Mr. Chair,

While the global economy has recovered from the depths of the crisis, growth remains below pre-crisis levels and is uneven across countries and regions. Continued volatility in financial markets has negatively affected growth in some emerging economies. The global employment rate currently stands at 55.7 per cent, substantially above its pre-crisis level. This figure is expected to reach 202 million in 2013, 73 million of which are young women and men. The recent IMF downward revision of the global growth forecasts will worsen the employment prospects.

Overall, the crisis has led to a rise of 32 million in the number of unemployed over the past five years. Furthermore, some 870 million women and men are working poor not earning enough to lift themselves and their families out of poverty. In developing economies, the share of informal employment still at unacceptable levels, standing at 40 per cent in two-thirds of the countries for which data is available. These figures stresses that the quality as well as quantity of jobs matters greatly.

The lack of employment opportunities for our youth is one of the greatest problems of our times and its impacts will leave scars over generations in terms of economic losses, social unrest and political instability. The youth unemployment rates are 2 to 3 times the average and continue on rise and the number of young people not in employment, education and training has risen to 15.8 per cent in industrialized economies.

Looking beyond 2015, the world’s labour force is expected to grow in the period up to 2030 by some 470 million. Therefore, together with narrowing the jobs gap that has grown since 2007, the fundamental post 2015 global challenge is creating 600 million new jobs in the next fifteen years. In the long term there is no sustainable development without job creation.

The international financial system must be able to support sustained, inclusive and equitable economic growth, sustainable development, job creation and efforts to eradicate poverty and hunger in developing countries.
The world faces an insurmountable challenge of creating productive employment and decent work for its expanding labour force. The challenge is truly global as the world has been experiencing an unprecedented situation of jobless growth, increases in inequality, disconnection between wages and productivity and stagnation or decline of the labour share in the national income in most countries, Global forces such as cross-border flows of trade, capital and labour all have important consequences for employment in individual countries. Therefore, **policy makers must meet the challenge of integrating macroeconomic, financial, and labour market policies to foster growth and employment is common for most countries.** Such targeted actions should include:

- Fostering a sound domestic investment and business climate, especially for SMEs, start-ups, and venture business;
- Delivering reforms to foster growth and job creation, address labour market segmentation, reduce informality, and promote inclusive labour markets, while fully respecting workers’ rights and social protection;
- Implementing labour market and social investment policies that support aggregate demand and reduce inequality, such as broad-based increases in productivity, social protection, skills development, appropriately set minimum wages with respect to national wage-setting systems, social dialogue and national collective bargaining arrangements, and other policies to reinforce the links between productivity, wages, and employment;
- Implementing policies to increase labour force participation, including among youth, women, older workers, and people with disabilities, as well as reducing structural unemployment, long-term unemployment, underemployment, and job informality;
- Promoting well-targeted cost-effective and efficient active labour market programmes, focused on skills training and upgrading, especially for the vulnerable groups.
- Extending sustainable and effective national floors of social protection in order to increase economic resilience and promote inclusive and equitable economic growth.

**Mr. Chair,**

The ILO stands ready to support the important work of this Committee and looks forward to a positive outcome of our discussions.

Thank you.