

For release on September 4th, 2015

Jobs, Growth and Decent Work

The B20 and L20 call on G20 governments to fully unleash the potential of the G20 as an engine for change and global policy coordination with the aim of bringing more people into work, stimulating growth and improving working conditions.

The B20 and L20 have engaged and jointly addressed G20 labour ministers and G20 Heads of States and Governments in this regard since the G20 French Presidency in 2011. However, up-take and follow-up action on these joint recommendations have been modest. It is for this reason that the B20 and L20 reinforce our joint messages of recent years and stress particularly the urgent need to:

1) Determinedly tackle youth unemployment through;

- Targeting job creation, incentive and employment schemes for young people to ensure a smooth transition from school to work;
- Improving education and training systems with a particular focus on developing skills for better adapting to constant changes in technology and the digital age, and in view of the impacts of ever-changing market demands concerning skills requirements and ensuring quality jobs and career paths for young people;
- Applying the B20-L20 joint understanding on key elements of quality apprenticeships which is a key reference document in this regard. A joint IOE/BIAC-ITUC/TUAC survey in 2014 found that national vocational education and training (VET) systems in many countries are not in line with the principles and do not meet the needs of apprentices and companies. The B20's Global Apprenticeship Network is seeking to apply the principles. The L20 and B20 expect more determined efforts on the part of governments to implement these principles through comprehensive reforms concerning the national apprenticeships systems in consultation with national social partners;
- Setting ambitious national and regional targets with concrete, realistic and traceable Key Performance Indicators (KPIs) for youth employment. It is important to have concrete measures in order to address youth unemployment issue globally. This is true for the private sector, as well as for governments. Targets and traceable KPIs are therefore not only fundamental to trigger government action, but also to increase accountability and transparency. National Social Partners need to be fully involved in the development of the targets, as well as of KPIs.

2) Pursue macro-economic policies that promote employment:

Raising growth rates in both the short and medium term and working to ensure that the benefits of growth are more equitably shared are key. The B20 and L20 are encouraged by the agreement of G20 leaders in Brisbane in 2014 to significantly lift G20 GDP by 2018. This agenda needs to be carried forward now and following the Turkish G20 presidency. Most importantly macro-economic policies must support job creation, whilst ensuring fiscal stability. The L20 and B20 call on G20 governments to reinvigorate infrastructure investment and private investment in the real economy through their national investment plans, and at the same time increase investment in human capital for the future of skills demand and job matching. In the longer term action to stimulate innovation, entrepreneurship and productivity growth are key. The B20 and L20 regard the action points listed below particularly important for the stimulation of growth that leads to quality job creation:

- Macro-economic policies to bring forward infrastructure investment that can also ensure transition to a low-carbon economy. Strengthening private investment and promoting investment in human capital to encourage private-sector led growth that fuels demand for work and further employment creation;
- Active labour market policies that promote employment-friendly work arrangements, better skills matching and better retraining/education schemes so as also to respond to the employment implications of the imperatives of tackling climate change;
- Support for systems of social dialogue and collective bargaining as a means to promote fair wages in line with national law and practice;
- Support for the SME sector and encouragement of SME growth; with a specific focus on encouragement of entrepreneurship as a means of engendering decent and sustainable jobs;
- Support efforts to strengthen the multilateral trading system, including implementation of the Bali Agreement on Trade Facilitation, and reaching an agreement at the WTO Ministerial in Nairobi in December 2015 that reflects the mandate of the Doha Round. Strengthen implementation of international instruments including the ILO Declaration and the OECD Guidelines for Multinational Enterprises so as to ensure that global supply chains contribute to jobs, growth, and decent work.

3) Make a reality of the 2014 Brisbane target of reducing by 25% the gender gap in employment by 2025:

A fresh approach to gender equality is needed. Governments should:

- Focus on gender equality in education and skills training from an early age in areas of study linked to key economic sectors including but not limited to such as Science, Technology, Engineering and Mathematics (STEM);
- Promote gender equality in employment through campaigns/awareness raising programs both at the national and global level;

- Focus on the quality of jobs for women, including through opportunities for life-long learning, and by reducing the gender pay gap;
- Enhance investment and job creation in the care sector and ensure access to affordable child and elder care, also to ensure greater work-life balance for both men and women.

4) Promote formality and implement the new recommendation on informality adopted by the 2015 International Labour Conference:¹⁾

The transition from informal to formal employment is important for economic growth and development, for the quality of employment and the quality of the lives of citizens. Progress being made in the transition from informal to formal employment is far too slow. In many countries informal work is still the biggest part of the economy. With the new ILO Recommendation, governments have an up-to-date tool which enjoys widespread tripartite consensus. The B20 and L20 call on G20 governments to fully implement the ILO Recommendation and to regularly discuss progress and continuing challenges at the appropriate G20 forums.

5) Business and labour must play a key role in the shaping of economic and social policy:

Effective communication and social dialogue between business and labour, and more specifically social dialogue, is of paramount importance for efficient and customised structuring of working conditions. L20 and B20 call on G20 governments to promote and support social dialogue in line with national law and practice as a means to achieve economic and social progress and fair wages. Freedom of association and the effective recognition of the right to collective bargaining are key rights in this regard. Engagement of employees and employers is crucial for achieving effective use of new technology ensuring access to opportunities, mobility of labour and improvements in the quality of jobs.

The B20 and L20 are fully committed to contributing to the success of the G20 employment process. In addition to our own contributions, we will work together to support the work of the G20 Employment Working Group. We will be jointly working on a project to develop a joint understanding of the effects of technological change on employment and skills. Moreover, we fully endorse the following projects to be implemented by IOE-BIAC-TISK and ITUC-TUAC:

- Promoting the joint understanding on key elements of quality apprenticeships in national seminars to foster their implementation;
- Strengthening Occupational Safety and Health (OHS) through supporting better implementation of standards, as well capacity building of social partners on prevention and modern OSH frameworks and the creation of a best practice data base.

¹ ILO, The Transition from the Informal Economy to the Formal Economy, ILO 104th Session, 2015 available at http://www.ilo.org/wcmsp5/groups/public/--ed_norm/--relconf/documents/meetingdocument/wcms_302539.pdf