

3RD ITUC WORLD CONGRESS 18-23 May 2014 Berlin

SUSTAINABLE JOBS, SECURE INCOMES AND SOCIAL PROTECTION



Framework for Action

Sustainable jobs, secure incomes and social protection

The global economy is no more stable than it was seven years ago. The neoliberal model of capitalism will not deliver sustainable jobs, secure incomes, and social protection.

With few exceptions, governments and international institutions have failed workers: unprecedentedly high unemployment, precarious and informal work, and a global wages slump have created a vicious cycle of economic and social risk.

Intractable unemployment in the formal sector affects around 200 million, especially young people. With 40 per cent of the world's workers forced into the desperation of the informal sector, the priority is jobs, jobs and jobs – decent work for all.

Inequality is growing in almost all nations, and wages are among the lowest on record as a share of wealth. 70 per cent of people say their wages are falling behind the cost of living or are stagnant. (ITUC Global Poll)

Health, public education, transport and public services generally are increasingly denied to those who cannot pay. Tax evasion is rampant and new forms of bi-lateral and regional trade agreements have emerged that are tailored to corporate power and threaten democratic rights.

The Millennium Development Goals will not be met, yet nations are still squabbling about global sustainability goals beyond 2015. Unions are again fighting for full employment and decent work along with universal social protection floors.

There is little political courage to tackle climate change, despite the increasing devastation of climate catastrophes and current emission predictions which would lead to an average increase of 4°C in average global temperatures by the turn of the century.

Sustainable jobs, secure incomes and social protection are the foundation of a just economy.

The ITUC and TUAC have advocated for alternative economic models – solutions we know work. Collective bargaining, minimum living wages, social protection and tax justice are the best distributive tools to tackle inequality.

The best way to create jobs is through investment in infrastructure, the care economy and industrial transformation to low carbon enterprises.

The ITUC Global Poll shows that:

- 51 per cent of people have direct or family experience with unemployment or reduced working hours in the past two years.
- 59 per cent of people say they can't save.
- 71 per cent of people say their wages have fallen behind or not increased.
- Most people believe their economies favour the wealthy.

There is overwhelming support for a social protection floor.

95 per cent want their government to deliver affordable access to health care and education, 85 per cent support decent retirement incomes, 87 per cent are in favour of unemployment benefits and 89 per cent support paid maternity leave.

Facts: Global projected growth is just over 3 per cent and has been downgraded by the IMF six times since 2011.

Recorded unemployment is around 200 million and youth unemployment is up to 60 per cent in some nations.

The informal sector is 40 per cent of the global economy and growing.

More than 50 per cent of workers in the formal sector are nevertheless in vulnerable or irregular work.

Market income inequality has increased further and more rapidly than ever before. In the OECD countries the increase between 2008 and 2010 was as strong as in the 12 years prior to the crisis.

Between 1990 and 2009, the wage share fell in 26 out of 30 advanced economies, by an average of 4.4 percentage points.

The majority of the world's poor now live in middle-income countries.

1.2 billion people live in extreme poverty on less than \$1.25 US per day.

75 per cent of people have no adequate social protection.

Women make up 50 per cent of the population but only 30 per cent of the workforce.

If women's workforce participation rose to equal that of men in numbers, the workforce GDP would increase dramatically – 5 per cent in the US, 9 per cent in Japan and 34 per cent in Egypt.

Of the 865 million women worldwide who have the potential to contribute more fully to their national economies, 812 million live in emerging and developing nations.

168 million child labourers are out of school.

Climate change is already destroying jobs. It is contributing to the deaths of nearly 400,000 people each year, costing the world more than \$1.2 trillion and wiping 1.6 per cent from global GDP. Without urgent intervention, by 2030 the cost of climate change and air pollution combined will rise to 3.2 per cent of global GDP, and up to 11 per cent in developing countries.

One billion people don't have access to adequate drinking water and 2.6 billion lack proper sanitation.

Mortality rates have increased in 37 countries over the past three decades.

Target issues

Jobs, jobs and jobs

The ITUC supports allocating 2 per cent of global GDP for investment in infrastructure, more apprenticeships and intervention to formalise work in the informal sector.

The ETUC has called for a 'Recovery Plan' for Europe.

The ITUC and the ETUC support a youth guarantee, inclusive of education and employment.

There must be an economic agenda for women as part of a jobs and growth plan. A plan to increase women's participation in work supported by childcare and aged care with family friendly workplaces is an imperative for new economic thinking.

There are millions of jobs in the green economy, and millions more in the care sector.

Fred van Leeuwen, General Secretary, Education International: **In total, 6.8 million teachers should be recruited by 2015 in order to provide the right to education to all primary school-age children.**



Rosa Pavanelli, General Secretary, PSI: **"The forces working against ordinary people are ruthless and powerful. They destroy. They care nothing for the public good. They are driven by self-interest and insatiable greed. Women, young people, workers and families are paying the price as unemployment soars and vital public services are slashed."**

Poverty and inequality

The ITUC will defend collective bargaining, and affiliates and GUFs are targeting support for a minimum living wage and the social protection floor as a universal basic set of entitlements where these are absent or inadequate.

Michael Sommer, President, DGB and ITUC:
We need the minimum wage. Everyone is saying that now but not everyone means it.



The ILO standing setting discussion on ‘formalising the informal sector’ in 2014 is a critical piece of justice for millions of workers.

We have been organising workers in the informal sector, based on the conviction that we have to be more than just a trade union organisation, we have to be a great social movement of working people.” Francisca Jiménez of CASC Dominican Republic. **CASC set up the Mutual de Servicios Solidarios – AMUSSOL – to let 7000 informal economy workers – domestic workers, self-employed bus drivers, handypersons and hairdressers – sign up to the national social security (health) and pension systems.**



Unions that are working to increase retirement earnings and extend pension schemes to all workers must be supported.

‘UN Post 2015 Sustainability Goals’ must include ‘full employment’ & ‘decent work’ and the ‘social protection floor’. Unions also support goals for universal access to quality education, gender equality and climate justice.

Action points

A sustainable future requires new economic thinking. Central to this is our commitment to action for jobs which requires:

Full employment

- Advocate for national jobs targets including women's and youth economic participation.
- Campaign for targeted investment in infrastructure, quality public services, including education and health, the green economy, the care sector and quality apprenticeships.
- Extend solidarity for unions fighting to defend and extend collective bargaining so as to support an income led recovery.
- Support for unions organising for minimum living wages and a social protection floor.
- Organise to reduce precarious work and to formalise informal work.
- Build broad-based alliances to protect workers' right to decent, adequate and secured retirement incomes, extend pension coverage in the population and support worker education and awareness of future pension challenges.
- Expose the failed policies of the IMF and other international institutions where they deny collective bargaining or affect jobs, wages or social protection.
- Support GUF campaigns for global framework agreements.
- Campaign for effective implementation of OECD guidelines and real consultation and participation rights for workers within multinational enterprises.
- Draw attention to power imbalances in exploitative global value chains and take action to counterbalance inequalities.
- Support an initiative for popular education in economics for our members and campaign for economic alternatives.

Climate action

- Mobilise nationally for an ambitious global agreement in 2015.
- Demand and engage in social dialogue to ensure investment in industrial transformation, universal access to breakthrough technologies and just transition measures.
- Organise workers in green jobs to ensure decent work.

UN Post-2015 Sustainability Goals

- Ensure all governments support the inclusion of 'full employment & decent work' and the 'social protection floor' in the new UN goals.
- Support goals for universal access to quality education, gender equality and climate justice.

A new trade and investment model

- Secure investment of workers' capital in long-term investments in the real economy and increasingly in green technology, infrastructure and services.
- Hold asset managers to account, making sure that workers' pension money work for the people, not for financial intermediaries and bankers.
- Campaign for labour rights and environmental standards as pre-requisites for investment of workers' capital.
- Campaign to oppose investor-to-state dispute settlement and unaccountable regulatory cooperation mechanisms in investment treaties and trade agreements.
- Reinforce the enforceability of labour standards and oppose neoliberal trade agreements.
- Practically demonstrate solidarity with countries seeking policy space to industrialise.
- Mobilise to tame corporate power and realise rights and safety in supply chains by using all available international instruments.
- Support a financial transaction tax to rebalance economies and make finance pay for the crisis.

Inclusive Development

- Support the regional development networks for advocacy and partnerships.
- Strengthen our advocacy at international level, especially towards the UN system to secure sustainable and inclusive development in the 2015 agenda and beyond.
- Improve trade union partnerships based on our principles on development effectiveness.
- Increase multilateral solidarity initiatives and support south-south cooperation initiatives.