



L20's Assessment of the G20 LEMM Chair's Summary

Bali, September 13-14, 2022

It is the first time that the G20 Labour Ministers were not able to adopt a joint Declaration. A slim majority of members called for the introduction of paragraph condemning the war in Ukraine, in line with our previous statements and based on the ILO Governing Body's resolution adopted in March this year. However, a few others disagreed, and lacking consensus the Indonesian Chair issued a Chair's Summary reflecting the discussions held on selected thematic priorities.

The situation is not dissimilar on Leaders' level and chances are that the G20 Leaders will not be able to adopt a joint Statement either. Indonesia's Presidency fell victim of the war, and India is inheriting a fragile G20 with little ability to drive the world into recovery and resilience.

The LEMM Chair's Summary highlights several critical issues under the title "Improving the Employment Condition to Recover Together". It reaffirms the key role that social dialogue, including freedom of association and the recognition of the right to collective bargaining, in "maintaining or encouraging peaceful and constructive workplace relations, promoting social justice" and future resilience. The text of the Chair's summary is accompanied by five annexes, including one (Annex 4) focusing specifically on Adapting Labour Protection for Effective Protection and Resilience for All Workers. As requested by the L20 it contains important commitments from G20 members but will require close follow-up to make sure it leads to concrete actions.

In connection to the UN Accelerator on Jobs and Social Protection for a Just Transition, the Ministers commit to accelerate progress towards universal social protection for all by 2030, however, without making any concrete commitments on steps forward (para 20). Unlike previous statements, the text does not underline the need to foster international cooperation, solidarity (especially to finance developing countries) and policy coherence amongst international organizations to achieve this objective.

On OSH, the declaration welcomes the inclusion of a safe and healthy working environment in the ILO's framework of fundamental principles and rights at work, and commends the work of the G20 OSH Network. Yet the relevant sentence could have gone a step further by underlining the need to "respect, protect and realize" this new fundamental right deriving from the revised 1998 Declaration, including through the ratification and implementation of relevant ILO conventions (C155, C187). Nonetheless, the Network had previously reaffirmed that workers and trade unions must have a strong voice in safeguarding safety and health and that employers had to place workers' safety, health and well-being at the centre of all operation plans.

What is missing?

The text of the Declaration (and the Annexes) does not contain any reference to due diligence and the respect for fundamental principles and rights at work in global supply chains. It seems that HRDD fell off the G20 table despite the dramatic increase in child labour and forced labour worldwide (evidence by the ILO Global Estimates on Modern Slavery released on the eve of the Meeting, on 12 September 2022), and the commitments laid out in the Durban Call to Action to eradicate Child Labour and Forced Labour (20th May 2022).

The text contains no references or substantial commitments to full employment, the declining labour income share which accelerated during the pandemic and is the result of stagnant employment and wages.

The Chair's Summary focuses on skills, which is indeed important part of the response, yet, action on skills is presented as the main/only policy response to the demographic, digital and climate megatrends (para 8). Before focusing on skills in the following paragraphs, the text could have emphasised the need for investment in a Just Transition, universal social protection and respect for fundamental principles and rights at work, including OSH. While Ministers focused on skills development – which addresses labour productivity- they missed that the current sluggish growth is caused by low capital productivity. At the same time, the disconnect between increasing skills levels and decreasing rewards to labour is growing.

The Ministers agree that "if main challenges of workers of the platform economy are not dealt with properly, it could [...] put workers at a more vulnerable position [...]. Where this is the case, it is imperative that platform workers are correctly classified and adequately protected to ensure decent work." Presenting this as a hypothetical scenario does not do justice to the realities facing millions of workers already. The text does not adopt any commitments or steps forward on platform work, however, this year's ministerial followed the list of policy options on platform economy adopted under the Italian presidency.

The Summary is accompanied by five Annexes.

Annex 1 on Monitoring the G20 Principles for the Labour Market Integration of Persons with Disabilities

The Ministers committed to take steps to accelerate the implementation of the Mendoza Principles for the Labour Market Integration of Persons with Disabilities. The text does not take a rights-based approach

nor does it mention the relevant C111 on non-discrimination, C159 on Vocational Rehabilitation and Employment, or the the UN Convention on the Rights of Persons with Disabilities as the L20 had asked. The word “discrimination” appears only once in the text.

The social partners and the ILO asked the Ministers to mark progress on implementing past commitments and the Ministers agreed on some voluntary reporting on initiatives that integrate persons with disabilities, which is a small breakthrough.

Annex 2 on the promotion of Community-Based Vocational Training (CBVT)

Given its potential benefits for vulnerable and disadvantaged groups, especially in developing countries and poor regions, CBVT was a welcome priority. Yet it should not replace the development of a consistent, inclusive and comprehensive vocational training policy at the national level, accompanied by the required financial resources. The critical role of social dialogue at all levels could be reaffirmed in a stronger manner. The text also refers to the role of local communities and “social-cultural” concerns: we might recall the role of ILO Convention 169 on Indigenous and Tribal Peoples (not ratified by Indonesia, and by only five G20 countries).

Annex 3 on Promoting Entrepreneurship and Support MSMEs As Job Creation Instruments

The Annex starts with repeating past commitments on formalizing economic activity, and continues with measures to help entrepreneurs and MSMEs address challenges and sustain their development and provide entrepreneurial training. These measures are welcome but should be accompanied by job creation plans and investment in infrastructure and a just transition agreed jointly with Finance ministers. The G20 commit to also protect the labour rights and working conditions of the MSMEs employees in line with the ILO’s framework of fundamental principles and rights at work.

Annex 4 on Adapting Labour Protection for Effective Protection and Resilience for All Workers

Annex 4 is probably the biggest win for labour under this Presidency and should be followed up by implementation, policy coordination and detailed national plans. We welcome the emphasis put on the need to protect workers’ rights and the fundamental issue of compliance (which is too often left aside in the EWG work). The text focuses on the role of labour protection in times of crisis and in transitions – digitalisation and decarbonisation – and it mentions platform workers as an area where labour protection is missing.

The Ministers commit to protecting workers’ rights to freedom of association and collective bargaining, adjusting minimum wages on a regular basis, “taking into account social and economic criteria, and in consultation with employers’ and workers’ organizations to protect workers from the risk of low-paid work.” It also underlines the need for effective labour inspection systems and for implementing OSH rules and regulations.

What is missing are references to the gaps of labour protection in global supply chains as well as commitment to specific actions.

Annex 5 is an update on the G20 Skills strategy

The need to invest in education, skills development and life-long learning, as well as references to the just transition are all welcome. However, the text does not focus enough on the quality of the jobs to be created (“decent work” is not mentioned in the strategy) and their contribution to create more resilient and equitable societies.

Our participation in the G20 LEMM

The L20 team comprised the Chair of L20 Indonesia and KSBSI President, Elly Silaban, and the General Secretary of HMS and upcoming co-Chair of the L20 in India, Harbhajan Singh, as well as colleagues from KSBSI, ITUC-AP, and ITUC.

We participated in a workshop of the International Association of Labour Inspection where we contributed on practical ways labour inspectors could be fighting violence and harassment in the workplace and the better implementation of C190. We also took part in the OSH Network meeting where we made practical suggestions on their work programme. These meetings were followed by the official dinner organised by social partners and delivered by Indonesia's Ministry of Manpower. There was a great level of engagement by 10 Ministers and government representatives (Indonesia, US, EU, France, Germany, the Netherlands, Turkey, Spain, Australia, Cambodia) and ILO DG Guy Ryder who congratulated the social partners for reaching a progressive joint statement.

In the Ministerial Meeting the day after, Harbhajan Singh delivered a speech stressing labour's priorities and suggested that reviving the work of the Subgroup on Income Inequality would be timely.

The L20 met with ILO DG, Guy Ryder, and Spanish Labour Minister, Yolanda Diaz.