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ICFTU-REFORM

TRADE UNION CALLS FOR STRUCTURAL REFORM IN FINANCIAL INSTITUTIONS

PETALING JAYA, Sept 30 (Bernama) -- The International Confederation of Free Trade Union (ICFTU) has called for structural reform in international financial institutions to ensure economic development went hand-in-hand with social progress.

Describing the International Monetary Fund current programmes as too rigid in their conditions, ICFTU's general secretary Bill Jordan said the conditions be replaced instead with measures to stimulate investment, job creation and training, maintain and develop education, health and social security programmes among others.

Jordan was speaking at a press conference here today after the Conference of the Asia Pacific Labour Network hosted by the Malaysian Trade Union Congress (MTUC) in preparation for the Asia Pacific Economic Cooperation (APEC) meeting here in November.

He said the the Asian financial and economic crisis had brought increased poverty to millions of Asians working women, men and their families, seriously undermining the progress achieved during several decades of economic development.

The International Monetary Fund (IMF) programmes had added on to the recession and contributed to unemployment and impoverishment through raising of interest rates, measures to deregulate labour markets and cuts in state spending and privatisation, he said.

"More and more children are being forced to leave school and look for work. Therefore the APEC Kuala Lumpur leaders' meeting urgently need to adopt specific measures to tackle child labour and develop strategies leading to its elimination," he said.

Jordan, who had met with Prime Minister Datuk Seri Dr Mahathir Mohamad earlier, said the union had brought up the matter to the premier to be brought up at the Apec meeting.

He said the prime minister had responded positively.

The leader of the world's largest trade union who also hit out at hedge funds for costing billions of dollars in losses for developing countries like Malaysia as well taxpayers in industrialised countries with their currency speculation.

He said what were really needed "are greater transparency and regulation of financial markets with internationally mandatory reserve-to-asset rations, disclosure of asset holdings of hedge funds like the LTCM, and a "Tobin Tax" to make speculators pay a penalty for their foreign currency transactions."

On achieving recovery for the Asian crisis, Jordan said the ICFTU believed that, Apec which already consults with academics and has its Business Advisory Council, would require further balancing with the formal involvement of trade unions.

Jordan also said that APEC countries must agree to give APEC a proper social dimension, as their former obsession with deregulating the economy is failing APEC's own stated objectives of improving the standard of living citizens on a substantial basis.

Hence Jordan said the trade union's call for the setting up for a new APEC working group dedicated to the social and employment dimension of APEC with the full participation of trade union and other social partners.

The ICFTU has 125 million members represented through 206 affiliated organisations in 141 countries. -- BERNAMA

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