

Keynote Message  
**HON. ROSALINDA DIMAPILIS-BALDOZ**  
Secretary of Labor and Employment, Philippines

37<sup>th</sup> Human Resource Development Working Group Meeting  
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*Undersecretary Ferdinand Cui Jr., APEC Vice Chair, Senior Officials' Meeting; Ms. Romy Tincopa, APEC HRD-Working Group Program Director; Dr. Wang yan, Education Network Coordinator; Dr. Liao Kuei-Yen, Capacity Building Network Coordinator; Mr. Malcolm Greening, Labor and Social Protection Network Coordinator; Mr. Lawrence Jeff Johnson, Director of ILO Country Office; distinguished delegates, ladies and gentlemen:*

1. The Philippines is honored to host the 37<sup>th</sup> Human Resource Working Group Meeting, here in Boracay Island, and we warmly congratulate Dr. Sergey Ivanets of the Russian Federation for having been chosen as the Lead Shepherd of the HRD-Working Group.
2. Our leaders created the Human Resources Development Working Group in recognition that human resources are our most important asset, on which our diverse economies depend for sustainable, inclusive, and shared growth. The APEC is a vast and dynamic region of diverse economies. It has the largest pool of human resources: 2.8 billion people, 2 billion of whom are of working age, and 90 million migrants. With other economies in the Asia-Pacific, the APEC is home to 60 percent of the world's youth.
3. The role of the Human Resources Working Group has become more crucial as the APEC moves toward 2020, when we aspire for our region to have become an integrated area with reduced barriers to movement of people, investments, goods and services. This role assumes greater meaning as we continue to seek ways to prepare APEC peoples for the diverse and dynamic requirements of our economies and the productive sectors that are increasingly demanding efficiency, seamlessness, and interconnectedness.
4. Today, we convene the HRD Working Group Meeting for the 37<sup>th</sup> time, when inclusive and sustainable growth has become a more pronounced desire for an integrated regional economy that continues to face informality, inequality, unemployment, underemployment, poverty and demographic challenges—which are barriers to full economic participation and benefit. The HRD

Working Group meets at a time when advances in information technology have drastically altered productive processes and consumption patterns which in turn require new competencies and skills.

5. Despite of this, we are assured that the APEC's unique approach to economic cooperation based on voluntary action and consensus, with adherence to principles of mutual respect, trust, and support, will allow the HRD Working Group to further harness increasing regional diversity for a mode of cooperation that will address 21<sup>st</sup> century challenges and foster regional prosperity, which is not only sustained but also widely-shared among its peoples—its human resources.
6. As the 2015 APEC host economy, the Philippines, recognizing that growth must benefit and include everyone, adopted the theme, “Building Inclusive Economies, Building a Better World.”
7. One of the key priorities for this year's APEC meeting is “Investing in Human Capital Development”. The Philippines is honored to join all the APEC economies in moving jointly forward to increasing investments in human capital under the new cooperation framework based on the Joint Statement from last year's 6<sup>th</sup> Human Resources Ministerial Meeting and the 2015-2018 HRD Action Plan.
8. The agenda for this year's HRD Working Group Meeting is essentially built around the four sets of principles embodied in the Joint Statement: supporting inclusive and sustainable growth to address the social dimensions of globalization, including equality and needs of vulnerable groups; enhancing human resource quality to meet supply chain demands; facilitating mobility of labor and skills development; and enhancing the participation of women in the economy.
9. **On addressing the social dimensions of globalization**, the Philippines welcomes the Joint Statement for recognizing inequality as a barrier to shared prosperity in the region. We welcome the APEC economies' recognition that addressing inequality requires attention to workers in vulnerable situations, such as workers in the informal economy, the youth, persons with disabilities, women, and migrant workers. We appreciate that social protection and workplace safety are at the core of strategies against risks that may be posed by economic integration.
10. Social protection is integral to building inclusive economies, by preventing or reducing poverty, improving social inclusion and stability, and enhancing human capital through investments in education, income support, health and

social services. Social protection is essential to competitiveness, as it facilitates adaptation and adjustment to changes in the labor market in times of economic restructuring. We take note that many APEC economies have adopted universal social protection programs for social pension, health insurance, and social security and that others have met success in reducing poverty and improving health and education outcomes through conditional cash transfers. At the 100<sup>th</sup> Session of the International Labor Conference in 2011, the International Labor Organization adopted the approach of social protection floor for providing universal access to basic social security guarantees that include health care, basic income security for children, basic income security for persons in active age who are unable to earn sufficient income due to contingencies, and basic income security for older persons. We call for APEC partnerships in sharing knowledge and best practices based on the experiences of economies that have already adopted the universal social protection floor framework.

11. Increasing movement of persons within the region will be inevitable in a free trade area that APEC sought to establish within the Asia-Pacific region by 2020. Where our economies are actively pursuing increased trade and investments, it is a given that we shall all require talents or skills relevant to industries. Where these cannot be found or are in short supply in our economies, it is imperative to source from migrant workers in the region. The 6<sup>th</sup> Human Resources Ministerial Meeting delegates in their Joint Statement recognized that migrant workers, despite their economic contributions, might find themselves in vulnerable situations. The APEC, as a regional cooperation platform, can be instrumental in strengthening migrant worker protection in two ways: first, bilateral or regional agreements; or second, sharing of knowledge and best practices for national legislations to cover migrant workers.
12. Many APEC economies have entered into social security agreements with other APEC economies. The Philippines itself has an agreement with Canada. Some APEC economies also cover migrant workers in their national legislations, including social security laws. An APEC-wide study or forum as an initial step toward the development of a framework of cooperation on migrant worker protection and social security systems is relevant in an increasingly integrating APEC economy where human resources are widely shared.
13. **On enhancing human resource quality to meet supply chain demands**, we welcome focus on small-to-medium enterprises, which comprise over 97 percent of all enterprises in the APEC region and employ over half of the workforce, while contributing 20-50 percent to APEC economies. The

integration of SMEs in the global supply and production chains will depend on investments to propel innovation, productivity, and competitiveness in the sector, central to which will be the upgrading of skills among SME workers and facilitating entrepreneurial growth. We take note of the efforts of the United States and Papua New Guinea in business counseling, innovation programs, support to incubators, outreach, and skills and entrepreneurship for start-ups for women and youth, leveraged by information technology.

14. While some APEC economies face demographic challenges, others have young populations. The Joint Statement emphasized the significant contribution of the youth to APEC economies but also recognized their difficulties of making school-to-work transition. APEC economies have recognized the problem of unemployment among at-risk youth, and thus conducted a workshop on best practices in school-to-work transition, especially for school drop-outs. The Philippines, under an ongoing pilot program called JobStart, supported by the Canadian Government and the Asian Development Bank, in partnership with the private sector and local governments, provides a full-cycle package of services to at-risk youth, through training in soft and hard skills, paid internships, employment facilitation, and career counseling, to increase their job-readiness. At-risk youth and job-readiness are APEC-wide concerns in which cooperation can be strengthened.
15. We welcome the continued interest among APEC economies and partners, such as the APEC Advisory Business Council (ABAC), in labor market information that identifies skills set required in a globalized, integrated region, particularly the so-called 21<sup>st</sup> century skills—problem solving, adaptability, analytical skills, innovation and life and career skills, and communication and language learning. Amid continuous labor market transformation in the region, our economies should be more open to placing stronger emphasis on life-long learning and private sector partnerships to continue developing 21<sup>st</sup> century skills. Human capacity building efforts should be designed in such a way that workers' skills and competencies become their best source of protection and competitiveness in the region and in the global arena. Talent mapping and provision of accurate, timely, and relevant labor market information are essential steps in human capacity building.
16. **On facilitating mobility of labor and skills development**, we are still guided by the need to pursue people-to-people connectivity by facilitating education across borders and movement of people, including skilled labor. We welcome initiatives in mutual recognition of skills and credentials, and timely and accurate information on skills gaps and labor market imbalances to ensure responsive policy-making.

17. We therefore congratulate the Government of Papua New Guinea, in partnership with the Philippine government, for hosting the recently held High Level Policy Dialogue on Human Capacity Building at Port Moresby, which included people-to-people connectivity and labor mobility as part of its agenda and the delegates' Joint Statement.
18. **On enhancing the participation of women in the economy**, APEC must undertake stronger initiatives for addressing impediments to full women participation. Women account for 600 million in the labor force of APEC economies. We welcome the leadership of the United States for the project, Healthy Women, Healthy Economies, which aims to expand economic opportunities for women by improving their health.
19. We appreciate the initiative of Dr. Sergey Ivanets in drafting a Work Plan for 2015 consistent with the APEC Connectivity Blueprint, the 6<sup>th</sup> Human Resources Ministerial Meeting Joint Statement, the 2015-2018 Action Plan, and the key priorities of the Philippines for 2015 APEC meetings. We welcome his proposal for deliverables for 2015, subject to discussions of proposals and activities in the Meetings of the Labor and Social Protection Network, the Capacity Building Network and the Education Network. We support Dr. Ivanet's Work Plan, which gives emphasis on an outward-looking HRD Working Group that engages—and partners with other—working groups, such as the SME Working Group, the Policy Partnership on Women and Economy, and the Health Working Group.
20. We hope that this year's HRD Working Group meeting will permit APEC economies to share knowledge and best practices on investing in human capital essential to building inclusive economies, under the warm and welcoming scenery of one of best beaches in the world.

*Mabuhay* and God bless.