

Statement by Sweden – 101st ILC

Mr Chairperson, Ladies and Gentlemen, Distinguished Delegates

I am very pleased to stand here today and speak for the first time before this eminent audience. It has been an intense ILO year for many of us. I am especially referring to those of us who have been actively involved in the campaigning of candidates for the post of a new Director-General. I would like to take this opportunity to congratulate Guy Ryder to this important post. I would also like to thank Juan Somavia for his years of tireless service and wish him all the best for the future.

ILO has a clear value added in guiding Member States and decision makers on best practices. The agenda of this year's International Labour Conference clearly illustrates the high ambitions of the organization. However, the deadlock that has prevented the Committee on the Application of Standards from fulfilling its role is of great concern. It is my sincere hope that the process laid out for managing these issues will ensure that the committee's crucial function can be restored for the next year, and the years to come.

With regards to the substance of the ILC, let me briefly first refer to the recommendation on a social protection floor soon to be adopted. Sweden supports the recommendation. I am sure it can be an inspiration for those Member States that have not yet implemented comprehensive social protection schemes. Social protection should be seen as instrument of reducing poverty, inequality and social exclusion. It also functions as an automatic stabilizer in times of crisis.

This leads me to the challenge of youth unemployment; an issue of top priority for all of us. According to ILO figures 75 million persons aged 15 – 24 were out

of job in 2010. Furthermore, an estimated 152 million were young working poor, earning less than 1.25 USD/day.

The report on youth employment crisis points out: "To have four out of ten young people unemployed is a social and economic catastrophe". I could not agree more.

Long-term youth unemployment might have devastating effects on future life prospects and job opportunities for young people.

The description of youth unemployment should, however, be nuanced. We shall not forget that, on average, young people have shorter unemployment spells than older workers and generally find a job more quickly. In Sweden we know that young people often combine work and studies. The youth unemployment in Sweden is around 23 per cent – but almost 50 per cent of these are full time students.

As underlined in the report there is no quick fix. I concur with the idea that a significant reduction of the youth unemployment is not feasible without achieving a high rate of economic growth and an increase in the overall employment. A combination of demand and supply-side measures are needed. Incentives to stimulate economic growth, job creation, youth entrepreneurship and training are all essential ingredients in this mix. Short term measures to increase demand and long term measures to invest in education should work in parallel.

From a general point of view it is important to make work pay as well as making it easy for employers to employ. Furthermore, job placement activities are central ingredients. The social partners also have an important role to play to find a balance between flexibility and security in employment arrangements for all.

On the other hand, young people must not be regarded as a homogenous group, because that might lead us to the wrong measures. It is important to target those groups that have difficulties in finding employment. As is referred to on pages 21 to 26 in the report, the youth age group is composed of different individuals with personal characteristics and needs. Differentiated responses have to be designed to meet these groups at an individual level.

Key challenges lie with those young who are stuck in long-term unemployment or who have a low level of education. One example from Sweden in order to stimulate labour demand for young people is to reduce social security contributions for companies hiring young people.

Other possibilities are economic support to start a business, internship programmes, job searching activities and apprenticeship programmes.

As I indicated initially, I believe that the ILO has a great potential to take the lead in mobilizing the international community, in the struggle to combat global youth unemployment. And I think it must do so, with all available means. The ILO can and should work as an advocate, providing research, knowledge and guidance to Member States. Further ILO should promote employment and decent work within the multilateral context in co-operation with the international financial institutions. It is, however, a challenge for the ILO to be relevant to all member states.

But that is not enough. In the end it is up to us, as Member States to learn from each other and to find solutions and develop and implement initiatives on employment, job creation, education and skills.

Thank you, Chair.