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# L20 PRIORITY RECOMMENDATIONS

## **G20 LEADERS MEETING ANTALYA,** TURKEY, 2015

The Labour 20 (L20) represents the voice of workers through their trade unions to the G20. It is convened by the International Trade Union Confederation (ITUC) and the Trade Union Advisory Committee to the OECD (TUAC) working in tandem with current L20 host organisations, TÜRK-İŞ, HAK-İŞ and DİSK. To ensure that the concerns of workers are heard, the L20 is organising its own Summit on 13-14 November. For more information, go to Labour20.org.

Falling growth rates and high wage disparities, the persistent global jobs gap and 73.3 million young people unemployed worldwide, low investment levels, as well as the great challenges of climate change, the refugee crisis and the need to implement the Sustainable Development Goals, call for G20 leadership. In order to reach the G20 growth target of an additional 2.1% growth by 2018, G20 economies would have to grow by double the initial target by an extra 1 percent per year. They are off track. The G20 Summit in Antalya must become a catalyst for action. The G20 unites the major world economies and has the power to take collective action to kick start the global economy and have a positive impact on citizens worldwide. The L20 calls on G20 governments to act on the following recommendations so as to move policies in a social and sustainable direction:

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#### Inclusive and Job-Rich Growth

- Move away from austerity policies, with their negative spill-over effects, and support aggregate-demand, investment, skills and innovation, public services and progressive tax and distributive systems
- Consolidate and revise accordingly the national growth and employment strategies from the Brisbane Action Plan<sup>1</sup>, and avoid negative spill-overs between G20 members
- Build on the Framework on Promoting Quality Jobs<sup>2</sup> as presented at the Labour Ministerial in Ankara and take coordinated action to invest in jobs and good working conditions, support social dialogue, employment services and active labour market policies, and expand training opportunities
- Reduce income inequality and informality as major drags on growth and social wellbeing
- Raise low and middle-incomes through living minimum wages and by supporting collective bargaining and, in doing so, inject purchasing power into economies
- Adopt the G20 Policy Priorities on Labour Income Share and Inequalities³ and implement them at the national level including by strengthening labour market institutions; setting minimum wages; promoting the coverage of collective agreements and universal social protection; and by integrating vulnerable groups into the formal economy
- Give the G20 subgroup on the Labour Income Share a mandate to support the development of concrete policy plans
- Implement and go beyond the "25 by 25 target" on female employment before 2025 and invest in child care and the care economy
- Follow-up on the G20 Skills Strategy<sup>4</sup>

- by scaling up quality apprenticeships, ensuring well- resourced public education and life-long learning through "strong partnerships" with social partners and a whole-of-government approach
- Transform the G20 Principles on Youth Employment<sup>5</sup> into national policies and consider the introduction of youth guarantees to address the challenge of vulnerable youth and young people who are "Not in Education, Employment, or Training" (NEETs)
- Implement the G20 Youth Target and evaluate its ambition against national youth employment numbers
- Pursue further work on financial reforms, including internationally harmonised measures to shield retail banking from volatile trading and investment banking activities, and consider a financial transaction tax (FTT).

#### Address the Refugee Crisis

- Issue a G20 call for action on the refugee crisis at the Leaders' Summit with concrete policy actions
- Target commitments to resettle refugees and asylum seekers and afford all migrants the right to work in the formal economy with associated labour, social, political and cultural rights
- Recognise displacement as a development challenge with the acknowledgement of the skills and incomes contributed to host nations as well as humanitarian and protection issues.

<sup>1..</sup> G20 (2014), «G20 Leaders' Communiqué, Brisbane Summit, November 2014», https://g20.org/wp-content/uploads/2014/12/brisbane\_g20\_leaders\_summit\_communique1.pdf

<sup>2.</sup> G20 (2015), «G20 Framework on Promoting Quality Jobs", G20 Labour and Employment Ministerial Declaration, Ankara, 3-4 September 2015, Annex 4», https://g20.org/wp-content/uploads/2015/09/4-Annex-IV-G20-Framework-on-Promoting-Quality-Jobs.pdf

<sup>3.</sup> G20 (2015), «G20 Policy Priorities on Labour Income Share and Inequalities", G20 Labour and Employment Ministerial Declaration, Ankara, 3-4 September 2015, Annex 1, https://g20.org/wpcontent/uploads/2015/09/0-G20-Labour-and- Employment-Ministers-Meeting-2015-Ankara-Declaration.pdf

<sup>5.</sup> G20 (2015) «G20 Policy Principles for Promoting Better Youth Employment Outcomes", G20 Labour and Employment Ministerial Declaration, Ankara, 3-4 September 2015, Annex 3, https://g20.org/wp-content/uploads/2015/09/3-Annex-III-G20-Policy-Principles-for-Promoting-Better-Youth-Employment-Outcomes.

#### **Increase Responsible Investment**

- Raise and set targets for public, social and physical infrastructure investment by at least 1% of GDP across the G20 as the primary route to growth and employment recovery
- Link investment plans to the creation of clean energy and green jobs
- Ensure that institutional investors are long-term-driven and observe responsible investment standards, including the G20 High Level Principles on Long-term Investment<sup>6</sup> and ensure all financial intermediaries, including asset managers, are effectively held to account
- Support workers' pension funds contributions to mobilising investment
- While encouraging private sector financing and forms of blended finance, ensure that it is subject to fair and transparent risksharing
- Regarding the G20 work on Public Private Partnerships (PPPs): Prioritise stakeholder consultations, protect public services, ensure full financial transparency over risk arrangements and grant leadership to independent public auditors. Greater labour law "flexibility" (as called for in the OECD/ WBG Project Checklist<sup>7</sup>) is not the right approach to promote PPPs.

### Implement and go beyond the G20-OECD BEPS Action Plan

- Ensure a swift and comprehensive implementation of the historic G20-OECD BEPS package<sup>8</sup> and full transparency over negotiations on the new BEPS "multilateral instrument"
- Involve developing countries in the BEPS implementation phase in a serious and institutionalized manner
- Match political commitments to the BEPS Action Plan with adequate financial and human resources to tax administrations
- Monitor and mitigate social and employment impact of corporate MNE restructuring processes that might arise from the implementation of the BEPS measures
- Acknowledge MNE tax transparency as a right for all citizens, and engage a new process for public disclosure of country-bycountry tax reporting.

## G20 contributions to the COP21 and tackling climate change

- Affirm the G20's commitment to the trajectory for reaching the 100bn USD/year target by 2020 and ensure that there is a more balanced allocation of funds between mitigation and adaptation in the most vulnerable countries
- Recognise the finance gap towards achieving a just transition to a low carbon economy and spur investments into climate-friendly infrastructure and energy, while ensuring transparency of climate finance flows
- Commit to energy efficiency and renewable energy targets, including initiatives for skilling workers in these sector
- Put in place Just Transition strategies for workers, companies and regions depending on the fossil fuel value chain, and include trade unions in their design.

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<sup>6.</sup> G20/OECD (2014), «G20 High Level Principles on Long-term Investment», http://www.oecd.org/finance/private-pensions/G20-OECD-Principles-LTI-Financing.pdf

<sup>7.</sup> OECD & World Bank (2015), «Project Checklist for Public-Private Partnerships», http://www.oecd.org/finance/financial-

<sup>8.</sup> G20/OECD (2015), «Final BEPS package for reform of the international tax system to tackle tax avoidance», http://www.oecd.org/ctp/beps.htm

## Inclusive Development and Safe Workplaces

- Promote social upgrading in supply chains and ensure that international labour standards and human rights are applied by G20 companies, including the UN Guiding Principles, ILO conventions and OECD Guidelines for Multinational Enterprises, and strengthen the rule of law with cross border legislation that mandates due diligence
- Report back on the 2014 G20 Labour Ministers' commitment<sup>9</sup> "to reviewing progress" on safe workplaces in the light of the G7 Labour and Development Ministers Declaration on "Action for Fair production" <sup>10</sup> and move ahead with the initiation of the G20 Occupational Health and Safety (OSH) Experts Network and the ILO's "OSH Global Action for Prevention Program"
- Commit to move towards a 100% statistical coverage of occupational deaths, accidents and diseases, as a basis for sound prevention policies
- Strengthen workers' rights and social protection systems, and introduce social protection floors to support the transition from the informal economy in developing and middle-income countries
- Evaluate the capacity of the G20 to ensure follow-up action and monitoring mechanisms for the Sustainable Development Goals (SDGs)
- Include trade unions and worker representatives in further G20 work on human resources, skills, inclusive business and infrastructure investment in developing countries
- Support capacity building, domestic resource mobilization and knowledgesharing in developing countries.

## Implementation and Policy Coherence

- Ensure follow-up to the "integrated and comprehensive policy approach to foster strong, sustainable and inclusive growth [...] to tackle inequalities, promote inclusiveness and strengthen the links between employment and growth [...] with corresponding efforts in other work streams" as outlined in the "Ankara Declaration" of G20 Labour and Employment Ministers. 11
- Promote better coherence within the G20 and at national level by linking up the Finance, Employment, Investment, Trade and Development tracks
- Give permanence to the Joint Meeting of the G20 Finance and Labour Ministers
- Move ahead with the Brisbane Action Plan commitments, whilst revising some policies with respect to social as well as economic imperatives, ensure comprehensive monitoring and involve trade unions as stakeholders in these processes
- Set concrete policy targets for all policy frameworks and principles adopted during the Turkish Presidency, and ensure supporting mechanisms and further dialogue during the Chinese Presidency in 2016
- Recognize and promote the "essential role" of social dialogue at the G20 level
- Support the L20 and B20 in their efforts to follow-up on their joint agreement issued in Ankara.

<sup>9.</sup> G20 (2014), G20 Labour and Employment Ministerial Declaration, Melbourne, 11 September 2014, Annex C: "G20 Statement on Safer and Healthier Workplaces»

<sup>10.</sup> G7 (2015), "Action for Fair production", G7 Employment and Development Ministerial Declaration, Berlin, 13 October 2015, http://www.dol.gov/ilab/media/pdf/G7-Ministerial-Declaration.pdf

<sup>11.</sup> G20 (2015), «G20 Labour and Employment Ministerial Declaration", Ankara, 3-4 September 2015, https://g20.org/wp-content/uploads/2015/09/0-G20-Labour-and-Employment-Ministers-Meeting-2015-Ankara-Declaration.pdf