



Special Session of the African Union Labour and Social Affairs Commission

Meeting of Ministers

“Employment, Poverty Eradication and Inclusive Development”

Statement by:

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- Your Excellency, Mr Hifikepunye Pohamba, President of the Republic of Namibia;
- The Hon. Doreen Sioka, Minister of Labour and Social Welfare of the Republic of Namibia;
- The Hon. Nicholas Goche, Minister of Public Service, Labour and Social Welfare of the Republic of Zimbabwe and Vice-Chairperson of the 9th Session of the African Union Labour and Social Affairs Commission;
- Honourable Ministers of Labour from the member States of the African Union;
- Our Social Partners, the Representatives of Employers' and Workers' Organizations, represented at the Opening Session by Ms Mugo and Mr Abdelkarim;
- Dr Mustapha Kaloko, African Union Commissioner for Social Affairs;
- Members of the Diplomatic Community;
- My Esteemed Colleagues from the United Nations Family;
- Distinguished Delegates.

It is indeed a unique privilege for me personally, and in my new capacity as ILO Assistant Director-General and Regional Director for Africa, to stand before you all this morning and share a few thoughts on the subject matter of this august gathering under the theme "Employment, Poverty Eradication and Inclusive Development".

Specifically, the issues at stake here are:

- Employment (or more accurately, the lack of employment opportunities, especially for Africa's youthful population);
- The pervasive inequality and the imperative for social protection for those by-passed by the macro-economic growth of recent years;
- The guiding principles of inclusive and constructive social dialogue; and

- The pervasive phenomenon of labour migration.

These are critical issues of our time.

I want to add, however, that these are also issues that are central to ILO's very existence as an organization. ILO's partnership with the African Union on these issues is quite strategic and critical in prosecuting the mandate given to the Organization by its Governing Body. I would like, therefore, to express our appreciation to the African Union Commission on Labour and Social Affairs for the invitation to join in this important dialogue. I also wish to convey to the host of this meeting, the Government of Namibia, the Chair and all delegates, the apologies of Mr Guy Ryder, ILO Director-General, who could not attend this particular gathering but follows the issues and the deliberations very closely and looks forward to a structured dialogue with the African Union Commission and member States on at the occasion of the International Labour Conference in Geneva in May and June this year.

Your Excellency, Distinguished Guests and Participants:

Ten years ago, African Heads of State and Government convened in Ouagadougou, Burkina Faso, and agreed to put employment at the centre of their development priorities. Most notably, the African leaders agreed to take action to reverse the trends of pervasive poverty, unemployment and under-employment on the continent and to bring material improvement in the lives of Africans. Then, as now, the ILO was proud to be closely associated with the historical process that led to what became known as the Ouagadougou Declaration on Employment and Poverty Alleviation in Africa of September 2004.

When African Heads of State and Government convene once again in Ouagadougou in September this year to review progress over the past 10 years and map a new and improved way forward, the ILO stands ready, naturally, to commit its full technical and other support to the successful realisation of the agreed outcomes.

Ouagadougou 2004 was a political milestone. For its successor, Ouagadougou+10, to succeed, the ILO believes, based on what we have learnt over the last decade, that concrete, time-bound and results-oriented action will be required in follow-up. In other words, the Ouagadougou+10 aftermath must be systematically monitored, reviewed and adjusted in implementation as we continue to learn what has worked and what has not, with respect to the agreed strategic priorities:

- Employment creation, with a particular focus on young people;
- Social protection in the context of widening inequalities;
- Inclusive social dialogue, anchored on International Labour Standards; and
- Migration and mobility as they impact on employment creation.

Clearly, the creation of employment and decent work that pays decent wages remains a key priority in all our development efforts and in fact, one could argue, underpins all other development priorities. Over the last decade, Africa has recorded impressive and reasonably sustained macro-economic growth rates. African economies, on average, also showed relatively robust economic fundamentals in terms of stable currencies, single digit inflation rates, reasonable reserve positions, often bolstered by significant remittances, which in aggregate now exceed Official Development Assistance. On average, African economies were reasonably resilient to the financial and economic crisis in the latter part of the decade whose consequences are still with us to this day.

The above notwithstanding, I think we can all identify a few but key downsides in this picture:

- First: a large part of the macro-economic growth we experienced was accounted for by the export of primary products and natural resources with no or very little value addition. In other words we, by and large, experienced economic growth without economic transformation. There are, of course, instances where value addition has occurred but on average, growth has been driven by primary products.
- Second: the growth we recorded was really not inclusive or widely shared. In addition, because of the nature of the growth – resource driven – there was limited creation of new jobs or decent work for the vast majority of the African people.

There exist among us as Africans, a large army of young, able-bodied people without jobs or at best in vulnerable employment or the informal economy. Increasingly, as a generation, these are relatively well educated young people, without jobs or full and proper employment. Let us remember that the spark of what later became the Arab Spring, was in fact a young man, a university educated engineer, who subsisted by selling fruits and vegetables because he could not get a job commensurate with his education. When the trolley from whence he earned his living was confiscated by the police, given the sense of helplessness around his life, he lost it.

Recently, I have heard arguments to the effect that most of the unemployed youths are in fact unemployable, that despite their relatively higher level of education, they do not have the right skill sets required by the employers. This is true to some extent. The ILO has done path-

breaking work on labour market issues, including demand, supply and skills surveys that, to some extent, supports this view. However it also remains self-evident that the primary cause for pervasive unemployment is that the economic growth of the last decade has not resulted in significant and transformative job-creation. In fact, we observe that on average, the rate of growth in jobs has slowed down. It is necessary to understand this distinction and phenomenon in order to ensure that our development strategies do focus on job-creation and growth as integral parts in the design of the development strategies rather than as an after-thought.

During the pre-event to this Special Session held on 22 April, we got a glimpse of the rich potential of the youth and women of Africa. We heard from so many young people and women who not only told their inspiring stories, but made clear policy recommendations on how member States, RECs, AUC and international development partners can better unlock Africa's tremendous talents and potentials. The story of a 25 year old young man from Nigeria who established an online private university at the age of 23 was told. This African young man, celebrated by CNN and Forbes as another Mark Zuckermann, reflects what can happen when innovation is given room to blossom.

The award-winning story of a committed female activist and entrepreneur in Ethiopia who has contributed to the promotion of women's empowerment by helping them own businesses and become major agents of economic development and employment creation was also told. She was instrumental in bringing together 12 professional and business women - leading to the establishment of the very first women's bank through private equity. Her women's empowerment efforts have been recognised through several international awards; including the International Woman of Courage award by the US Government.

This takes me to my second, related point, social protection

At the Second African Decent Work Symposium, which was organized by the ILO in Yaoundé, Cameroon, in October 2010, African countries adopted the Tripartite Declaration on the Implementation of the Social Protection Floor, recognizing that sound social protection is a political, economic and social necessity, and a prerequisite for inclusive growth. Social protection is an essential concern for African countries because it extends social security to the labour force, enabling them to protect and build their human and physical capital in times of unemployment.

Efforts to create a more enabling environment for sustainable and inclusive economic growth require investment in the human capital of the population throughout the life cycle, through access to health, education and other social services, as well as at least a minimum level of income security that empowers people to engage in productive employment and income-generating investments.

Considerable progress towards higher levels of social protection coverage has been achieved in a number of countries across Africa, which shows that even in situations of tight budgetary constraints some investment in social protection can be made. Basic social protection packages may have a major impact on the reduction of poverty and the improvement of living standards.

Limited access to social protection mechanisms remains one of the main policy challenges in achieving sustainable growth, productive employment and Decent Work in Africa. I believe that investing in people's social protection will help African countries develop their full

productive potential, contribute to the formalization of employment, support economic and social change, foster sustainable and equitable growth, reduce vulnerability and boost economic and social development.

Thirdly, sound labour relations and social dialogue

At the ILO, we believe it is the responsibility of tripartism to promote policies that will give people a fair chance at a decent job.

The promotion of sound labour relations is central to decent work. There have been significant developments in the legislative and institutional framework for industrial and employment relations in a number of countries in Africa. Some countries have strengthened organizational rights and ended the state-sponsored union monopolies of old. Others have strengthened mechanisms and procedures for collective bargaining which has in turn contributed to improvements in wages and working conditions.

Despite these developments, mechanisms and processes remain underdeveloped in many of our countries. The numbers of workers belonging to trade unions and who have their wages determined by collective agreements remains low. The growth of temporary labour services, alongside long-standing informal employment relationships in many countries excludes disproportionately large numbers of workers from protection by labour law due to the difficulty in establishing whether or not an employment relationship exists and with whom.

We approach inclusive social dialogue as a key governance mechanism to realize the Decent Work Agenda in Africa. The building blocks for effective social dialogue include well-resourced institutions for tripartite social dialogue, mechanisms and processes that promote sound labour relations and a solid legislative foundation for labour relations. Processes of regional economic integration can have an important role in advancing such mechanisms, which need to be taken advantage of.

Lastly, the phenomenon labour migration

Migration is one of the key global – and African – challenges for economic development, social cohesion and governance. The dearth of employment opportunities and decent work, combined with widening disparities in incomes and human security, as well as demographic trends, have led to increased migration pressures in Africa.

Between 8 and 9 million Africans are living and working outside their countries of birth, mostly in Africa but many in Europe, the Gulf States and other continents. While low- or semi-skilled non-professional occupations predominate, there are also significant numbers of skilled workers and professionals among African migrants. The resulting skill drain is a major concern.

However, labour migration also generates valuable remittances for families in the recipient countries. Increased mobility of working women and men across borders is set to become a permanent feature of the African and global economy, particularly within the context of the AU regional integration initiatives as well the Agenda 2063. However, the treatment accorded to migrants often leads to social exclusion. Avoiding this requires establishing effective

labour migration governance arrangements which are translated into explicit legislation, policy and administrative measures.

Regional interventions should focus on establishing tripartite mechanisms for labour migration governance at regional, sub-regional and national level. A rights-based policy framework will facilitate labour migration legislation and regulation at national level, taking into account the employment and labour aspects of migration. Regional policy should also focus on harmonisation of skills development, minimizing and compensating for the brain drain, through increased knowledge opportunities for migrants, enterprise development, streamlining remittance channels and investment opportunities, and the adoption and effective implementation of the global core migration standards and frameworks, including those developed by the African Union.

I am pleased that the ILO has entered into a partnership with the African Union Commission, the International Organisation for Migration and the United Nations Economic Commission for Africa to develop a programme on Labour Migration Governance for Development and Integration in Africa. This programme is designed to, amongst other things, strengthen effective governance and regulation of labour migration in Africa with the involvement of key stakeholders including Regional Economic Communities (RECs), government ministries and relevant institutions, social partners and migrants. I am pleased to note that this programme received overwhelming support from the experts during their deliberations yesterday. Your very strong vote of confidence strengthens our resolve to finalise the programme and work closely with the AU, IOM, ECA and our other partners to mobilize the necessary resources for implementation.

Finally, the ILO is committed to the success of Ouagadougou+10. The ILO is also committed to the change process that is required in order to realise the outcomes of this important meeting of African leaders. Because, the meeting is not only an event, it is indeed the launch and continuation of a region-wide process. The ILO looks forward to supporting the implementation of policy outcomes from Ouagadougou+10 at country level, through well-established Decent Work Country Programmes; at sub-regional level, through sub-regional Decent Work Programmes, like those developed for the SADC region and East African Community; and at regional level, through our dialogue with the African Union on the development of an African Regional Decent Work Programme.

Acting on these commitments requires dedication and partnerships at the national, regional and international levels, including the governments, employers' and workers' organizations. A joint multilateral initiative with a strong buy-in from all partners will allow for greater accountability, sharing of responsibilities and a stronger dynamic for implementation by each member State of the Declaration and Plan of Action to be adopted in Ouagadougou in September. A Declaration and Plan of Action that must be clearly embedded within the Post-2015 Development Agenda and the African Union's Agenda 2063.

Today, our common vision is clear: Employment, social protection, rights and voice for all women and men in the African region.

Our common response is clear: Building on the strengths of the region, acknowledging its dynamic and young population, its vast natural resources and large regional market.

And our common ambition is clear: Offering the people of Africa productive opportunities; and giving the youth hope for the future through decent work for all.

Your Excellency, Honorable Ministers, Distinguished Participants, I thank you for your kind attention.