

Building an inclusive and effective path for the achievement of the 2030 Agenda in the context of the decade of action and delivery for sustainable development

Workers and Trade Unions Major Group

Submission to HLPF 2021



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Introduction

Covid-19 has triggered an extraordinary wave of destruction across the world of work. International Labour Organisation (ILO) estimates that over 250 million jobs have been destroyed thus far and more than 1.6 billion informal workers are facing deprivation without any social protection to fall back on. The ILO also estimates that the number of workers living in moderate or extreme poverty increased by 108 million in 2020, reversing five years of continuous progress.

As highlighted by the ITUC SDG 8 Monitor, the world entered the pandemic already with a “sustainability debt”. The serious SDGs underperformance, in particular regarding the world of work and its endemic pre-existing labour market deficiencies, resulted in making those ones most vulnerable even more exposed to the impact of the crises: low skilled workers, migrant workers, informal workers, women, youth to name a few. It is now imperative to focus on a **human-centred recovery** from the unprecedented crisis that is afflicting the world of work.

The **Sustainable Development Goals (SDGs)** are helping us in this respect, being relevant **today more than ever**, as they provide the vision and show the path towards resilient economies and just societies. Recovery measures and investments must be in line with the [SDGs](#) to be lasting.

SDG 8 is key to address the social and economic impacts of the Covid-19 crisis and to drive the 2030 Agenda forward¹.

Through its targets on decent work, social protection and sustainable growth, SDG 8 plays a fundamental role in trade unions’ call for a [New Social Contract](#) on:

1. **Jobs:** climate-friendly jobs with Just Transition, decoupling economic growth from environmental degradation.
2. **Rights:** the promise of the ILO Centenary Declaration for rights and protections for all workers, irrespective of employment arrangements.
3. **Universal Social Protection:** social protection for all, with the fight for a global social protection fund for the poorest countries.
4. **Equality:** Progress has stalled, and in some nations has been set back by the pandemic. Workers demand equality of income and equality of gender and race.
5. **Inclusion:** Working people want a peaceful world and a just, rights-based development model with the promise of the SDGs.

¹ International Trade Union Confederation, [SDG decade of action - trade union policy responses](#), 2020

Ensuring access to vaccines is a moral imperative and the first step for economic recovery, considering the devastating consequences, especially in developing countries. Trade unions call for universal access to free testing, treatment, and vaccines and for the removal of intellectual property barriers and a massive scaling up of production of vaccines, tests and treatments in developing countries in particular².

Recovery and resilience measures must be funded by debt relief and increased public development assistance for developing countries, allowing them to manage crisis responses. Resource mobilisation efforts through progressive taxation at national level should be complemented by strengthening international cooperation in ending tax evasion and illicit financial flows, including a minimum tax floor for all corporations, a billionaires' or wealth tax, and a financial transactions tax.

To be sustainable, crisis response measures must be built on the engagement of social partners. Social dialogue and industrial relations help to rebuild trust in institutions and assist in crafting equitable policies. This is true within countries, but also across nations. We need a new model of global governance to redress the current imbalance of power and uneven distribution of wealth at international level. A truly inclusive multilateral system where social partners are on board and have a say will make the difference and pave the way to global resilience³.

Evidence on SDG 8 progress performance

Policies and actions are urgently needed to accelerate implementation of the SDGs. Focusing on key SDGs will be fundamental over the next nine years. SDG 8 is one of these key goals, having a strong leverage effect on other targets/goals, thanks to its multidimensional nature.

The **ITUC SDG 8 composite indicator⁴** covers **145 countries** corresponding to more than **97% of the world population** and is calculated on the basis of **four sub-domains** related to the following dimensions: **Economic Well-Being, Employment Quality, Labour Vulnerability and Labour Rights**.

² International Trade Union Confederation, [Translating commitments into action: supporting the TRIPS waiver is essential to end the COVID 19 pandemic](#), C20-L20 statement, 2021

³ International Trade Union Confederation, [Trade unions set out demands for UN Financing for Development Forum](#), 2021

⁴ The International Trade Union Confederation (ITUC) developed an innovative approach related to SDG 8 progress assessment thanks to the partnerships and expertise of [ASviS](#) (Italian Alliance for Sustainable Development). See chapter "Methodology of SDG 8 Global Indicator" on p.27-29 in [SDG decade of action - trade union policy responses](#).

These sub-domains were chosen to effectively show the centrality of the social and labour dimension of the 2030 Agenda. The final SDG 8 composite indicator is the geometric mean of the four sub-domains. The rating ranges between 70-130 and the world average is set to 100⁵.

Figure 1: 2020 Results SDG 8 composite indicator and sub-domains⁶ - Source: ASviS

	Countries	Economic well-being	Employment Quality	Labour Vulnerability	Labour rights	SDG8 Composite Indicator
Un Regions						
Asia	21	100,65	101,25	97,65	90,41	97,18
Europe	36	106,17	102,86	110,20	115,32	108,38
Latin America and the Caribbean	23	98,45	99,54	98,41	101,00	99,18
Northern Africa	6	97,42	88,74	95,56	84,41	91,26
North America	2	109,06	104,73	111,76	104,63	107,35
Oceania	3	106,65	103,72	107,25	107,67	106,25
Sub-Saharan Africa	38	90,04	97,57	87,93	96,87	92,80
Western Asia	15	101,46	91,91	98,31	87,15	94,38
Income groups						
Low	27	89,06	96,84	84,42	93,86	90,70
Lower middle	33	95,25	97,56	93,14	92,38	94,35
Upper middle	37	99,39	96,95	100,89	96,70	98,28
High	47	107,25	102,90	109,15	111,48	107,39

Considering the UN regions north America and Europe are the regions with the best SDG8 Index score and the highest level in all four sub-composites. Africa is the continent with the lowest scores but while sub-Saharan Africa has the lowest score in economic well-being and Labour Vulnerability, northern Africa has the lowest score employment level and quality and in labor rights. On this last domain western Asia also performs very poorly with the second lowest score.

⁵ Value 100 represents the world average, with no value-based connotation. This method was chosen because it does not need the definition of quantitative targets, especially when not explicitly included within the 2030 Agenda. Therefore, the whole rating system aims at showing if countries are progressing or not towards a balanced and inclusive sustainable development path based on the four sub-domains which will lead to the realisation of SDG 8 and the 2030 Agenda as a whole.

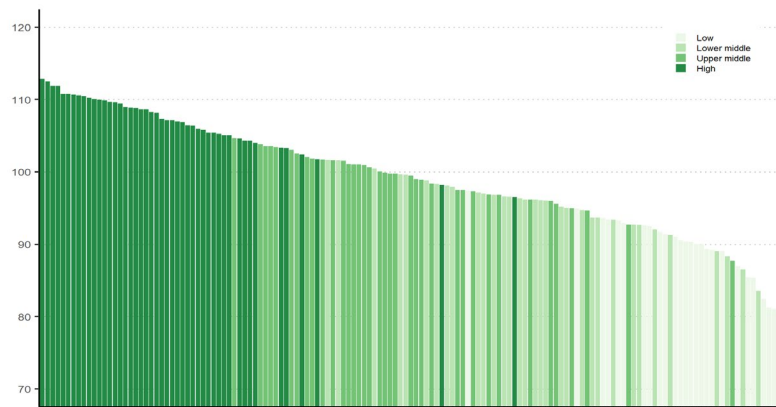
⁶ These results do not yet reflect the impact of the crisis because the most recent data available arrive until beginning of 2020. Final estimates of the economic and social damage cannot yet be made. These will be integrated in this report as soon as they will be available.

Considering the countries income groups, the results show huge differences between low-income countries and high-income countries with the low-income countries having an average score of 90.70 while the average score of the high-income countries is of 107.39.

Although this certainly depicts a North-South divide, it does not necessarily mean that richer countries are doing well. In fact, high-income countries are performing slightly above the world average (100) thus still having a long way ahead towards sustainability.

The analysis of the results of each of the four sub-domains helps to highlight additional trends.

Figure 3: Economic well-being by income groups - Source: ASviS



The **economic well-being** sub-domain obviously looks at countries' economic performance but also including poverty and inequality indicators as growth is not an aim per se. It tries to catch the presence of formal vs. informal economy and a tendency to develop small businesses that are the main driver of development worldwide.

Although, as expected, high-income countries present a better performance compared the other income groups, they still score slightly above the world average (107,25). This seems to be connected to considerable levels of poverty and inequality that persist also in wealthy countries such as high income or upper middle-income countries.

The examples below seem to support these findings⁷. Both Germany and Mexico score respectively 109,7 and 96,8 in the economic well-being sub-domain which could suggest that the inequality indicators counterbalance the good performance related to GDP growth:



Despite being the sixth most developed country in the world according to the Human Development Index, **Germany** faces challenges in fighting both poverty and inequality. Poverty indicators show that in 2019, 8 per cent of workers above the age of 18 were living under the nationally defined income line, with part-time and fixed-term employees most at risk. Progress remains to be made in terms of inequalities too, as the share of the bottom 20 per cent income earners in overall GDP in 2016 was 7.6 per cent, compared to the 24.6 per cent share of the top 10 per cent income earners, whose share has been continuously increasing.

Mexico is one of the world's largest economies based on its GDP. However, this wealth is not evenly distributed, as the country has one of the highest inequality rates in the world: in 2018 the top 10 per cent of income earners had a 36.4 per cent share of GDP, with the bottom 20 per cent of income earners holding a 5.4 per cent share in 2018.

Poverty rates are equally worrisome: in 2018, 41.9 per cent of the Mexican population lived under the national poverty line, a reduction of only 2.5 per cent compared to 2008, which suggests that the eradication of extreme poverty is far from being reached. This is in stark contrast to the fact that Mexico is classified as a country with a high level of human development (Human Development Index of 0.779 in 2019).



⁷ See Trade unions' country reports on SDGs <https://www.ituc-csi.org/2030Agenda>. For Germany the challenges are directly related to the volume of informal employment: in 2013 10.1 per cent of workers were in informal employment, with a tendency for informality particularly high in non-standard forms of employment, such as marginal employment, live-in private care, temporary agency work, work in subcontracting chains, posted employment, self-employment, etc. Migrant workers with no residence or working permit are also highly vulnerable to informality.

The example of Germany also points out that informality is a cross-cutting issue relevant in advanced economies as well if we think of the growth of non-standard forms of work including ‘platform’ businesses⁸. In fact, according to the ILO, already prior to the pandemic, the informal employment share was 60.2 per cent of global employment.

Therefore, **economic growth alone cannot provide countries with the sufficient means to ensure wider well-being**, and inclusive social and labour market policies – backed by appropriate investments⁹ - are essential to contrast the current huge levels of poverty and inequalities violently brought back by the pandemic crisis¹⁰.

The **2021 Porto Declaration of the EU European Council**¹¹ endorses the European Social Partners joint proposal for an alternative set of indicators to measure economic, social and environmental progress, supplementing GDP as welfare measure for inclusive and sustainable growth¹².

This is fundamental to push for a step up in quantitative and qualitative data to support SDGs indicators, improving SDGs monitoring and ultimately contributing to strengthen global governance.

COVID-19 pandemic has intensified the already urgent need of adapting methods of labour data collection. This concerns revising the statistical framework for measuring informality and the inclusion an actual measurement for inequality which is lacking in the current Agenda 2030 global indicator framework.

⁸ Informality can pose a major challenge to economic and social development as well as to the stability of public finances, as informal workers often do not contribute to the general tax base nor have access to contributory social security arrangements.

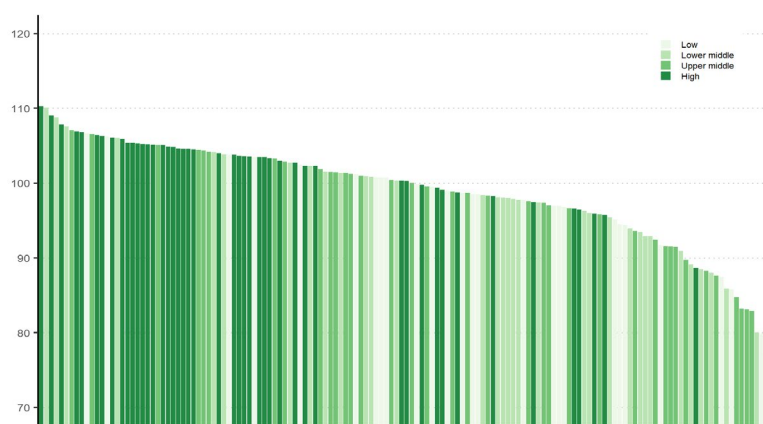
⁹ International Trade Union Confederation, [Trade unions set out demands for UN Financing for Development Forum](#), 2021.

¹⁰ United Nations, Economic and Social Council, [Progress towards the Sustainable Development Goals](#), Report of the Secretary General, 2021

¹¹ European Council, [The Porto Declaration](#), Press release, 2021

¹² European Trade Union Confederation, [EU Social Partners on Beyond GDP](#), 2021

Figure 4: Employment Quality by income groups - Source: ASviS



The **Employment Quality** sub-domain captures performance of labour market features, labour income share and working poverty. It includes employment / unemployment rates and productivity performances. It covers proxies for quality of employment, such as women's participation in the labour market and if jobs proposed are able to fairly maintain purchasing power of salaries to keep wage earners far from poverty.

Here the difference between North and South is much less marked. The distribution of countries by income level and employment quality performance seems to show that the **correlation between GNI per capita and employment quality is weak**.

Gender gaps in labour force participation rates narrowed slightly over recent decades, but the global gap was still estimated at 27 percentage points in 2019. Among wage workers, gender pay gaps persist at around 20 per cent globally¹³.

The examples below seem to support these findings¹⁴:

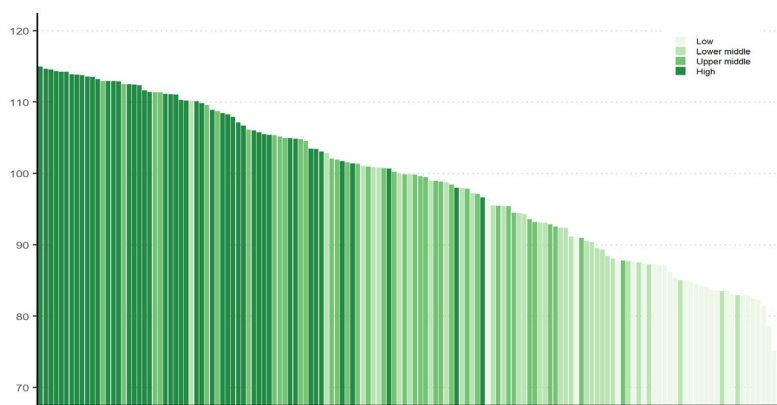
¹³ International Labour Organization, [ILO Monitor: COVID-19 and the world of work – Updated estimates and analysis](#), Fifth edition, 2020

¹⁴ See Trade unions' country reports on the SDGs <https://www.ituc-csi.org/2030Agenda>

- 8.8 per cent of global working hours were lost for the whole of last year (relative to the fourth quarter of 2019), equivalent to 255 million full-time jobs. This is approximately four times greater than the number lost during the 2009 global financial crisis.
- Women have been more affected than men by the pandemic's labour market disruptions. Globally, employment losses for women stand at 5 per cent, versus 3.9 per cent for men. In particular, women were much more likely than men to drop out of the labour market and become inactive.
- 8.3 per cent decline in global labour income (before support measures are included), equivalent to US\$3.7 trillion or 4.4 per cent of global Gross Domestic Product (GDP).

Investments in job creation in strategic sectors will need to be on top of governments agenda to reverse the economic and social consequences of this crisis. The economic and employment consequences of the COVID-19 crisis are exerting massive downward pressure on workers' wages. The implementation of statutory minimum wages - that guarantee dignity for all workers and their families- will be key to restore aggregate demand and to foster economic recovery. Minimum wages should take into account the cost of living, be evidence based and regularly reviewed by social partners through collective bargaining and adjusted for inflation.

Figure 5: Labour Vulnerability by income groups - Source: ASviS



The **Labour Vulnerability** sub-domain reflects the exposure of workers to risks, under-protection and exclusion. It includes indicators on Health and safety, youth NEET. It catches the vulnerability of the worker at the end of the professional career, observing if the worker will accrue the right to receive a pension income.

High-income countries show a better performance on labour vulnerability. However, it is crucial to note that they slightly overcome (109,15) the world average with almost all of them being under it. Upper middle-income countries then score exactly on the world average 100,89.

Therefore, it is fear to say that **labour vulnerability is still a challenge globally**, meaning that workers are vulnerable in all regions of the world.

This is not surprising if we think that nowadays 70% of the world's people cannot count on the security of full social protection.

The example below seems to support these findings¹⁶:



With only 9.2 per cent of the total population covered by at least one social protection benefit, no unemployment schemes and only 2 per cent of people in pensionable age receiving a pension, **Pakistan** is an example of labour vulnerability. This is the result of extremely low levels of spending on social protection in the country, at less than 2 per cent, an extremely high level of vulnerable employment, at 55.5 per cent in 2019, and an underemployment rate of 5.2 per cent.

63 per cent of the population in Pakistan is below the age of 30 and suffer great levels of vulnerability. In 2020, 31.2 percent of youth were not in employment, education or training (NEET).

This burden falls mainly on women, for which NEET rates stood at 56.2 percent compared to 8 per cent for young Pakistani men. This inequality has aggravated and perpetuated gender inequality in the labour market as well as the society as a whole.

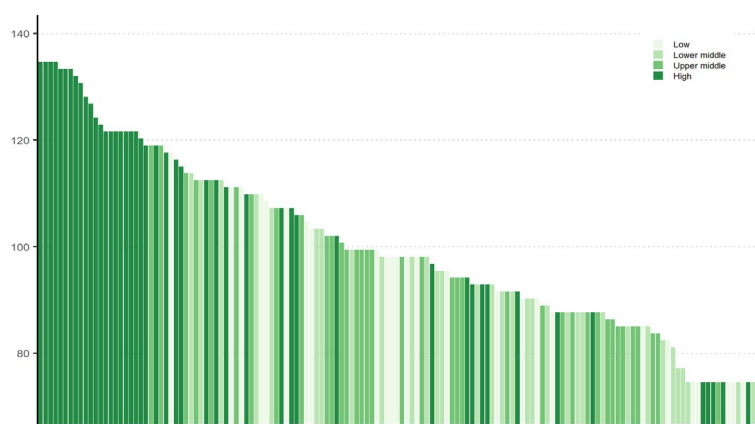
This is also the reason why the crisis had an enormous impact on those countries who had not appropriate social protection systems in place¹⁷. Social protection - an essential pillar of the Decent Work agenda - is crucial to trigger recovery and to create resilient societies. It is time for governments to support implementation of universal social protection systems and floors.

¹⁶ See Trade unions' country reports on SDGs <https://www.ituc-csi.org/2030Agenda>

¹⁷ See as examples the case studies in Colombia and Chile in [The SDGs for recovery and resilience – Case studies from Argentina, Chile and Colombia](#), 2021, p. 17 to 25, and in Zambia in [The SDGs for recovery and resilience – Case studies from Ghana, Nigeria and Zambia](#), 2021, p. 18.

¹⁸ United Nations, Economic and Social Council, [Progress towards the Sustainable Development Goals](#), Report of the Secretary General, 2021

Figure 6: Labour Rights by income groups - Source: ASviS



The **Labour Rights** sub-domain reflects the violation of fundamental rights at work as reported by the ITUC Global Rights Index.

The histogram above mirrors the findings of the ITUC Global Rights Index¹⁹. It shows very similar results for the first three income groups (low, lower-middle and upper-middle income countries) which are all below the world average. Only high-income countries show a higher score (111,48).

At the same time, we can also observe a significant degree of variability in the low- and high-income groups (different labour rights performances among income groups is the main source of variability). This means that good economic performances of countries (high-income) do not put them necessarily in a good position towards the full achievement of SDG 8.

Therefore, **the respect of rights of workers is not necessarily related to the good economic performance of the country.**

This finding is confirmed when we observe the consequences of the pandemic. The economic crisis brought along restrictions of freedoms and violations of labour rights worldwide. Increase of violations of workers and trade union rights across the world is a result of the measures adopted by governments in many countries²⁰. These violations concern in particular International Labour Standards, non-compliance with labour regulations regarding layoffs, working hours and the payment of wages and a disregard of Occupational Safety and Health (OSH) regulations.²¹

¹⁹ International Trade Union Confederation, [Global Rights Index 2020](#)

²⁰ International Labour Organization, ACTRAV, [Social Dialogue remains vital to build sustainable recovery from COVID-19](#), 2021

²¹ International Trade Union Confederation, [COVID-19: 98% of world's workers not getting the basic support they need](#), 2021

Upholding the rights of freedom of association and collective bargaining, as well as, supporting social dialogue should become key priorities for countries governments. Countries where democratic institutions, collective bargaining rights and social dialogue are well in place, they are the ones coping better with the crisis and recovering faster²². According to the ILO²³, social dialogue outcomes concerned support enterprises, jobs and incomes, and protect workers in the workplace.

Therefore, social dialogue is an effective tool to put in place socioeconomic reforms that guarantee ownership and ensure greater levels of transparency and accountability. Here, the link between SDG 8 and SDG 16 is clear: rights, fundamental freedoms and social dialogue are strongly interrelated with effective and accountable institutions.

SDG 8.7 target on the elimination of child labour is relevant more than ever. As stated in the UN Secretary General Progress report “2 in 3 students worldwide are still affected by full or partial school closures. The most vulnerable children and those unable to access remote learning are at an increased risk of never returning to school, and even being forced into child marriage or child labor”²⁴.

“The 14 remaining governments that have not ratified ILO Convention 138 on the Minimum Age should do so this year, and all governments should resolve not to allow the world to slide back into 19th century exploitation. A new social contract will provide the hope and the pathway to realising the aim of the UN Year for the Elimination of Child Labour,” said Sharan Burrow, ITUC General Secretary.

Also, when it comes to monitoring this important target, the data gap is striking especially if we consider developed countries data availability:

Proportion and number of children aged 5-17 years engaged in child labour	TOT Countries	N. Missing Countries where data is available
Low	34	6
Lower middle	47	8
Upper middle	56	21
High	80	72

Source: ASviS

²² The Guardian, [Social Dialogue vital to post-COVID-19 recovery](#), 2021

²³ United Nations, Economic and Social Council, [Progress towards the Sustainable Development Goals](#), Report of the Secretary General, 2021

²⁴ Idem.

Accelerating Action: SDG 8 Strategic Interlinkages Across the 2030 Agenda

The estimation of a composite indicator for SDG8 gives the opportunity to address the interactions between the economic and decent work dimensions of the 2030 Agenda with other indicators used as proxies of sustainable development domains.














In this chapter, interactions are estimated through a linear regression model which puts in relations the SDG8 indicator vis-à-vis other variables:

- Poverty headcount ratio (proxy of SDG1).
- Prevalence of undernourishment (SDG2).
- Mortality rate, under-5 (SDG3).
- Level of secondary education enrolment (SDG4).
- Proportion of women in managerial positions (SDG5).
- Energy share in the total final energy consumption (SDG7).
- Income inequality (SDG10).
- Mortality caused by road traffic injury per 100,000 people (SDG11).
- Material consumption per capita (SDG12).
- CO2 emissions per capita (SDG13).
- Social Dialogue (SDG 16).

The interlinkage between SDG 8 and SDG 16 is not calculated through a statistical model. The general lack of data related to almost all SDG 16 target indicators hampers this approach. Moreover, most importantly, there is no indicator within the official indicators framework of the 2030 Agenda referring to the existence and implementation in practice of social dialogue (dialogue between workers and employers' representatives, and governments). This is certainly a weakness, as where social dialogue is genuinely implemented, it provides a contribution to the development of effective, accountable and transparent institutions which is a key target of SDG 16. This interrelation is essential for trade unions to be highlighted and valued. Therefore, it has been included in the table below, on the grounds of a qualitative analysis of practice.

Correlation analysis can be used to identify the direction of links among SDGs. There are reinforcing links when improvements in SDG8 lead to higher performance in other indicators, while there is evidence of trade-off when good performances in SDG8 are correlated with a deterioration on another indicator (see figure 7).

Figure 7– Interlinkages between SDG8 and other SDGs

													
	Indicator	Poverty headcount ratio at \$1.90/day	Prevalence of undernourishment % of pop.	Mortality rate, under-5	Secondary School enrol	Proportion of women in managerial positions (%)	Renewable energy share in the total final energy consumption (%)	Manufa. value added %GDP	S80/S20 income quintile share ratio	Mortality caused by road traffic injury per 100,000 people	Domestic material consump. per capita (tonnes)	CO2 emissions per capita	Social Dialogue
	Reinforcing	↑↑↑	↑↑	↑↑	↑	↑		↑↑	↑	↑↑	↑		↑↑
	Trade-off						↓					↓↓	

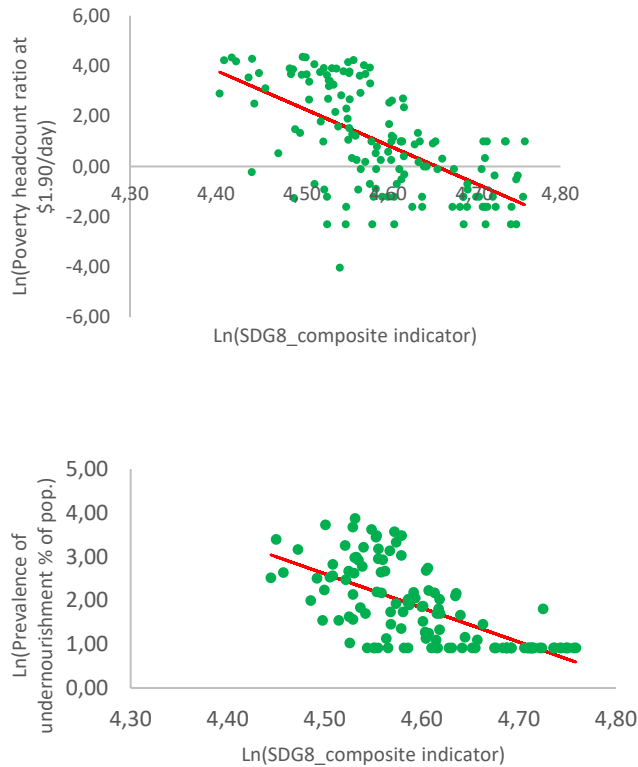
Source: ASviS's calculations. The magnitude of the interlinkages varies among indicators. The number of arrows refers to the estimation of the slope in the linear regression (log-log transformation). Three arrows [$>10\%$]; Two arrows [$5-10\%$]; one arrow [$0-5\%$].

Good performances in SDG8 are correlated with low poverty headcount rate, low mortality rate under-5, lower percentage of undernourishment population, low-income inequality, higher second education enrolment, higher proportion of women in managerial positions, lower mortality level caused by road traffic, lower domestic consumption, and higher levels of social dialogue.

Therefore, the achievement of one Goal (SDG 8) seems to reinforce the country's ability to achieve the other ones described above.

The magnitude of the interlinkages between SDG8 and SDG1 is the strongest one.

Get on track to end poverty and hunger, and transform towards inclusive and sustainable economies



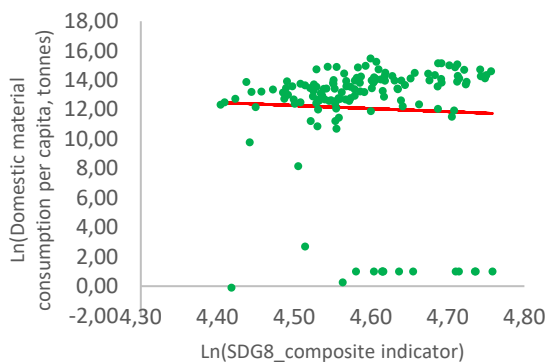
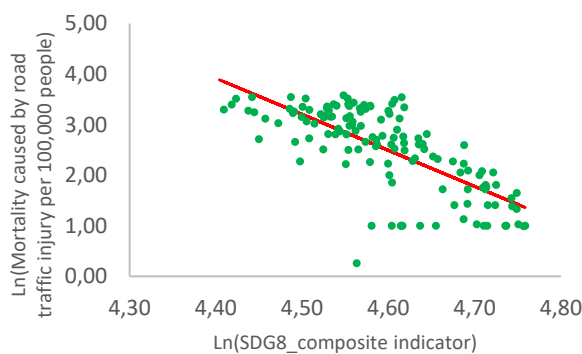
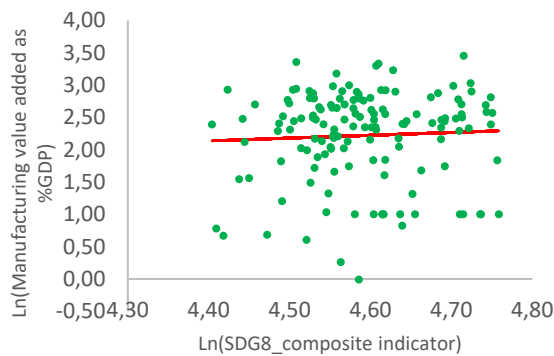
Interrelations between SDG 8 and SDG 1 and SDG 2

SDG 8 is positively correlated with low poverty headcount rates (SDG 1 on ending poverty) and with low prevalence of undernourishment (SDG 2 on ending hunger).

The social dimension of SDG8 (employment levels, wages and social protection coverage in particular) is key to fight poverty and hunger.

Minimum living wages can set a threshold that would effectively limit income poverty. Likewise, expanding social protection systems and floors will increase resilience, and act as an economic and social stabiliser to promote a stronger recovery.

Revamp and transform consumption and production and address and mitigate climate change



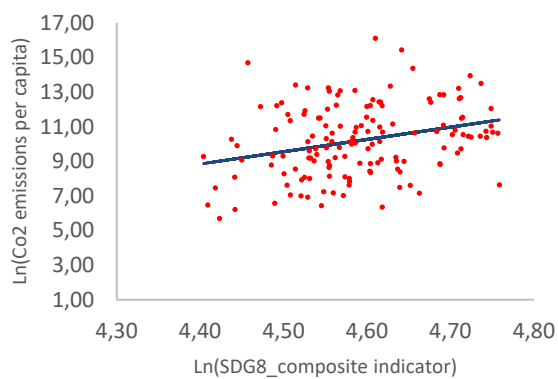
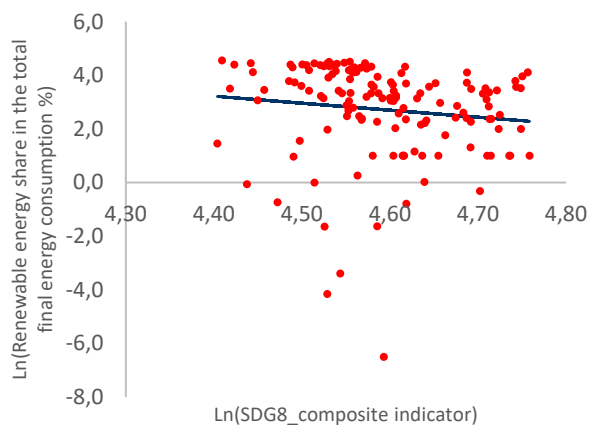
Interrelations between SDG 8 and SDG 9, 11, 12 and SDG 7 and 13

SDG 8 is positively correlated with increased levels of manufacturing value added (SDG 9 on resilient infrastructure), lower levels of mortality caused by road traffic (SDG 11 on sustainable cities) and domestic material consumption (SDG 12 on sustainable consumption and production).

Higher levels of productivity (manufacturing value added) are brought about by progress on SDG 8.

Improvements of SDG 8 also favours more inclusive urban contexts, to the extent that both the economic and social conditions of families are better and reflect on the well-being of the cities. In the specific case of the indicator, this can be translated in cities with a greater balance in the management of services, for example in local public transport or in contexts in which the quality of work also brings with it an increased share of social capital.

Restructuring national economies and production/consumption systems will be vital to build resilience. Data show a positive correlation, between SDG 8 and lower levels of material consumption per capita. This is a positive trend that will need to be reinforced and supported by sustainable industrial policies.

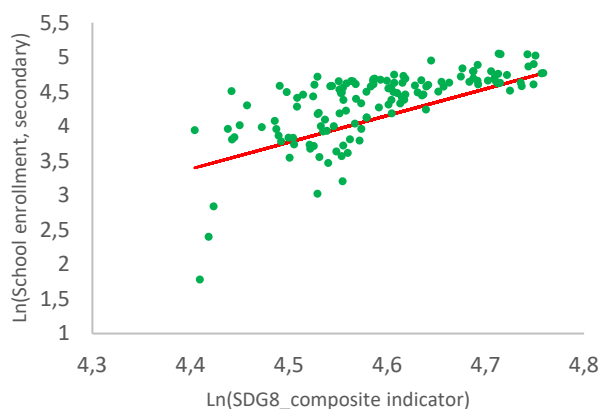
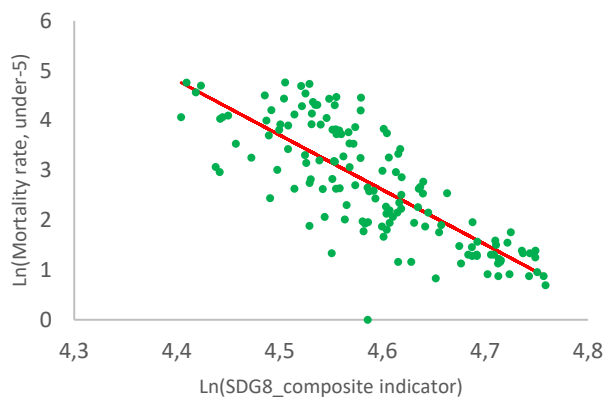


SDG 8 presents a trade off with SDG 7 (sustainable energy) and 13 (climate change).

This implies energy decarbonisation and industrial transformations leading to zero CO₂ emissions. Proactive policies will be required to implement a Just Transition towards sustainable economies in which workers and their communities are not left behind.

SDG 8 itself includes the target on decoupling GDP growth from environmental degradation. Therefore, a trade-off arises for the relations between economic growth, currently primarily carbon-based, and the environmental dimension of the SDG 8 itself and other goals of the 2030 Agenda.

Promote more peaceful, equal and inclusive societies



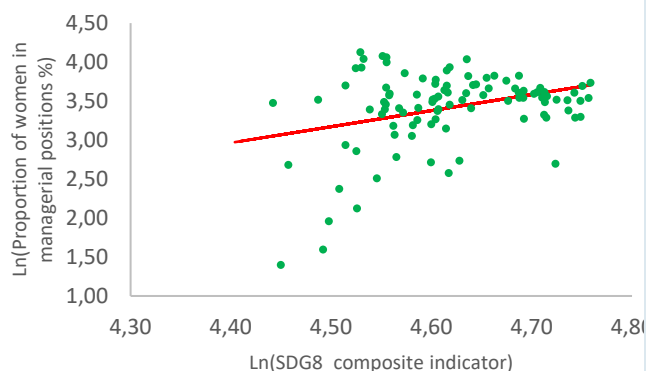
Interrelations between SDG 8 and SDG 3, 4, 5, 10,16

SDG 8 is positively correlated with low levels of mortality rates under 5 years (SDG 3 on Health), with increasing levels of schooling (SDG 4 on Education), women in managerial positions (SDG 5 on Gender Equality), with less inequality (SDG 10) and with increased social partners dialogue with institutions (SDG 16 on peaceful and inclusive societies).

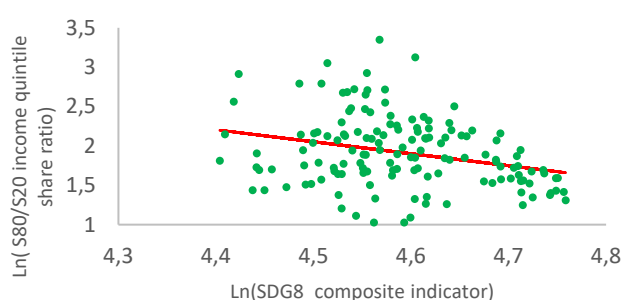
The social dimension of SDG 8 shows the way towards resilient societies, with health and education being a fundamental pillar of progress, as well as gender equality and redistribution policies.

Universal access to basic services through the implementation of social protection floors is a way to grant access to health.

Investments in education, skills training and life-long learning are also crucial if we think of measures for integrating young people in the labour market.



The promotion of equal pay for work of equal value, including active labour markets fostering women access to higher paying jobs, remain key preconditions to gender equality.



Minimum wages not only help protect workers against unduly low pay but also contribute to reducing inequality²⁵.



Finally, practice demonstrates²⁶ that meaningful participation and interactions between social partners and institutions (social dialogue) bring along inclusive and transparent decision-making processes that contribute to accountability and good governance. Moreover, social dialogue, as a collective problem-solving process, delivers policies that are the fruit of consensus and work for the actors involved. This contributes to ease policies implementation in key socio-economic areas²⁷.

²⁵ International Labour Organization, [Global Wage Report 2020-21 – Wages and minimum wages in the time of COVID-19](#), Executive Summary, 2021

²⁶ International Trade Union Confederation, [Social dialogue as a driver and governance instrument for sustainable development](#), 2017 and [The Global Deal, Social Dialogue in the 2030 Agenda](#), 2020

²⁷ International Labour Organization, [The contribution of social dialogue to the 2030 Agenda - Promoting a Just Transition towards sustainable economies and societies for all](#), 2019 and [The contribution of social dialogue to the 2030 Agenda: Formalising the informal economy](#), 2019

Crisis Impact Trends and Policy recommendations

Looking at the impact of the crisis we can highlight major trends related to SDG 8²⁸:

- Divergent recoveries. The ILO has estimated this “stimulus gap” between the stimulus measures in low- and lower-middle income countries and high-income countries to be around \$982 billion.²⁹ The response and measures taken to respond to the needs of the population during the pandemic have been very uneven, with high-income countries spending heavily on their pandemic response, while lower income countries have been unable to do so. This results in advanced countries slowly moving towards economic recovery but developing countries – including many upper middle-income countries - are still in crisis.
- Severe job loss leading to growth in unemployment and inactivity, and loss of labour income. Global labour income is estimated to have declined by 8.3 per cent in 2020 relative to 2019.
- The impact has been more severe for women, youth, and vulnerable groups. For women due to their presence in particular hard-hit sectors (such as services, manufacturing, and care) and in informal economy.
- Labour market inequality is increasing.

According to the numerous and significant interlinkages of SDG 8 with other goals described above, the crisis negative impact on SDG 8 implementation will entail a heavy challenge for the whole 2030 Agenda. The policy recommendations below are meant to offer a vision linking both urgent and long-term recovery measures, granting resilience, promoting societal well-being, and supporting governance modalities to push back power unbalances and inequalities.

An SDG 8 driven recovery and resilience:

Just and climate-friendly jobs with just transition - decoupling gdp growth from environmental degradation

“The pandemic has destroyed over 250 million jobs worldwide and left 1.6 billion informal workers in desperation. We need to create 575 million jobs to reach full employment and formalise at least one billion informal jobs.” (Sharan Burrow).

²⁸ International Labour Organization, [ILO Monitor: COVID-19 and the world of work – Updated estimates and analysis](#), Seventh edition, 2020

²⁹ World Bank / International Monetary Fund, Development Committee, [Statement by Guy Ryder, Director-General of the ILO at the 102nd Meeting of the Development Committee](#), 2020

The [ILO Centenary Agreement](#) will be key for repairing a broken labour market where the despair of informal and insecure work dominate. Job creation strategies should put SDG 8 at the forefront, accompanied by measures for the formalisation of the informal economy in line with ILO Recommendation 204. They should also guarantee the application of a **labour protection floor** that ensures that fundamental workers' rights are respected, an adequate minimum wage is applied, maximum limits on working time are guaranteed, and safety and health at work is upheld.

Data from the IMF shows the direct job creation potential of an additional USD 1 million of investment in a range of different infrastructure sectors. Stepping up **public investment** can have a significant impact on job creation and overall employment levels – especially when public investment is concentrated in labour-intensive sectors such as infrastructure and care.

Millions of jobs can be created with investments in **green infrastructure**, renewable energy and energy efficiency measures. The International Renewable Energy Agency (IRENA) has moreover estimated that renewable energy could employ more than 40 million people by 2050 and that total employment in the energy sector could reach 100 million by 2050, up from around 58 million today, if renewable energy was to be pursued to its full potential.

The transition to **green and more sustainable farming practices** could also lead to the creation of 200 million jobs by 2050 (FAO 2011). The agriculture sector already accounts for around 1 billion jobs worldwide, and around 3% of global GDP. It is forecast that global food production will need to be increased by 70% to feed the expected world population in 2050, highlighting the potential for further growth of the sector as well as the importance of improving efficiency and productivity.

Governments should urgently put in place national plans for climate friendly jobs creation, with **Just Transition measures** to support workers in industrial transformation processes. Just Transition measures, negotiated with social partners, and linked to both climate and technological shifts, rooted on social protection, education, training and skills development will guarantee that no one is left behind.

Just Transition

The government of Spain has adopted a climate law that provides for a comprehensive [Just Transition strategy](#) in a participatory manner. In March 2021, the social partners reached a general [“Agreement for Just Transition for Coal Power Plants: Jobs, Industry and Territories”](#) which serves as a basis for the regional agreements.

The ILO has estimated that spending an additional 3.5% of GDP in the **care economy** would lead to the creation of 269 million extra jobs by 2030 (compared to 2015). ITUC analysis has also shown that an extra 2% of GDP were invested in the health and care sector within developing economies, it would generate increases in overall employment ranging from 1.2% to 3.2%, depending on the country³⁰.

³⁰ International Trade Union Confederation, [Investing in the care economy - Simulating employment effects by gender in countries in emerging economies](#), 2017

Key components of a job creation plan	What does not belong in a job creation plan
<ul style="list-style-type: none"> ✓ Strengthened industrial policy to support domestic industries and public investment, especially in climate-friendly industries and sectors that directly benefit people (e.g. infrastructure development and care). ✓ Direct creation of jobs, including public sector jobs and public works programmes. ✓ Promoting decent work, through regulation, incentives and procurement practices. ✓ Formalising the informal economy through incentive and enforcement measures. ✓ Investment in training and skills development, to support workers adapt to new jobs. ✓ Full involvement of unions in the development of jobs plans. 	<ul style="list-style-type: none"> ✗ Using low wages and labour standards as a means to attract foreign direct investment. ✗ Deregulation and weakening of workers' rights, including on employment protection legislation. ✗ Reduction of labour costs, in particular on wages and social security contributions. ✗ Weakening of collective bargaining, including through allowing deviations from CBAs and decentralisation of negotiations. ✗ Providing unconditional tax cuts/subsidies for businesses that don't require retaining/creating jobs.

Source: ITUC Forthcoming

Scaling up Universal Social Protection

Governments should strive to **expand social protection systems and floors**, according to ILO Recommendation 202 on Social Protection Floors and Convention 102 on Social Security. Universal social protection should ensure that all people have access to basic social security guarantees.

Social protection systems have contributed to hampering the impacts of the pandemic in many countries, ensuring access to healthcare and supporting job and income security. Putting social protection at the centre of government responses to crisis will increase resilience, and act as an economic and social stabiliser to promote a stronger recovery. Social spending increases are consistently accompanied with reductions of poverty and inequality, increased employment (especially women's employment), increased productivity, increased tax revenues stemming from higher and better-quality labour force participation, and overall higher GDP³¹. In short, social protection must be recognised as a key factor for social and economic development and is an investment for robust and inclusive economies.

³¹ International Trade Union Confederation, [New Social Contract: ITUC report makes economic case for social protection](#), 2021

If these are feasible options for many countries, where only political will seems to be the real determinant, this is not the case for the poorest ones. The proposal of the UN Special Rapporteur on extreme poverty and human rights for the establishment of a **Global Fund for Social Protection** is crucial to uphold the implementation of social protection floors in this respect.³²

Donor governments need to fulfill and exceed the 0.7% target for ODA and increasing ODA levels allocated to social protection (currently 0.69% of bilateral ODA). Around 78 billion USD would be needed annually to fund social protection floors in the world's lowest income countries. This amount represents a fraction of a percent of global GDP, but it amounts to around 16% of the collective GDP of these countries. An unsurmountable financial burden. Global mechanisms, such as the Global Fund for Social Protection³³ could help catalyse such financing for low-income countries.

Upholding Equality and Fighting Vulnerability

Particular attention needs to be paid to adopt measures to reboot labor market access and equal economic participation for women and youth. As seen above, women and youth are amongst the ones mostly hit by the crisis, as more exposed already to informality, undervaluation of work, occupational segregation and care demands.

For example, women make up the largest proportion of domestic workers (often migrants) at risk to lose their job, ranging from 58.2 per cent in Asia and the Pacific and 69.7 per cent in Africa, to 86.0 per cent in Europe and Central Asia and 88.5 per cent in the Americas³⁴. Moreover, unequal distribution of increased care demands affects women disproportionately. The bigger their losses in employment during the lockdown phase and the greater the scarcity of jobs in the aftermath of the COVID-19 crisis, the harder it will be for women's employment to recover³⁵.

Budgeting for Gender Equality

The Canadian government adopted progressive economic policies in the fiscal framework such as "[universal high quality early learning and childcare](#)" measures to drive job creation and regain women participation to the labor market, as well as, measures to expand support low-wage workers – where women are a vast majority – lifting them out of poverty.

³² Olivier de Schutter, [Global fund for social protection: international solidarity in the service of poverty eradication](#), 2021

³³ International Trade Union Confederation, [A global social protection fund is possible](#), Campaign brief, 2020

³⁴ International Labour Organization, [ILO Monitor: COVID-19 and the world of work – Updated estimates and analysis](#), Fifth edition, 2020

³⁵ Idem.

Investing in care is a priority if we are to raise women's labour force participation and access to decent jobs. **Investments in quality public care services and social protection, the promotion of equal pay for work of equal value, and the introduction of minimum living wages with stronger collective bargaining** remain the preconditions to gender equality. The **elimination of gender-based violence** in the world of work is also key in this respect.

Legislate, monitor and enforce the implementation of the ILO principle of "equal pay for work of equal value" between women and men, and ratify ILO Convention 190 to eliminate violence in the workplace are the way forward. Specific attention should be given to LGBT+ workers³⁶.

The European Union Directive on reconciliation of family and professional life of parents and careers is certainly an excellent example³⁷ together with the recent proposal of the European Commission on pay transparency to ensure that women and men in the EU get equal pay for equal work³⁸.

Investments in **education, skills training and life-long learning** are also crucial if we think of measures for integrating **young people in the labour market**. Due to changing technologies recently boosted also by the pandemic, the number of entry-level jobs posted in the USA - most suited for workers just starting their careers - decreased by 68%³⁹. This means that these jobs do not exist anymore (companies reducing the number of low-level positions) and that "today's graduates are expected to arrive on the job with a range of in-demand skills they would have once developed in the early years of their career"⁴⁰. Consequently, educational paths need to be adapted to equipping young people to find a job.

In general, for "workers set to remain in their roles over the next five years, nearly half will need retraining for their core skills"⁴¹. Transformations in the labour market put heavy pressure on workers to build and adapt their skills to new realities: governments and employers have the duty to provide life-long learning paths throughout workers lives so that more young people can find jobs and displaced workers are protected during job transitions.

³⁶ LGBTI+ workers are particularly exposed to sexual harassment at work, particularly where LGBTI+ rights are not recognised by state laws. See the report of the ITUC [Global Unions Statement: LGBTI rights are a union issue](#), and the ILO's [Fundamental principles and rights at work: From challenges to opportunities](#), 2017

³⁷ [Directive \(EU\) 2019/1158 of the European Parliament and of the Council of June 20, 2019, on the reconciliation of family and professional life of parents and careers](#), 2019

³⁸ The proposal sets out pay transparency measures, such as pay information for job seekers, a right to know the pay levels for workers doing the same work, as well as gender pay gap reporting obligations for big companies. The proposal also strengthens the tools for workers to claim their rights and facilitates access to justice. Employers will not be allowed to ask job seekers for their pay history, and they will have to provide pay related anonymised data upon employee request. Employees will also have the right to compensation for discrimination in pay. See the European Commission's [Proposal for binding pay transparency measures](#), 2021

³⁹ World Economic Forum, [Is the entry-level job going extinct?](#), 2021

⁴⁰ Idem.

⁴¹ Saadia Zahidi, [The Jobs of Tomorrow](#), IMF Blog, 2021

*Financing Recovery and Resilience*⁴²

Investments capacity will be central to bring forward job creation plans. Recovery and resilience measures must be funded by transparent debt relief, restructuring and cancellations including middle-income countries and with the participation of private creditors⁴³. The G-20 Debt Service Suspension Initiative (DSSI) should be extended to successfully ease countries debt burdens and larger special drawing rights (SDR) issuance will provide a much-needed debt-free liquidity to boost to many countries in need.⁴⁴

Structural reforms like domestic resource mobilisation through progressive taxation will be crucial to grant resilience, together with ending tax evasion and illicit financial flows. For the latter international cooperation on tax matter will be crucial including a minimum tax floor for all corporations, a billionaires' or wealth tax, and a financial transactions tax.

The uneven capacity of countries to respond to the Covid-19 pandemic highlights the importance of increased international solidarity through strengthened official development assistance (ODA). With current liquidity injections in the developed world, ODA can and should be increased to help developing countries in restoring public goods (such as social protection and capacity building for taxation system implementation). We need to scale up and meet the ODA 0.7% commitment, with 0.15 to 0.20% of GNI for least-developed countries.

Increased concessional finance will need to do the heavy lifting for the recovery and resilience needs ahead: multilateral, regional and national development banks and other development finance institutions have an important role to play in offering long-term and counter-cyclical financing to developing countries. They should better support national country needs in strategic sectors and systematically integrate employment into results measurement frameworks, measuring the quality and quantity of job creation.

Central banks should be more developmental in the way they create and guide capital, integrating other objectives, including employment and climate, in their frameworks and mandates.

⁴² International Trade Union Confederation, [Trade unions set out demands for UN Financing for Development Forum](#), 2021

⁴³ Trade unions support the recommendation of the UN Independent Expert on Foreign Debt and Human Rights to incorporate human rights obligations into frameworks for debt sustainability analysis. See the [ITUC's positions on L20/G20 Italy 2021](#) and the [Note by the UN Secretary General at the General Assembly of 5th August 2016](#)

⁴⁴ International Trade Union Confederation, [Responding to urgent global needs: IMF Special Drawing Rights](#), 2020

To secure the rights-based approach, private sector actors and private finance should be in alignment with SDG 8 so that investments can ensure the application of ILO standards and be guided by responsible business-conduct principles and due diligence, integrating quality of employment and just transition in their mandates and operations.

Inclusive Governance and Social Dialogue

Trade unions welcome the UN Secretary General's call for a **new model for global governance** based on a reinvigorated and **inclusive multilateralism**.

As seen above, without international cooperation the world would have been in a much worse position. However, the recovery is still uneven and unbalanced, and this is not compatible with the sustainability model that the Agenda 2030 wants to promote.

Ensuring access to vaccines is a moral imperative and the first step for economic recovery, considering the devastating consequences, especially in developing countries. Trade unions call for universal access to free testing, treatment, and vaccines and for the removal of intellectual property barriers and a massive scaling up of production of vaccines, tests and treatments in developing countries in particular.

There is still a significant lack of comparable data among countries for several dimensions of the SDGs. This includes SDG 8, especially regarding the indicators on informal economy, social protection, occupational health and safety, and child labour amongst others. There is also a need to improve indicators to better describe inequalities.

Producing and measuring data is a matter of political choice that directly affects global policy responses and governance. Governments and international institutions need to do more concrete efforts to improve the availability and the comparability of statistical data (especially for less-developed countries) in order to ensure more comprehensive, robust and precise analyses of progress made.

A crucial multistakeholder partnership for a sustainable recovery from the pandemic is the one between workers and employers' organisations with their governments through social dialogue and tripartism. More sustainable responses to the crisis are delivered when social partners are engaged⁴⁵. Social dialogue and industrial relations are key in crafting equitable policies and grant greater levels of transparency and increase trust in institutions (accountability).

⁴⁵ International Trade Union Confederation, [SDGs for recovery and resilience - Case studies: Argentina, Chile and Colombia](#), 2021

This is true within countries, but also across nations. We need a new model of global governance to redress the current imbalance of power and uneven distribution of wealth at international level.

A truly inclusive multilateral system where social partners are on board and have a say will make the difference and pave the way to global resilience.

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.



dce@ituc-csi.org

+32 (0) 2 224 02 25



@TUDCN_RSCD



/TUDCN.RSCD

www.ituc-csi.org/development-cooperation