



L20 STATEMENT TO THE G20 LABOUR AND EMPLOYMENT MINISTERS' MEETING

Mendoza, Argentina, 6-7 September 2018

Global economic growth has slightly improved, yet the vast majority of the world's people are still left waiting for increased security, wages and social protection. Inequality is at an historic high and is rising with no sign of abating, and workers' wages are stagnating compared to productivity and profits. Currently eight billionaires have amassed the same wealth as the poorest half of the world's population¹, and just 50 companies hold a combined wealth equivalent to that of 100 nations². The concentration of wealth is increasing. It is further exacerbated by digital economy businesses in terms of both market capture and the rise in precarious work.

Decent work is not a reality for the vast majority of the world's people, and downward competition between countries on wages and working conditions is having disastrous consequences on workers' livelihoods. Only 28 per cent of the world's population enjoy comprehensive social protection systems, and recent retrenchments by governments, combined with the growth in precarious work forms, are further jeopardising social protection adequacy and access³.

Women workers, on whom most of the burden of unpaid care work falls, are the most affected. Women contribute some USD10 trillion from direct employment and around the same amount from unpaid care to the global economy. However, women's participation has stalled and gender inequalities in the labour market persist. Likewise, high youth unemployment combined with the concentration of young people in low-paid, precarious work is leading to a threat to decent work for all in the future.

At the same time, unabated climate change is affecting the survival and livelihoods of millions today through extreme weather events such as drought, hurricanes and flooding. The world needs vast investment and policy coordination to achieve a Just Transition to a low-carbon economy. Similarly, rapid technological change requires new regulation and investment in jobs and a just transition framework to ensure full employment.

These trends are undermining social justice, contributing to growing poverty and social exclusion, and threatening social cohesion. They are also undermining sustainable, inclusive economic growth in the long term. None of this is inevitable. Governments, together with social partners, have the power to address effectively these challenges.

The G20 has made several commitments to take action on these issues – however, working people have not seen tangible outcomes. Trade unions are now calling on the Labour and Employment Ministers' meeting in Mendoza to implement, deepen and go beyond past commitments by

¹ Oxfam (2017) [An Economy for the 99 Per Cent](#)

² ITUC (2016) [Scandal: Inside the global supply chains of 50 top companies](#)

³ ILO (2017) World Social Protection Report 2017-2019

- ensuring minimum living wages, based on and adjusted according to the cost of living;
- promoting the freedom of association and collective bargaining, particularly on wages, and taking measures to increase the coverage of agreements;
- reinforcing and investing in universal social protection systems;
- purging global supply chains of precariousness, informality, slavery and child labour and ensuring that companies take responsibility for their obligations towards workers, including by incorporating human rights due diligence throughout their operations;
- dealing with climate change and contributing to the realisation of the objectives of the Paris Climate Agreement by promoting and implementing strategies for a Just Transition to a low-carbon economy;
- preparing the workforce for a “just transition” to a digital future of work. This should be done in particular
 - by (i) promoting social dialogue on technology deployment and investment needs, tripartite governance of transition and training funds, (ii) reinforcing and adapting social protection systems, and (iii) taking early measures to ensure that non-standard forms of work are not used to avoid responsibility towards workers, and ensuring that workers in such jobs enjoy all labour rights – for this, collective bargaining must be an intrinsic mechanism for social dialogue and the joint construction of peace and social justice;
- promoting gender equality in the labour market and investing massively in the care economy and training to create new jobs and lift millions of others from informality; also, violence in the workplace must be addressed including with legislation on domestic violence leave;
- addressing the persisting high youth unemployment levels including through active labour market policies and investment in formal training and by taking measures that increase labour demand in general; and
- planning for the integration of refugees and migrants and lifting barriers to social inclusion.

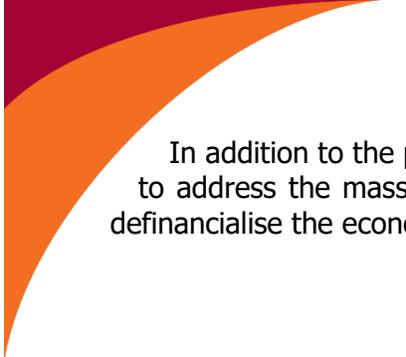
These demands are based on evidence of what works. The L20’s recent Economic and Social Policy brief, “The case for wage-led growth”⁴, highlights research showing how raising wages, strengthening social protection, enhancing collective bargaining and reducing inequalities can lift employment, enhance skill development, reduce informality, strengthen aggregate demand and promote overall economic development and growth.

Among other policy areas, the G20 has made commitments on labour income share, fair wage policy principles, workers’ rights throughout and inside global supply chains, the equal participation of women and men in employment and wages, youth inclusion, occupational health and safety and skills development. The Labour Ministers must not lose sight of these past commitments, and the first priority should be to implement and deepen the work already done in these areas.

By making progress on their commitments, the G20 Labour and Employment Ministers would help the realisation of the Sustainable Development Goals and in particular the goals to end poverty (SDG1), ensure inclusive and equitable quality education and lifelong learning opportunities (SDG4), achieve gender equality and empower all women and girls (SDG5), achieve economic growth with decent work (SDG 8) and reduce inequalities (SDG 10).

The G20 is a key process to global governance. The world expects the G20 countries to lead in improving coordination and coherence of economic and social policies and in guaranteeing the social dimension of globalisation with human and labour rights enforcement. We emphasise the importance of greater coordination within each state as well as the importance of intergovernmental cooperation.

⁴ ITUC (2018) [The case for wage-led growth](#)



In addition to the priorities for working people summarised above, we will be petitioning the G20 Leaders to address the massive tax avoidance and evasion, strengthen financial regulation and take measures to definancialise the economy, and guarantee food security for all people.