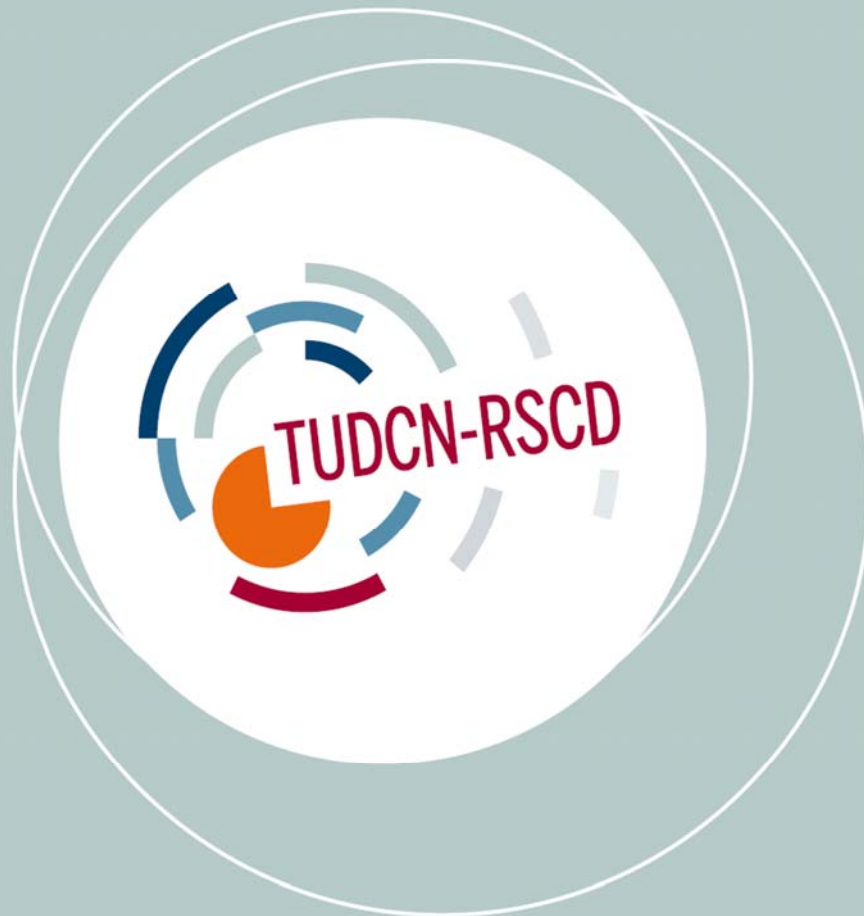


Empowering people and ensuring inclusiveness and equality

Workers and Trade Unions Major Group
Submission to HLPF2019





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Introduction

The 2030 Agenda is premised on the recognition of a mutual dependence of environmental, economic and social sustainability. Together with the Paris Climate Agreement and the Addis Ababa Action Agenda, it provides the framework for achieving sustainable, more equal and resilient societies. The perspective of workers and trade unions is aligned with this holistic vision, as well as with the need to ensure a rights-based approach, with international labour standards guaranteed for all and decent work as requisites for achieving sustainable development. Furthermore, upholding freedom of association and collective bargaining rights and supporting social dialogue (between workers' and employers' representative organisations and governments) for all workers as a governance instrument not only delivers progress for working people and societies at large but is also a pillar of functional democracies and sustainable development.

New forces are transforming the world of work, such as technological advances and the greening of our economies, which will bring new job opportunities¹. But those who lose their jobs in this transition may be the least equipped to seize the new opportunities.

Forging this new path requires committed action on the part of governments as well as from employers' groups and trade unions. Just Transition is a critical pillar in this process, premised on an inclusive approach that brings together workers, communities, employers and governments in social dialogue towards concrete plans, policies and investments needed for a fast and fair transformation towards a low-carbon economy and the transition towards the industrial revolution 4.0. Such a process should lead to a reinvigorated social contract that gives working people a just share of economic progress, respect for their rights, decent work and protection against risk in return for their continuing contribution to the economy.

The trade union movement calls for a **New Social Contract** for governments, business and workers, with a *Universal Labour Guarantee* that provides a protection floor for **all** workers. This means rights and women's equality are respected, jobs are decent with minimum living wages and collective bargaining, workers have some control over working time, social protection coverage is universal, due diligence and accountability drive business operations, and social dialogue ensures Just Transition measures for climate, technology and displacement.

¹ See for example, NCE (2018). *Unlocking the Inclusive Growth Story of 21st Century: Accelerating Climate Action in Urgent Times*. New Climate Economy: USA.



Recommendations to governments

LABOUR RIGHTS IMPLEMENTATION (SDG 8 AND SDG 16)

Labour rights, freedom of association and collective bargaining, hand in hand with social dialogue, are not only key factors for sustainable economic growth and job creation, but are also pillars of democracy. Building democratic processes is in turn a cornerstone for sustainable development.

1. The ratification of ILO Conventions 87 and 98 on freedom of association and collective bargaining must be followed by effective implementation and enforcement systems.
2. Ensure that systems are in place to grant the enforcement at national level of the ILO Protocol on Forced Labour Convention 29 and Recommendation 203, as well as ILO Conventions on Child Labour.
3. Ensure business accountability and transparency in investments and “due diligence” in global supply chains as prescribed by the UN Guiding Principles on Business and Human Rights and the ILO Tripartite Declaration of Principles on Multinational Enterprises and social policy.
4. Establish a Universal Labour Guarantee that provides a labour protection floor for all workers, which includes fundamental workers’ rights, an adequate living wage, limits on hours of work and ensures safe and healthy workplaces.

INCLUSIVE LABOUR MARKETS POLICIES (SDG 8 AND SDG 4)

5. Through social dialogue, design and implement pro-employment policies – including on youth employment – aligned to the ILO Declaration on Fundamental Principles and Rights at Work.
6. Governments must urgently allocate at least 6 per cent of GDP for social protection floors and a further 6 per cent on quality and free public education.
7. In the context of climate action and technological shifts, develop systems to support life-long learning, as well as support the establishment of an international governance system and standard(s) for digital platforms business, as well as regulations to govern data use.
8. Take concrete actions for the formalisation of the informal economy according to ILO Recommendation 204, supported by ILO Recommendation 202 on social protection floors.

EXPANSIVE POLICIES ON WAGES (SDG 8 AND SDG 10)

9. Implement and enforce statutory minimum wages that guarantee dignity for all workers and their families. Minimum wages should take into account the cost of living, be evidence based and regularly reviewed by social partners and adjusted for inflation. Collective bargaining rights must be ensured to achieve fair wages above the minimum wage level, and collective agreements with sectoral coverage should be promoted.



10. Put in place and enforce robust equal pay and gender-based anti-discrimination legislation, including implementation of pay transparency measures.

IMPLEMENTATION OF SOCIAL PROTECTION SYSTEMS (SDG 8 AND SDG 10)

11. Social protection systems should be extended to ensure universal coverage to workers in all forms of work through a combination of tax-based social protection floors and contributory social security, in line with ILO standards (Convention 102 and Recommendation 202).

CLIMATE JUSTICE AND JUST TRANSITION (SDG 8 AND SDG 13)

12. Social partners must be involved in the development and implementation of policies and strategies for ambitious emissions reductions in order to ensure a Just Transition that guarantees decent jobs.

Ensuring inclusive and equitable quality education and the promotion of lifelong learning opportunities for all (SDG4)

While efforts over the past decade have been made to expand access to education and make it more available, in 2017 the number of out-of-school children of primary school age was stalling for the 10th year in a row. This reveals persistent patterns of exclusion and marginalisation, and demonstrates the urgency of delivering on the commitment to universal free primary and secondary education.

Equity and quality in education is best ensured through strong public education systems, where all students, regardless of background, enjoy the same level of quality education. Sustained fiscal austerity has put public authorities under pressure to cut budgets and find more cost-effective means. Freezing teachers' and other public sector workers' salaries, closing public schools and other education institutions, while introducing education voucher schemes and privatising education and education support services are as much part of an ideology as a means to cut costs.

Recent years have seen an increase in private provision of education, particularly fee-paying and profit-making schools, many of which target poor communities. In Uganda, for instance, 62 per cent of secondary education provision is provided by non-state actors. As part of ensuring equitable and inclusive quality education for all, direct as well as indirect costs of education have to be abolished. Today, households in low-income countries spend far more on education than those in high-income countries; in Togo, up to 30 per cent of average GDP per capita is spent on secondary education.

The structural underfunding of education in many countries has resulted in poor and inadequate learning environments, tools and materials, and education systems that are struggling to provide quality, inclusive education that responds to changing demands, such as changing demographics and more diverse students, including refugees and persons with disabilities. Governments must urgently allocate at least 6 per cent of GDP on social protection floors and a further 6 per cent on quality and free public education.



Another urgent quality concern is the narrow scope of education, often built around standardised testing and merely focused on skills for employment, as opposed to a broad education that prepares young people for life and decent work. There has been slow progress on the mainstreaming of education for sustainable development, human rights, and gender equality across education systems, including aspects such as curricula, teacher training, and teaching and learning materials. Too many children and young people graduate without having acquired the knowledge and skills they need for life and work, including for sustainable development. Schools must be spaces for learning about and taking action for climate justice. While this requires changes in curricula and materials, it also depends on systems that ensure the training and professional autonomy of their teachers.

Little progress has been seen with regard to the commitment within SDG 4 to invest in teachers. There is a serious shortage of teachers across the globe, particularly in early childhood and upper secondary education. In many high-income countries, large numbers of teachers leave the profession; for instance, in the UK, nearly a third of teachers who joined the profession in 2010 had left within five years. There must be higher standards for initial teacher training and improved access to continuous professional development that is relevant to teacher needs and sustained over time. At the same time, the status of the teaching profession must be elevated and decent salaries, working conditions and professional autonomy ensured. It is urgent to set up and/or strengthen mechanisms for social dialogue with teachers and their representative organisations, ensuring their full participation in the development, implementation, monitoring and evaluation of education policy.

Decent work and private sector accountability as drivers for sustainable development (SDG8)

Since 1980², income inequality has risen sharply even though the poorest half of the global population has seen its income grow significantly thanks to high growth in Asia (particularly in China and India). Income growth for those individuals between the 50 per cent global bottom and the top 1 per cent has been stagnant or even zero. At the same time, the top richest individuals in the world captured twice as much growth as the bottom 50 per cent since 1980. Furthermore³, data shows that between 1970 and 2010 the share of national income (GDP) that went to owners of capital (in the form of profits) rose while labour's share (wages and salaries) declined. There are numerous explanations for this trend⁴. Heavy investments in the Global North in technology and automation have in some cases replaced workers in the production process. Moreover, industries that still require a lot of manual labour have been outsourcing much of their production to countries with lower wages. Moreover, weakened trade union density, the decline in coverage of collective agreements, and inadequate wage setting policies in many countries have been shown to play important roles in this development⁵.

² World Inequality Report 2018.

³ Is Capitalism Bad for Workers? Labor's share of national income is shrinking. But don't hit the barricades just yet. June 7, 2017, by Lee Simmons.

⁴ L20 (2018) The case for wage led-growth

⁵ Ibid. 3.



In addition, Structural Adjustment Policies (SAPs), encouraged by international financial institutions, have had the undesirable effects of increasing labour market segmentation and contributing to the growth in precarious work. The resulting reduction of labour market institutions' capacity to moderate market inequality, in combination with cuts in social protection, public services, wages, and with a profound disrespect of fundamental rights, have all directly contributed to widening income inequalities.

ILO data⁶:

- Employment growth since 2008 has averaged only 0.1 per cent annually, compared with 0.9 per cent between 2000 and 2007.
- Global real wage growth is falling behind economic growth with a growth rate of only 1.6 per cent in 2017, the lowest since 2008.
- Over 60 per cent of all workers lack any kind of employment contract.
- Fewer than 45 per cent of wage and salaried workers are employed on a full-time, permanent basis, and even that share is declining.
- 780 million working women and men are not earning enough to lift themselves and their families out of US\$2-a-day poverty.
- 600 million new jobs need to be created by 2030, just to keep pace with the growth of the working age population.

Comprehensive national employment policy frameworks, built upon the principle of policy coherence for development, are needed. Governments need to design and implement pro-employment and pro-demand macroeconomic strategies supported by fair wages, progressive trade, industrial, tax and infrastructure policies, including investments in quality public education and skills development, youth employment, gender equality, social protection and the care economy. Such policy frameworks should be developed through tripartite negotiations, including governments and social partners. An enabling environment underpinned by the full recognition of the trade unions' role is also crucial.

Freedom of association and collective bargaining

All workers without any distinction have the right to establish and to join organisations of their choice to promote and defend their respective interests, and to negotiate collectively. They should be able to do this freely, without interference by employers or the state. Freedom of association and the right to organise and bargain collectively are fundamental human rights, the exercise of which is essential for workers to be able to claim rights at work, and have a major impact on work and living conditions, as well as on the development and progress of economic and social systems.

While many countries have ratified Conventions 87 and 98 that deal with freedom of association and collective bargaining, the real challenges lie in the effective implementation.

⁶ <https://www.ilo.org/global/topics/sdg-2030/goal-8/lang--en/index.htm>, and ILO World Employment and Social Outlook.



ITUC Global Rights Index 2018⁷ ⁸, trends:

- Arbitrary arrest, detention and imprisonment: in 2018, particularly in repressive regimes, there was a significant trend to target trade union leaders in an attempt to undermine the organising capacity of trade unions and to instil a climate of intimidation and fear among unions and workers – notably in China, Iran, Belarus or Algeria.
- In 2018, 92 out of 142 countries surveyed excluded certain categories of workers from freedom of association, often on the basis of their employment status (i.e., public servants, workers through temporary agencies). Furthermore, migrant workers, domestic workers, temporary workers, those in the informal economy and workers in the platform economy usually fall outside of the scope of labour legislation.
- In 2018, 86 countries excluded some categories of workers from the right to collective bargaining, while in 115 countries, serious restrictions to collective bargaining were recorded, such as employers' or authorities' refusal to bargain, restrictions of the scope of bargaining or interference in the process which restricted or rendered meaningless industrial relations – notably in Hong Kong, Korea, Romania or Greece.
- Strikes have been severely restricted or banned in 123 out of 142 countries; in a majority of these countries workers exercising their right to strike often faced summary dismissal and other retaliatory measures – notably in Indonesia, India, Kazakhstan, Spain, Ukraine, Cambodia and Egypt.

In 2018, civic space continued to close around the world and decent work and democratic rights grew weaker in almost all countries, while inequality continued to grow. Hand in hand, a more visible influence of business and foreign investors has led to the adoption of regressive changes to labour laws, with many countries undercutting tripartite social dialogue and the undermining of workers' rights – notably in the US, Moldova, Montenegro, Romania, Portugal, Greece, Bangladesh and Liberia.

Trade and investment treaties contain special court systems (such as the Investment Court System or the Multilateral Investment Court system) that allow foreign investors to sue governments for policies that threaten their profits. These special courts are undermining domestic legal systems and have been used on numerous occasions in the past to overturn minimum wage laws and workers' core labour rights.

⁷ L20 (2018) The case for wage led-growth: https://www.ituc-csi.org/IMG/pdf/L20_-_2018_argentina.pdf

⁸ The ITUC Global Rights Index questionnaire is sent to 331 national unions in 163 countries to report violations of workers' rights.



These attacks on the fundamental rights of workers concerning collective bargaining and freedom of association are evidence of the need to restore the full respect for and practice of trade unions' right to engage in negotiations for setting decent wages and working conditions for the benefit of all workers, and for workers to use the right to strike accordingly.

Reducing the proportion of youth not in employment, education or training⁹

Persisting high levels of youth unemployment and underemployment and high numbers of young workers employed under informal or precarious conditions underline the need to ensure equal access to quality public education for all and to invest in skills development and in quality decent jobs for young people everywhere.

Young people are facing an exceedingly uncertain future. Young women and men make up a significant number of the working poor. They are three times more likely than older workers to be unemployed. They are also more likely to be underemployed, engaged in precarious work, work in the informal economy, or face exploitation in the workplace through cash-in-hand arrangements, unpaid internships, underpayment, bullying and harassment.

Youth employment and quality public education are of the highest priority for trade unions. Governments must address the persisting high levels of youth unemployment and underemployment through investment in active labour market policies and education and by taking measures that increase labour demand in general. This means increased investments and expanded access to quality public education and vocational training programmes built around the development of productive capabilities¹⁰, lifelong learning, and fair school-to-work transitions that include quality apprenticeships and a path to regular employment. It also means investments in social and physical infrastructure that create decent jobs for young women and men, help break down gender barriers and support social protection systems.

⁹ ITUC - Our Economic and Political Agenda for Young Workers: https://www.ituc-csi.org/IMG/pdf/our_economic_and_political_agenda_for_young_workers_en.pdf and L20 Statement to the G20 Labour and Employment Ministers' Meeting: https://www.ituc-csi.org/IMG/pdf/02-120_argentina_en.pdf.

¹⁰ Education International (2016). Global Trends in TVET: A Framework for Social Justice. Education International: Belgium. See also the Global Commission on the Future of Work and their report Work for a Brighter Future: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_662410.pdf



Eliminating modern slavery and human trafficking and eradicating forced labour ¹¹

The rise in human trafficking, forced labour and abusive child labour is the very antithesis of decent work and a fundamental challenge to the reputation of businesses and governments. The *2017 Global Estimates of Modern Slavery and Child Labour* found that in the past five years, 89 million people experienced some form of modern slavery. Of these, 82.7 million were victims of forced labour, including trafficking, largely in the private economy. Modern slavery is pervasive in corporate supply chains in all regions of the world and amounts to an estimated US\$150 billion of illicit profits a year. Domestic work, agriculture, construction, manufacturing and entertainment are among the sectors most concerned. And migrant workers and indigenous people, and women and children, are the most vulnerable to forced labour. The current global macro-economic conditions help create a workforce that is vulnerable to these exploitative practices: weak legal frameworks that fail to protect and uphold labour standards; business operations driven by the search for ever-lower labour costs; and the increasingly complex nature of supply chains.

Rights-based due diligence and transparency as well as the recognition of the fundamental rights of workers, regardless of immigration status, are key to ending modern slavery in supply chains; coordination among countries to prevent and eliminate forced labour is also key. In addition, governments have a critical role to play in ensuring the enforcement at domestic level of the ILO Protocol to the Forced Labour Convention of 1930 (No. 29) and the ILO Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203) as well as the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. Governments must follow ILO recommendations and ensure that immigration status is separate from employment rights so that workers are able to claim their rights even if they become undocumented after leaving abusive employers.

The elimination of child labour is a priority within the trade union movement. Despite the progress made over the past decades, an estimated 152 million girls and boys are still engaged in child labour. Again, the role of the governments is critical – ILO Conventions on Child Labour should be implemented and better integrated into national and regional legislation and regulations, together with effective enforcement systems. Ending child labour also requires strategies to ensure all children are in quality education, including the elimination of direct and indirect costs of education, and support for families to ensure that children are at school rather than at work.

The impact of digitalisation

Digitalisation is transforming business landscapes and the world of work, and redefining the boundaries of production, consumption and distribution. Its rapid expansion is adding an additional layer of insecurity to workers' related to the shape of workplaces tomorrow (e.g., with platform jobs), the decline of employment opportunities, and the proliferation of the on-demand economy that puts a strain on working hours, the resilience of social security systems and the rise of inequality through suppression of wages.

¹¹ ITUC (2017). *Modern Slavery in Company Operation and Supply Chains: Mandatory transparency, mandatory due diligence and public procurement due diligence*. ITUC: Belgium.



Digitalisation also has the potential to improve working conditions and design solutions to benefit the majority of society, if done properly. While many traditional jobs will disappear, other new jobs will come up. However, the problem arising, beyond quantity, relates to the quality of jobs created: the day-by-day of work is changing with increasing precariousness.

Trade unions believe this transition has to be shaped by strong policies and state intervention rather than solely by technological considerations and the drive for profit, so that digitalisation benefits everybody. Particularly, attention must be given to workers in platform businesses and “cloud” workers, who are today denied of proper employment status and fundamental rights and entitlements and social protection that all working people must have. It is also important to create better data governance regimes and legal rules, while ensuring interoperability.

Equally important, for developing and emerging economies, rapid advances in automation and the use of robots, as well as “re-shoring” of manufacturing to developed economies, limit the job potential of expanding manufacturing. This will make it harder to generate the job growth required for the large numbers of young people entering the labour market each year.

The future of work must be a future with secure employment and rights. Changes cannot simply be dictated by the market and technological possibilities. Governments need to develop adequate industrial and employment policies through social dialogue and a Just Transition guaranteed, so that real discussions and negotiations related to changes in the organisation of work are possible. All stakeholders should be involved in processes of strategic planning with active labour market policies to maximise benefits of technological change, create new decent jobs and ensure retraining (up- and reskilling) and lifelong learning opportunities for all workers at risk of marginalisation. Social protection systems and retirement policies must also play a central role. Social dialogue and collective bargaining are critical in this transition.

Trade unions support the development of an international governance system and standard(s) for digital labour platforms and development of regulations to govern data use, algorithmic, accountability and surveillance protection in the world of work.

Informal work

More than three in five workers in the world are making their living in the informal economy. Out of them, more than 300 million workers in emerging and developing countries earn and live with less than US\$1.90 per day. In many countries, informal economy is the only source of revenue for millions of people. However, informality condemns them to social exclusion and poverty.

The development, implementation, monitoring and evaluation of social protection policy require the involvement of many actors: trade unions, employers’ organisations, civil society and the private sector. The collaboration of these different actors is essential in the extension of social protection to all.

Formalising the informal economy accordingly to ILO Recommendation 204, supported by ILO Recommendation 202 on social protection floors in a sustainable way is pivotal to reach the objectives of the Agenda 2030. In this light, social dialogue can play a central role and contribute to achieving the SDGs, notably SDG 1 (No Poverty), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities).



Ensuring business accountability, transparency and “due diligence” in global supply chains¹²

The current economic model prioritises private sector interests often at the cost of those from workers, which also results in the denial of workers fundamental rights and freedoms. The integration of national economies into global markets and the expansion of global supply chains have intensified competition and caused leading multinational firms to cut labour costs through restructuring, outsourcing and off-shoring. This, in turn, has increased downward pressure on wages and working conditions. In a number of countries, these changes have been accompanied by the deregulation of labour markets and a rollback in policy support for protective labour market institutions and collective bargaining, under the auspices of the International Monetary Fund and the World Bank. These policies, together with the increased mobility of capital, have tipped bargaining power away from workers and their trade union representatives. The model of global supply chains is based on low wages, insecure and often unsafe work.

Governments have to mandate that companies carry out effective rights-based due diligence throughout their supply chains with effective grievance procedures to ensure remedy for human and labour rights violations, as prescribed by the UN Guiding Principles on Business and Human Rights and the ILO Tripartite declaration of principles concerning multinational enterprises and social policy. While some countries have adopted or are considering adopting mandatory due diligence legislation, there is a need for an international legally binding treaty to ensure compliance globally. The OECD Due Diligence Guidance for Responsible Business Conduct provides some direction on how to apply “due diligence”. Private sector and multinational companies must, particularly, respect freedom of association, pay living wages and respect collective bargaining rights.

When it comes to private development finance, the role of the private finance is increasingly being touted as a solution to bridging the funding gap and reaching the scale of investment needed to achieve the Sustainable Development Goals. However, in the recent past, we have already seen multilateral lenders, such as the World Bank, push governments to privatise services in exchange for loans needed to stabilise their economies. In other cases, governments have privatised services hoping to attract new sources of financing and benefit from the private sector. Multilaterally, we must combat tax havens and tax evasion by multinationals and their agents.

Today, much of the empirical research shows that private sector participation has not only fallen short of these goals, but it has also resulted in governments failing in their obligations to ensure rights and deliver public services (e.g., in the UK, Lesotho or Liberia).

There are important risks associated with the privatisation of common goods and public services. In particular, the challenges that Private-Public Partnerships raise with regards to transparency and the limits they impose on people’s access to the goods and services¹³, raise major questions about their capacity to realise the Sustainable Development Goals.

¹² Simonetti, P. (2018: 130). “SDG8: What policies are needed to achieve Goal 8? The trade union recipe for SDG implementation” in *Spotlight on Sustainable Development 2018*. Social Watch: Uruguay; and WTUMG (2018). *Towards sustainable and resilient societies that leave no one behind*. TUDCN-RSC: Belgium.

¹³ Powel, J. (2016). *PPPs and the SDGs: Don’t believe the hype*. PSI: France.



Job creation is consistently put forward as a major development contribution of private sector involvement. However, it is very difficult to find evidence to support this assumption, let alone the creation of “decent jobs”¹⁴. For this contribution to be realised, especially in the context of development finance, donor governments need to endorse specific criteria for engagement with private sector actors. These criteria need to be based on respect for and implementation of rights-based due diligence and international labour standards by the private sector, as well as on the impact assessment on social-economic-environmental development at the country level of any operation. These aspects cannot continue being voluntary. Therefore, trade unions encourage governments to work towards an ILO convention regulating decent work in the global supply chain. Excessive working hours, low pay, inadequate measures for safety and health at work, no or little social protection coverage: these are the working conditions of millions of workers across the global supply chains. The companies higher up in the chain put tremendous pressure on those lower in the chain and while the former outsource their production, they assume little or no responsibility whatsoever for the working conditions in the latter.

Address the global wage crisis (SDG 10)

Working poverty remains a major challenge across the globe. Hand in hand with this, despite unprecedented growth, wages levels are falling. In 2017, wages reached their lowest growth rate since 2008, remaining far below the levels obtained before the global financial crisis. Global wage growth in real terms (that is, adjusted for price inflation) has declined from 2.4 per cent in 2016 to just 1.8 per cent in 2017¹⁵. If China, whose large population and rapid wage growth significantly influences the global average, is excluded, global wage growth in real terms would have fallen from 1.8 per cent in 2016 to 1.1 per cent in 2017¹⁶. Furthermore, the rise of global supply chains, the growth in non-standard and precarious forms of work, austerity, and labour market deregulation have all contributed to low wages, rising economic insecurity for workers, and increased inequalities.

It is necessary to counter the false and prevailing economic narrative that raising wages, the presence of trade unions and collective bargaining, and expanding social protection are bad for growth and foreign direct investment. On the contrary, real wage increases and social protection expansions can increase consumption and strengthen aggregate demand, boost productivity, contribute to the formalisation of work, and boost the economy whilst reducing inequality and creating a level playing field – without driving out investment¹⁷. Recent examples of wage increases in Indonesia and El Salvador, following the tireless efforts of unions, illustrate this point.

Considering that the working poor account for more than 700 million people, meeting the SDGs and reducing inequalities by 2030 will be impossible if issues around wages are left unaddressed.

¹⁴ See: https://ec.europa.eu/europeaid/sites/devco/files/evaluation-blending-volume1_en.pdf#page=78.

¹⁵ ILO (2018). *Global Wage Report 2018/19. What lies behind gender pay gaps?* ILO: Switzerland.

¹⁶ Ibid. 10.

¹⁷ ITUC (2018). *Economic and social policy brief: The case for wage led growth*. ITUC: Belgium.



Apply minimum living wages and universalise social protection with the full involvement of social partners

Implementing and enforcing statutory minimum wages that guarantee an income allowing people to live with dignity is essential to reducing poverty and reducing wage inequalities. Minimum wages should take into account the cost of living, should be evidence based and regularly reviewed by social partners and adjusted (i.e., to take into account inflation). Collective bargaining rights must moreover be ensured in order to achieve fair wages above the minimum wage level, and collective agreements with wide levels of coverage (e.g., sectoral) should be promoted.

Multinationals at the top of the supply chain must be required to respect fundamental rights and ensure fair pay and decent work at all levels across the supply chain. Cross-border social dialogue and collective bargaining are essential to addressing wage inequalities across the supply chain. In this sense, international and regional wage coordination is needed to promote upward convergence on wages and take low wages out of competition.

Closing the gender pay gap is a priority for trade unions. Equal pay between women and men for work of equal value is a fundamental right. Yet despite decades of equal pay legislation, women continue to earn over 20 per cent less than men – an unacceptable figure in the 21st century – leading to wide gender gaps in pensions later on in life.

Robust equal pay legislation and effective enforcement is needed, along with pay transparency measures. Minimum wages and collective bargaining are equally important to close the gap. Addressing women’s double burden of work and care responsibilities is also critical to close the gender pay gap, through public investments in care services and the promotion of family friendly policies, including adequate and gender-balanced paid parental leave.

When it comes to social protection floors, the majority of the world’s population is not covered under any type of social protection scheme, and less than 30 per cent enjoy comprehensive coverage. Women workers, workers in the informal economy and workers in non-standard forms of employment are disproportionately under-protected, whilst social protection is a human right.

Social protection floors are essential tools in eliminating poverty, as well as driving factors in boosting employment, fostering skills development, formalising work (including the informal economy), reducing inequalities and achieving inclusive economic growth. Governments and international institutions often put forward the unaffordability of universal social protection schemes as a reason for reduced access to social protection, and austerity measures have led to recent cuts to vital social protection benefits and services in many countries. However, evidence shows that extending social protection is economically feasible in the vast majority of countries. In the short term, 71 countries could achieve social protection floors for all by allocating an extra two per cent of GDP or less. Governments just need to get their priorities straight to fund them.

Extending the coverage of contributory social security is important to provide an adequate replacement income for workers, in line with ILO Convention 102, as well as to provide social protection floors in line with ILO Recommendation 202 in order to ensure a floor of dignity for everyone. Providing informal economy workers with the possibility to make social security contributions can allow them to have access to these crucial protections whilst strengthening the financial base of social security systems and facilitating the transition from the informal to the formal economy, in line with ILO Recommendation 204.



Financing adequate, comprehensive social protection systems is feasible for the vast majority of countries. Financing social protection can be possible through progressive taxation, tackling tax evasion, fighting corruption, reallocating expenditures and ensuring employers take responsibility for their workers and pay their fair share of contributions¹⁸. For example, currently ten per cent of the world's GDP is held in tax havens, while just 0.23 per cent of global GDP would suffice to provide social protection floors for the entire world's population. At the same time, increasing the progressivity of taxes is an important measure in addressing inequality.

Last but not least, greater global policy coherence is needed. With the SDGs the international community has agreed to fight poverty, extend social protection and promote decent work. However, international organisations and financial institutions are promoting wage cuts, retrenchment to social protection systems and cutbacks to vital public services.

Just Transition is central to combat climate change and its impacts (SDG13)

A zero-carbon, zero-poverty world is within our reach. Bold climate action can deliver USD 26 trillion in economic benefits through to 2030 (compared with business-as-usual) while generating more than 65 million jobs and avoiding more than 700,000 premature deaths from air pollution in 2030. However, transitioning towards sustainable and resilient societies needs a collective effort, with common but differentiated responsibilities. It will also require universal social and economic transformations on a scale and at a speed never witnessed before in human history.

The “Just Transition” is premised on an inclusive approach that brings together workers, communities, employers and governments in social dialogue to drive the concrete plans, policies and investments needed for a fast and fair transformation towards environmentally sustainable and socially responsible modes of production and consumption. It focuses on jobs and ensuring that no one is left behind in a collective bid to reduce emissions, protect the climate and biodiversity and advance social and economic justice. It builds social protection, provides skills training, redeployment, labour market policies and community development and renewal within a landscape of environmentally driven adaptation of the means of production on which societies rely.

Building trust through the guarantees of Just Transition measures will make it possible for governments to increase the necessary climate ambition and address the impact of climate change on workers and their communities, and ensure their rights. The planet cannot be saved without ensuring decent employment and effectively addressing poverty as core parts of a zero-carbon world. Thus, Just Transition requires:

- Secure pensions for older workers facing displacement;
- Skills and redeployment/employment guarantees for all workers, including those entering the labour market, to support occupational mobility;
- Decent work guarantees – labour rights, minimum living wages and collective bargaining, as well as, universal social protection, including income protection for all, in line with the by the ILO proposed Universal Labour Guarantee;
- The right and legal access to work and equal treatment for migrant and refugees;

¹⁸ Ortiz et. al (2017) Fiscal Space for Social Protection and the SDGs: Options to Expand Social Investments in 187 Countries.



- A transition from the informal to the formal economy and combating the growing informalisation of work (accordingly to the ILO R204);
- Investment in decent jobs and sustainable communities;
- Implementation of social dialogue and efficient tripartite mechanisms (ILO C144).

Two-thirds of people want their governments to promote a Just Transition to a zero-carbon future¹⁹. The severity of the climate crisis necessitates that governments play a central and proactive role in reducing carbon pollution and ensuring a Just Transition.

Just Transition is yielding results. Examples of reorienting and retraining workers from polluting industries can be found around the world. In Australia, Canada, Ghana, Germany, New Zealand, the Philippines, Scotland, South Africa and Uruguay, unions are in dialogue with their governments about Just Transition climate initiatives. In Spain, the government recently signed a Just Transition agreement with the unions on the phase-out of coal in a way that respects the interests of the workers and their communities.

Social dialogue creates local ownership of the transition, builds societal consensus and inclusion, eases policy implementation, and cements in agreed-upon measures. That is why unions are calling on governments to convene the social partners in order to establish national Just Transition plans with a public goods approach. This convening role of the government, in bringing social partners together, is essential to maintaining the public oversight needed for the long-term stability of a national strategy.

The ILO's Guidelines for a Just Transition Towards Environmentally Sustainable Economies and Societies for All²⁰ provide a framework for achieving this. They provide advice to governments for the development of country policies and sectoral strategies towards environmental sustainability, the greening of enterprises, social inclusion and the promotion of green jobs.

For workers affected by the transformation, this means a role in discussions with employers and governments to plan for re-training as well as for a clear transition to decent jobs and sustainable employment. For governments, it means playing a central role in planning the transition and in correcting private market failures through dynamic social ownership models. It also means social protection policies to enhance resilience and safeguard workers from the negative impacts of climate change, economic restructuring and resource constraints, as the ILO's Guidelines emphasise.

*Building peaceful and inclusive societies for sustainable development, through access to justice and accountable and inclusive institutions at all levels
(SDG 16)*

Armed conflicts, the militarisation of societies and the weakening of democracy undermine freedom of association, endanger the physical integrity of union organisers and leaders and ultimately affect the power and strength of the trade union movement.

¹⁹ ITUC (2017). *International Trade Union Confederation 2017 Global Poll*. ITUC: Belgium.

²⁰ http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/publication/wcms_432859.pdf.



The annual ITUC Global Rights Index²¹ showed that democratic space was constrained by governments in 54 countries in the last year, and the number of countries experiencing physical violence and threats against workers rose to 65 countries in the same period. In 59 countries, trade unionists were arrested or detained. In an increasing number of countries those defending labour, human rights, peace and the environment take action at the risk of incarceration, disappearance or even murder.

ITUC Global Rights Index 2018²²:

- Attacks on civil liberties: Workers were exposed to physical violence in nearly half of all countries of the 2018 Rights Index. Murders of trade unionists occurred in nine countries: Brazil, China, Colombia, Guatemala, Guinea, Mexico, Niger, Nigeria and Tanzania.
- The number of countries with arbitrary arrests and detention of workers increased from 44 in 2017 to 59 in 2018 – notably in China, Iran, Belarus and Algeria.
- 65 per cent of countries exclude workers from the right to establish or join a trade union.
- Civic space continued to close around the world and decent work and democratic rights grew weaker in almost all countries and territories, while inequality continued to grow – the number of countries that deny or constrain freedom of speech increased from 50 in 2017 to 54 in 2018.
- In 2018, in other countries, governments passed regressive laws that seriously impaired the rule of law and the ability of workers and their unions to secure and assert their basic rights at work – notably in Brazil, China and Indonesia.

To implement and achieve SDG 16, promoting the decent work agenda and its four pillars – employment creation, social protection, rights at work, and social dialogue – is key, including in fragile, conflict and post-conflict countries. Human and labour rights, freedom of association and collective bargaining, hand in hand with social dialogue, are not only essential ingredients for sustainable economic growth and job creation, but also the pillars of democracy-building. Building and fortifying democratic processes is in turn a cornerstone for just development.

It is also critical to integrate at national and regional level ILO Recommendation 205 and address inter-community armed and non-armed conflicts – as well as to integrate social partners in the transition to peace.

Working for peace, democracy and rights means securing a decent standard of living for all. It means social justice, equality and equity for everybody.

²¹ Ibid. 5.

²² Ibid. 5.

The Trade Union Development Cooperation Network (TUDCN) is an initiative of the International Trade Union Confederation (ITUC), bringing together affiliated trade union organisations, solidarity support organisations, regional ITUC organisations, the Global Union Federations (GUFs), the European Trade Union Confederation (ETUC) and the Trade Union Advisory Committee to the OECD (TUAC). TUDCN's objective is to bring the trade union perspective into the international development policy debates and improve the coordination and effectiveness of trade union development cooperation activities.



Le Réseau syndical de coopération au développement (RSCD) est une initiative de la Confédération syndicale internationale (CSI) réunissant des organisations syndicales affiliées, des organisations de solidarité, les organisations régionales de la CSI, ainsi que les Fédérations syndicales internationales (les fédérations sectorielles - FSI), la Confédération européenne des syndicats (CES) et la Commission syndicale consultative auprès de l'OCDE (TUAC). Le RSCD a pour but de traduire la perspective syndicale dans les débats sur la politique en matière de développement international et d'améliorer la coordination et l'efficacité des activités syndicales dans le domaine de la coopération au développement.

La **Red Sindical de Cooperación al Desarrollo (RSCD)** es una iniciativa de la Confederación Sindical Internacional (CSI), que agrupa a diversas organizaciones sindicales afiliadas, organizaciones solidarias (OS), organizaciones regionales de la CSI, las Federaciones Sindicales Internacionales (FSI), la Confederación Europea de Sindicatos (CES) y la Comisión Sindical Consultiva ante la OCDE (TUAC). El objetivo de la red es aportar la perspectiva sindical a los debates políticos y mejorar la coordinación y la eficacia de las actividades sindicales relacionadas con la cooperación al desarrollo.



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