



Statement by His Excellency Archbishop Silvano Tomasi, Permanent Observer of the Holy See to the United Nations and Other International Organizations in Geneva  
at the 102<sup>nd</sup> Session of the International Labour Conference  
*Geneva, 12 June 2013*

*Crisis and Impact on Youth and Women*

Mr. President,

This conference takes place in particularly adverse economic conditions. The recovery from the global financial crisis is very slow. At the end of 2012, five years after the outbreak of the global financial crisis, the total number of jobless was almost 200 million. Since 2007, some 39 million people dropped out of the labour market as job prospects proved unattainable thus opening to a global gap of 67 million jobs loss<sup>1</sup>. A moderate growth in the labour market is expected for 2013-2014, but this will be insufficient to alleviate the crisis. Advanced economies have been hit hardest. The regions that avoided an increase in unemployment, on the other hand, have experienced deterioration in job quality, since at-risk employment and the number of workers living below or very near the poverty line increased. Additionally, there has been a global “spill-over” of new recession conditions in Europe. The length and depth of the labour market crisis is worsening labour market mismatches, contributing to the increased incidence of unemployment.

Youth remain particularly affected by the crisis. Globally, some 73 million young people currently are unemployed and, by 2014 another half million are likely to be pushed into unemployment. The unemployment rate among youth is foreseen to increase from 12.6 per cent in 2012 to 12.9 per cent by 2017. Policy- and decision-makers need to take additional steps to recover from the second dip in the job market. Ways to deal with these challenges include overcoming uncertainty to increase investment and job creation; coordinating stimuli for global demand and more employment; addressing labour market mismatches and promoting structural change; and increasing efforts to promote long-term youth employment. Innovative solutions call for steady employment for everyone so that economic growth and well-being are not disconnected.<sup>2</sup> This urgency becomes more evident if we keep in mind that the economic crisis has been preceded by a period of jobless growth. A dramatic shift is

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<sup>1</sup> Global Employment Trend dell'ILO 2013, p.10. [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/--publ/documents/publication/wcms\\_202326.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/--publ/documents/publication/wcms_202326.pdf) (30 May 2013).

<sup>2</sup> BENEDICT XVI, Encyclical Letter *Caritas in Veritate* (29 June 2009), 32: AAS 101 (2009), 666-667

needed in the current policy approach in order to fight the structural challenges of unemployment.

### *Work Builds Community*

Work is the primary sphere where the links between the person, the economy and the environment are built, the first step toward their reconstruction, and where social and economic relations are nourished. The first link that we need to consider is the intergenerational link. We have stressed that youth unemployment is becoming a major emergency, especially in advanced economies, particularly in Europe, where, in some countries, youth unemployment rate is close to 50%. The same countries are engaged in a reform of their welfare system to enable them to cope with population ageing. This can result in an intergenerational conflict since the old generation is lengthening its permanence in employment while the new generation faces increasing difficulties to enter the labour market. Policies and institutions need to address this conflict and, in this framework, a key role has to be assumed by the family. The family, in fact, is the primary sphere where potential intergenerational conflicts of interest can be solved and recast. Thus, labour market policies have to take into account the role of the family within society. In this regard, in addition to policies that favour youth employment, it is necessary to implement policies aimed at promoting women participation by facilitating the conciliation between work and family.

### *Education and Work*

It is necessary to rebuild the links between education and work. Youth unemployment has a twofold implication. On the one hand, it highlights the inability of the economy to generate enough job opportunities for the new generations. On the other hand, it points out the difficulties of the education system to generate the qualifications and skills needed in the labor market. The education system is the cornerstone of any development strategy. It is, in fact, the primary source of human capital, which is the most effective engine of economic growth. More importantly, educated individuals become fully aware of the worth of all persons and of the value of work, not because of what it produces but because of who undertakes it. Without this subjective dimension, there would be no concern for the dignity of work, and only the economic dimension would be seen as relevant. However, the education system also has some crucial tasks, not only to make the most of the talent of each individual but also to effectively convey them toward skills and expertise useful in the labor market. If this is achieved, then the education system can effectively contribute to the reduction of mismatches in the labor market and increase the employability of younger generations.

Links within the population also need to be rebuilt. Prolonged periods of unemployment demoralize individuals, depreciate human capital, and ultimately lead

to social exclusion. We should aim, therefore, at increasing employment opportunities for individuals at risk of marginalization and social exclusion. In this respect, social partners and trade unions could play a particularly decisive role.

### *Work: The Way Out of Poverty*

Mr. President,

Experience shows that work is the way out of poverty for poor households and that the expansion of productive and decent employment is the way economies grow and diversify. For countries at all levels of development, an adequate supply of jobs is the foundation of sustained and growing prosperity, inclusion, and social cohesion. Where jobs are scarce or available jobs leave households in poverty, there is less growth, less security, and less human and economic development. In the current weak and turbulent international economic environment, job creation is the most pressing global development priority. As the United Nations and the global community debate the development agenda for the coming decades, jobs should take centre stage.

The social dimension of work has always been emphasized by the Catholic Church. For this reason it is of serious concern first, that over the next ten years, 45–50 million new jobs will be needed each year just to keep up with the growth of the world's working-age population and to reduce the unemployment caused by the crisis; second, that a wave of technological innovation is altering the capacity of modern manufacturing and the ability of service activities to generate jobs; third, that within and across countries, widening inequalities in income and opportunity are weakening the social and political fabric of our societies and are fuelling a downward cycle of economic, political and social uncertainty. If the ambitious goal of creating sufficient new jobs is to be realized, one prior condition is to take a fresh outlook on work that is based on ethical principles and spiritual values, which give dignity to workers in their service to the family and society.

### *Good Practices*

Countries that achieved major job creation and poverty alleviation, for example in Asia and Latin America, addressed the structural factors underlying poverty and underemployment. Policies included extensive social protection with active support for diversification of their economies, inclusive access to finance and employment-friendly macroeconomic policies that fostered both investment and consumption. Similar policies were the critical ingredients of short-term responses to the global financial and economic crisis, with well-designed social protection systems playing a leading role in enhancing resilience, stabilizing aggregate demand and protecting the most vulnerable groups.

It is necessary to integrate these objectives into a new global framework that will shape policy and mobilize international development assistance. As the external economic environment becomes less stable and supportive, progress rests increasingly on domestic policies that foster job-friendly and poverty-reducing growth. While the specific circumstances, priorities and needs of each country may differ, employment and livelihood objectives should be core objectives of all national development strategies, with ample space left to national policy design and adaptation. Such policies also could mobilize international development assistance. Low-income countries need support for the investments in infrastructure that create jobs in the short-run and in skills and innovation that raise productivity and income of workers over the medium term. Development assistance could help kick-start nascent efforts to establish nationally defined social protection floors and launch labour market programmes to address the special needs of women, youth and vulnerable people. Knowledge assistance would be as important as hard financial support, if not more.

### *Conclusions*

Mr. President,

The worldwide financial and economic crisis has highlighted a grave deficiency in the human perspective, thus reducing man to only one of his needs, namely, that of consumption. Worse yet, nowadays, human beings themselves are considered as consumer goods which can be used and thrown away. The problem of unemployment, in particular, is very often caused by a purely economic view of society, which seeks self-centred profit, outside the bounds of social justice. Within the economy links between individuals, firms and policies need to be rebuilt. All too often policies are aimed at addressing the needs of businesses without considering the needs of workers', and vice versa. We must promote the conditions for a recovery built on substantial job creation in order to establish, a new social pact that puts the person and work at the center of the economy. This can be accomplished by following the principle of subsidiarity that allows each individual and each business to be the protagonist of the development of the entire society. In this respect, given its tripartite nature, the ILO can play a decisive role. The social dimension of work needs to prevail through disinterested solidarity and the return to person-centered ethics that renew the world of work.<sup>3</sup>

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<sup>3</sup> Address of Pope Francis to the Non-Resident Ambassadors to the Holy See: Kyrgyzstan, Antigua and Barbuda, Luxembourg, and Botswana, Clementine Hall, 16 May 2013.