

Winds of Change

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Mr President, please accept my congratulations on your appointment as President of the 2006 Conference. I wish you every success.

The Director General's report this year details ILO activities during a period when the organisation has consolidated its efforts around the four strategic dimensions of *decent work*, namely standards and fundamental principles and rights at work, greater opportunities for decent employment and income, social protection for all, and the strengthening of tripartism and social dialogue.

The report explains that the United Nations World Summit in September 2005 resolved to make the goal of decent work central to relevant national and international policy and strategy development, including development strategies directed to poverty reduction. In the Director General's view, broad international support is paving the way for decent work to become central to global and national policies.

Regarding decent work promotion, Business NZ notes with approval reported endeavours to strengthen institutional capacity and the ILO's increasing involvement in country assistance programmes – something our organisation has long recommended.

However, we continue to be concerned that some ILO activity takes too little account of the specific and differing needs of each country. On occasion the ILO will promote solutions that place the organisation's own institutional gloss on the interpretation of labour standards. It is important to promote principle rather than prescription and not to always require unrealistic "letter of the law" compliance. There are many pathways to success.

The need for change was recently underlined by the United Nations' Secretary General in his 7 March speech to the UN General Assembly in New York. There Mr Kofi Annan clearly stated his view that an organisation in place for some sixty years is likely to require a radical overhaul. The ILO, of course, is older than that. Like the UN, it is now highly diversified and truly worldwide, a far cry from its origins.

The Secretary General saw the need for change in six areas – people, leadership, information and communications technology, service delivery, strategic budgeting and governance.

The Secretary-General's proposals have much relevance for the ILO. In a rapidly changing world, international organisations must be in a position to adapt quickly to changing circumstances. The ILO has already had some significant success in recent years - greater involvement in fieldwork is a good

example - but the game moves on and change is still essential if the organisation is to retain worldwide member support.

The breadth of the ILO's work and the world-wide spread of its activities are remarkable but the challenge remains to ensure that the knowledge gained by field workers passes into policy development rather than simply staying with the individuals concerned. It would be a great outcome if the ILO was truly able to understand and take account of the many and varied situations in which individual countries find themselves.

Business New Zealand has had a long partnership with the ILO in capacity building. In cooperation with that organisation we recently held a workshop for representatives of Pacific Employers' Organisations in Auckland. Eight countries were represented and a wide range of issues was discussed. Both of our social partners in New Zealand contributed actively during the meeting, demonstrating, if it ever needed to be, that tripartism is alive and well in our country.

Delegates shared skills in governance, advocacy, industrial negotiation, member management and policy work. Plans were made for future tripartite initiatives aimed at issues such as youth unemployment and the promotion of decent work.

As the most isolated of the developed nations we are only too aware of the problems of distance; but I would like to use this platform to call on the ILO to consider further capacity building in the Pacific Islands. The social partners in those small, often very isolated countries will doubtless benefit greatly from ILO involvement that recognises and takes into account their unique challenges and opportunities.

Capacity building is some of the most valuable work of the ILO and businesses in New Zealand recognise and support that by being actively involved.

The need for the ILO to constantly meet new challenges of the sort I have just spoken about in capacity building and otherwise suggests that the organisation must constantly be open to change. This change may not be easy but it is the only way to ensure this organisation, however long-standing and however respected, stays relevant and useful.

The winds of change are blowing through the United Nations. That can only be healthy.

As a sister organisation, the ILO must think about how it will change too.