Half of all workers on $2 a day or less

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A record number of people are working in the global economy but half of them make $2 a day or less, according to a report published yesterday.

The International Labour Organisation's World Employment report said about 2.8 billion people were employed globally in 2003. But nearly 1.4 billion, the highest number ever, are living on less than $2 a day, while 550 million are living under the $1 poverty line. On current growth projections, this could halve in some areas of the world by 2015.

China, south-east Asia and south Asia are most likely to reach the goal of halving the proportion of people living on $1 a day but this is unlikely to be achieved in Latin America and the Caribbean. Sub-Saharan Africa is significantly off-track. Only east Asia has a realistic chance of halving the numbers living on $2 a day.

The ILO said the world needs to focus on economic policies that create decent and productive employment opportunities if the Millennium Development Goals are to be achieved.

One of the main goals is to halve the number of people living on $1 a day by 2015. About 185.9 million people worldwide were unemployed in 2003. This is just the "tip of the iceberg", the report says, since more than seven times that number are employed but still live in poverty.

To achieve high employment rates and a greater reduction in poverty, there needs to be a focus on improving productivity. Gains in productivity can benefit workers in the form of higher earnings and reduced working time.

The reality of globalisation means employees sometimes lose their jobs, says the report. Institutions should provide security and training to better prepare the workforce for the changing labour market.

Director-general Juan Somavia said: "Women and men all over the world expect to get a fair chance at a decent job."

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