

Document for Information

**First ASEM Labour and Employment Ministers Conference
September 3rd – 5th 2006, Potsdam:**

**More and Better Jobs – Working Jointly
to Strengthen the Social Dimension of Globalisation**

Chairman's Conclusions

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First ASEM Labour and Employment Ministers Conference Chairman's Conclusions

1. Under the title "More and Better Jobs – Working Jointly to Strengthen the Social Dimension of Globalisation" the first ASEM Labour and Employment Ministers' Conference was held in Potsdam, Germany, on 3-5 September, 2006. It was attended by the Labour and Employment Ministers from the ASEM Member Countries and by the Commissioner for Employment, Social Affairs and Equal Opportunity of the European Commission. The meeting was chaired by German Vice Chancellor and Minister of Labour and Social Affairs, Franz Müntefering.

Globalisation and employment – common challenges and opportunities

2. German Vice Chancellor Franz Müntefering opened the meeting and emphasised the important role of the ASEM process as a platform for the dialogue and cooperation between Asia and Europe. He welcomed this first opportunity for Labour and Employment Ministers to contribute to the ASEM process in response notably to the mandate by the 2004 Hanoi ASEM5 Summit to expand cooperation in areas of common interest such as employment, as well as to address strategic and longer-term political dimensions of major economic policy issues such as globalisation and its related social challenges.
3. He pointed out that globalisation, international division of labour and the need for restructuring have strongly affected both Asia and Europe and increased the interdependencies between these two regions. Even though there have been different developments regarding employment and investment policies, both regions are facing common challenges. This conference in the year of the 10th anniversary of the ASEM process reveals the importance of exchanging views, experiences and political strategies of shaping globalisation and maximizing its benefits. Vice Chancellor Müntefering further stressed the important role the Labour and Employment Ministers Meeting would have for the upcoming summit in Finland.
4. Ministers congratulated Vice Chancellor Franz Müntefering for having taken this important initiative and underlined the importance of a close and productive dialogue and cooperation between Asia and Europe on employment and social policy. They recalled the increasing importance of Asia-EU relations, including a growing number of dialogues and cooperation initiatives between the EU and Asian countries. Ministers further underlined the key role of full and productive employment, decent work for all, and social cohesion for sustainable socio-economic development, as recognised notably in the 2005 UN Summit conclusions. In this context Ministers also welcomed the report of the World Commission on the Social Dimension of Globalisation. European representatives stressed the EU's increasing activity to include employment, decent work and regional and social cohesion into its external policies, including development, trade and external cooperation.
5. Ministers further discussed opportunities and challenges related to globalisation, the international division of labour and restructuring and prospects and appropriate policy responses with the objective to jointly maximise the benefits of globalisation and extend its benefits to all. While they noted the importance of making globalisation a success for all, they also acknowledged the need to resist protectionist approaches. Achieving both objectives requires good governance, effective social protection and effective policies to address the challenges posed by adjustment costs, to mitigate economic and social imbal-

ances both within and among countries, to promote access to decent work for all, including for women and young people and to seize the opportunities provided by globalisation. It also requires policies to respect and promote human and social rights, particularly those set out in the ILO Decent Work agenda and in the ILO 1998 Declaration on Fundamental Principles and Rights at Work, which cover the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, the elimination of discrimination in respect of employment and occupation, the freedom of association and the effective recognition of the right of collective bargaining.

6. Key policies in this respect are effective education, employment and social policies, providing adequate systems of social protection, supporting the anticipation and management of change, promoting full and productive employment and decent work for all, investing more and more efficiently in human capital and strengthening regional cooperation and global governance. Ministers shared the view that such policies should include a certain number of common features valid across all countries, irrespective of their level of income, notwithstanding important differences in immediate priority areas for action and practical details.
7. Some Ministers referred to the 95th International Labour Conference held in Geneva where the case of Myanmar and the Forced Labour Convention 1930 (No. 29) was discussed. They recalled the conclusions on Myanmar adopted by this conference, reiterating the need for the Myanmar authorities to show action and follow-up on these conclusions. The representative of Myanmar briefed the Ministers about recent developments in Myanmar and mentioned that Myanmar would report to the next session of the Governing Body of the ILO in November.

Working jointly to strengthen the social dimension of globalisation

8. Ministers welcomed the exchange of best practices regarding labour market and employment policies and social protection in the ASEM context. They addressed concrete ways to strengthen the social dimension of globalisation and promote decent work for all in three separate workshop sessions:

I. Growth and employment – how can positive interaction be enhanced?

9. Irrespective of their historical, political and development background, ministers of ASEM countries agreed that economic, employment and social policies are mutually reinforcing and should be coherent. In particular, they stressed that high and sustainable economic growth and sound economic framework conditions are the key for the creation of more and better jobs. They underlined that migration is a major element of globalisation which can be an important factor for economic growth and employment and called for an effective management of migration processes.
10. Employment and social policies should promote sustainable employment creation, more and better jobs and more productive employment, improve employment intensity of growth, provide security as well as flexibility in the labour market and in employment, strengthen employability and adaptability and promote employment creation in the formal sector. They should promote decent work for all, support gender equality, improve the quality of jobs and occupational health and safety in the workplace and provide employment opportunities for vulnerable and disadvantaged people. They should involve and mobilize all relevant stakeholders, including the social partners. Decent work is the key to sustainable productivity growth and vice versa. The demographic change highlights the central importance of sustainable productivity growth and decent work in achieving higher economic growth and better employment. Technological development, investments in R&D and human capital, occupational and regional mobility of labour through active labour market policies and the quality and attractiveness of working life are the cornerstones of sustainable productivity growth and higher employment.

11. Ministers agreed that enterprises can bring substantial benefits to sustainable economic growth, social welfare, and the creation of decent work. These positive and voluntary contributions can be strengthened when Corporate Social Responsibility is part of the core business of each company. With regard to Corporate Social Responsibility governments should facilitate and stimulate this process, taking the role of an agent for change, bringing different parties together and inviting them to engage in innovative cooperation. In this context Ministers underlined the importance of the ILO Tripartite Declaration of Fundamental Principles and Rights at Work and the UN Global Compact.

II. Investment in human capital – key factor for economic progress and social inclusion

12. Ministers stressed the importance of education, training policies and competencies in view of increasing labour mobility and integration of immigrants. Lifelong learning improves employees' security and readiness to adapt to the changes caused by restructuring and unemployment. Responsible political leadership calls for collection of labour market and education data, monitoring of the progress made, collecting best practices, setting up benchmarks on a national and international basis and anticipating the key competencies needed in the future. Increasing productivity, labour market participation, social inclusion and competitiveness requires quality education and training systems.
13. Lifelong learning has an important role in the future, particularly for young people, women and people over 50. Learning in schools and vocational training institutions has to become more attractive and demand-led, as school drop-outs and low-skilled workers will otherwise remain a continuous challenge to social security systems. Comprehensive systems of guidance, counselling and placement services need to be further developed. Recognition of non-formal learning and training certificates among regions will add to employment security and re-integration in the labour market.
14. Education and training policies should reduce school drop-outs, promote self-independence of the youth, favour labour market-oriented vocational training and promote lifelong learning. They should provide competencies for the knowledge-society to develop domestic human resources that are competitive in the globalised economy.

III. Regional cooperation to strengthen the social dimension of globalisation

15. Ministers agreed that regional cooperation is a good way to strengthen the social dimension of globalisation. Ministers are aware that despite the different levels of development of the ASEM countries, social imbalances may exist everywhere and may be aggravated by globalisation. Therefore, they reiterated the need for fair globalisation.
16. Strengthening the social dimension of globalisation requires international cooperation and exchange of experience, policy concepts and best practices. Ministers insisted on reinforcing regional cooperation which could offer a good basis for interregional dialogue as became evident in this conference. Topics of further ASEM cooperation could be: vocational training and lifelong learning, migration issues, implementing decent work and occupational health and safety at work.
17. Further cooperation should also try to involve the social partners and other relevant actors in an appropriate way.

Future cooperation and meetings

18. Ministers agreed to cooperate in the relevant international fora, including in the UN and notably the ILO, the WTO and the World Bank / Bretton Woods institutions, with a view to improving coherence on purpose of strengthening the social dimension of globalisation and meeting the related challenges. They took note of the need for ASEM in the future to further strengthen the substantive dialogue and cooperation in a number of areas, including employment and social policy.
19. They expressed their wish to have the results of this meeting reported to the ASEM 6 Summit in Finland. They called upon the summit to endorse their proposal of a regular ASEM dialogue and cooperation on employment and social policy, including seminars with specific topics of mutual interests which have to be decided upon. Ministers agreed to accept the kind offer of Indonesia to host the second ASEM Labour and Employment Minister Conference in 2008. Ministers expressed their appreciation to the German authorities for their excellent arrangement of the meeting and the warm hospitality offered by the Land of Brandenburg and the people of Potsdam.