





L20 Briefing Note for the G20 Sherpas' Meeting, December 2014

<u>Background</u>: 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 Trade Union Advisory Committee to the OECD (TUAC) working in tandem with trade union confederations in the host country. The Turkish L20 Steering Committee is chaired by the Türkiye Isçi Sendikalari Konfederasyonu (TÜRK-IS) and includes the Devrimci Isçi Sendikalari Konfederasyonu (DISK) and the Türkiye Hak Isçi Sendikalari Konfederasyonu (HAK-IS).

During the Australian Presidency, the L20 was a central part of the outreach process and participated in consultations with the Employment Task Force, in Sherpa meetings, Labour and Finance Ministers meetings and the Brisbane G20 Summit – albeit to a lesser degree than in previous Summits due to the decision of the host government not to hold social partners consultations with Leaders – to ensure that key messages of the labour movement on "Jobs and Growth" were conveyed to governments. The social partners (B20 and L20) have issued a joint letter prior to the Leaders' Summit that outlines common priorities.

• It essential that the consultation process is continued and strengthened under the Turkish Presidency, and that a balanced approach towards the L20 is restored.

Legacy of 2014: The commitment taken in the Leaders' Declaration to raise growth by 2.1% of GDP will give an important impulse to the G20 Turkish Presidency to deepen and strengthen its work on Jobs and Growth, but above all to ensure the implementation of the commitments made. Current economic forecasts suggest stalling growth in emerging economies, low growth and high unemployment rates in the Eurozone, and rising inequality. There was lack of action on the latter issue, while follow-up actions to create jobs and demand need to be ensured in national growth plans. Inequality and inclusive growth need to become integral parts of the G20 next year. The focus on structural reform policies needs to be shifted to smart and sustainable investments and strengthened collective bargaining and labour market institutions through coordinated global action. The commitments made on female labour participation, safer workplaces and infrastructure investments are welcome. Steps towards the implementation of the BEPS Action Plan and the Common Reporting Standard are also encouraging. However, several key issues need to be addressed in 2015:

- Actions on rising income inequality and towards inclusive growth;
- Concrete jobs targets and strengthening of collective bargaining and labour market institutions;

- Ensuring job creation through and minimum social and environmental standards in investments;
- Support productive public investments;
- Commit to public disclosure in the new country-by-country MNE reporting framework and address the tax treatment of shadow banking and of private pools of capital in the BEPS Action Plan;
- Promote social upgrading and safe workplaces in global value chains;
- Contribute to a positive outcome of the Paris Climate Summit by establishing a G20 work stream on just transition strategies, as well as to the implementation of the new Sustainable Development Goals.

<u>L20 Action</u>: The ITUC and TUAC will undertake a survey of members' on follow-up action that governments are taking. The L20 is organising a series of regional meetings for G20 labour unions so as to raise awareness and strengthen input to the G20 process. The L20 is also in dialogue with the B20 to follow up the agreement on "Quality Apprenticeships". The joint letter to the Leaders also emphasised the need for action on productive infrastructure investment and reducing informality in the labour market.

<u>Call to the G20</u>: Given the worsening employment situation and the ambitious G20 growth target there should be a joint Labour and Finance Ministers' meeting in 2015 to prepare the Antalya Summit. The G20 Employment Working Group should assess the implementation of the key commitments both in the employment section of the Leaders' Declaration, the Brisbane Action Plan and the country-specific commitments. The L20 urges the G20 to focus on action:

- to generate investment to create quality jobs;
- to scale up quality apprenticeships and youth employment;
- to ensure the formalisation of work through minimum wages, labour rights and social protection floors worldwide;
- to achieve sustainable, green and inclusive growth, and tax justice;
- to re-regulate the financial sector;
- to move towards greater policy coordination and coherence at the G20 level and to involve developing countries in key processes;
- to strengthen consultations with social partners and civil society;
- and to ensure the implementation of G20 past and future commitments.