



# Social Summit 2009

## People First

### Tackling together the human dimension of the crisis

#### Chair's Summary

#### A global commitment for people: social cohesion is the driver of the economic recovery.

G8 plus Brasil, China, India, Mexico, South Africa and Egypt Labour, Social and Social Development Ministers together with ILO, IMF and OECD, gathered in Rome, March 30 and 31, to discuss in a comprehensive way the impact of the current economic crisis on the labour market. There was agreement on promoting sound and effective policies based on common principles to address the human dimension of the crisis.

Unemployment and poverty waste economic and human potential. That is why *People First* is the key word of a set of policies that aim to create jobs, support income, enhance social protection systems and invest in skills.

Measures taken internationally should aim to restore confidence, stability, and growth. A strategic response to the crisis requires an integrated economic, employment and social approach. Good macroeconomic policies must be linked to employment and social policies, that restore the confidence in the future and increase long-term saving and consumption.

Three main actions can help establish a global commitment for people:

1. promote employment, skills and income support to unemployed people, to strengthen their skills and to maintain companies' employment;
2. improve social protection systems as drivers of the "confidence virtuous circle" and, consequently, of the economic and employment recovery;
3. include social sustainability in the economic stability assessments at the national and international levels.

#### Supporting people and maintaining productive and employment capability

- The global economic downturn affects families and communities, undermining social cohesion. Vulnerable groups -among them young, women, elderly and migrants- are hit hardest. Tackling the unemployment of core workers that put at risk the income stability of the families is also a priority.
- Measures should provide income relief for people and households and avoid long term unemployment, with particular reference to the most vulnerable groups. No



one should be written off. It is crucial, even in present circumstances, to link social protection to active labour market policies.

- There is wide consensus on the importance of maintaining and restoring people's employability by strengthening policies on training, skills and education, matching the needs of the labour market. Programmes should target to the competencies, labour market needs and should be consistent with environmental and technological changes (*green jobs*).
- Temporary measures should be adopted to help enterprises to maintain working relations and production capability despite of the fall in demand.
- Targeted programmes might be devoted to promote self-employment.

### **Better welfare, more confidence, more jobs**

- Social protection systems (health, pensions, education) are important countercyclical and automatic stabilisers. Income support to families – also referred to future pension – will help consumption, investment, savings, sustaining the recovery and restoring the confidence in the future.
- Good social protection systems could create opportunities for new jobs. The potential of social services jobs (*white jobs*) - education, health, social assistance - should be exploited for the positive results in the short term.

### **Social sustainability and economic stability**

- Advanced, emerging and developing countries and international institutions should work together to ensure employment oriented growth and promote social cohesion.
- Social sustainability is a necessary component of economic stability and growth. International organisations, in particular IMF, ILO, OECD in close cooperation, should take into account the labour market and social impact in their monitoring, advice and surveillance.
- Social and employment policies are a crucial pillar in the context of a new global framework. Moreover, a furthered Decent Work Agenda is relevant to respond to the crisis at worldwide level.

Discussion underlined the relevance of a continued and constant dialogue on future actions to protect employment, improve social protection and create more jobs. The outcomes of the Social Summit will be conveyed to the G20 Leaders London Summit, together with the results of the G20 London Jobs Conference. Our Leaders in La Maddalena will discuss how countries can work together to develop policies to tackle unemployment and to consider the social dimension in a global commitment for employment and social protection.