is also a conducive international environment for creating productive employment and decent work for all.

This is critical if we are to achieve the fulfillment of the internationally agreed development goals, including the Millennium Development Goals and further succeed in substantially reducing the total number of people unemployed which reached new levels in 2005.

Mr. President,

Developing countries are already striving to create an environment conducive to generating full and productive employment and decent work for all. The majority of developing countries have ratified the International Labour Organisation's Convention on safeguarding and promoting respect for basic workers' rights, including the prohibition of forced labor and child labor, freedom of association and the right to organize and bargain collectively, equal remuneration for men and women for work of equal value, and non-discrimination in employment.

It is important to note that the unemployment problem at the national level is not exclusively a labor market problem. Increased flexibility of the labor market does not automatically lead to increased economic efficiencies. Non-compliance with labor regulations, for example, might create short-term employment for some, but it is unlikely that it will generate labor market efficiency. Therefore flexibility should not be accepted unquestioningly as a goal. The debate needs rather to be shifted towards reconciling the imperative in job creation, flexibility, efficiency and the security of the workers.

Economic growth at the national level is of primary importance. After all, providing people with jobs is better than making them dependent on aid. If the economies of the developing countries are to generate the much needed employment growth, a number of interrelated factors need to be addressed at the international level.

Mr. President,

Globalisation has brought with it a variety of challenges, opportunities and global imbalances in the economic, financial and trading regimes. As a result most of the economic and job opportunities tend to favour the developed world, whilst developing countries suffer as the gap between the rich and poor becomes wider.

For example, migration continues to contribute to the loss of the much needed skilled workers in the developing world who are compelled to leave and seek better opportunities in the developed world.

The root causes of unemployment, such as hunger and poverty, underdevelopment, low skills base, lack of capacity and technical know-how, as well as the issue of people living in rural and agricultural regions, also needs to be addressed holistically and equitably.

Unequal access to information and communication technology has also meant that developing countries have been unable to take advantage of the technological advances resulting in even further marginalisation and the concomitant loss in generating employment.

Therefore, the impact globalization has on employment, in particular from the perspective of external conditions at the international level, needs to be addressed equitably and comprehensively, if we are to achieve the goal of making globalization fair.

Mr. President,

The impact of monetary and trade policies, in particular trade distorting subsidies, non-tariff barriers, foreign direct investment, policy space, voice and participation of developing countries in the BWI's, the role of international organisations, international migration and corporate social and environmental responsibility also needs to be addressed holistically, comprehensively and equitably.

Therefore the Group of 77 and China strongly reiterates that a universal rules-based, open, non-discriminatory and equitable multilateral trading system, and the fullest realisation of the development dimension of the Doha work programme, are essential to ensure that trade plays its full part in promoting economic growth, full and productive employment, and decent work for all.

I thank you.