

Challenges of implementation of Decent Work in the post-2015 Agenda in Europe and its responsibility in the world.

**Remarks by Stephen Pursey, Director Multilateral Cooperation Department,
International Labour Organization**

Brussels 17 March 2015

Thank you to the Commission of the Bishops' Conferences of the European Community, the European People's Party group and the Socialists and Democrats Group for organizing this meeting. We very much appreciate your invitation to the ILO to discuss with you the challenges Europe and the world face in implementing a new post 2015 sustainable development agenda.

I think it is right that we start to think hard and urgently about the increasing likelihood that the UN will adopt a very ambitious, comprehensive, universal and transformative agenda for global sustainable development in the period up to 2030. It is something that everybody in this hall and many more politically aware internationalists around the world have sought for many years. Some might say it's our world's best last chance!

Of course, the negotiations could still founder on many not so hidden reefs and we all will have to stay close to the process of agreeing the final texts. However, after the lengthy period of reflection about lessons learned from the MDGs and what integrating the economic, social and environmental dimensions of sustainable development really means, the Open Working Group of the UN came up with 17 Goals last year which command a high degree of global consensus.

That is now the basis for the final period of negotiation.

Amongst those goals we have number 8 entitled "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."

Of 12 targets under goal 8, one explicitly calls for efforts to "by 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value".

Other relevant targets are to reduce the proportion of youth not in employment, education or training; end child labour in all its forms and eradicate forced labour; protect labour rights and ensure safe working conditions for all workers including migrant workers; and encourage entrepreneurship, innovation and the formalization of micro-, small and medium enterprises. Concerning the means to achieve those objectives, specific reference is made to putting into operation a global strategy for youth employment by 2020 and implementing the ILO Global Jobs Pact.

Additional references to ILO areas of concern are found in several other SDG goals. The question of social protection is a core target for action under the poverty goal and is mentioned together with wage and fiscal policies as a means to address inequality. Technical and vocational skills are the topic of three targets under the education goal. Other references relate to rural workers, industrialization, workers in the health and education sectors, unpaid care and domestic work, migrant workers, small and medium enterprises in value chains, resilience to climate-related hazards and economic, social and environmental shocks and disasters, discrimination, and fundamental freedoms.

To a very large extent governments in the UN are thinking that the ILO's decent work agenda is instrumental to the overall sustainable development framework.

The ILO, Office and our global tripartite constituency have worked hard to achieve this recognition but clearly a major factor weighing on governments is the continuing global jobs crisis.

A few statistics to remind us of the 2015 baseline for the new framework regarding jobs.

More than 201 million women and men around the world were unemployed in 2014, which is an increase of more than 31 million compared with the situation before the start of the global crisis. Global unemployment is expected to increase by 3 million in 2015 and by a further 8 million in the following four years.

The global employment gap, which measures the number of jobs lost since the start of the crisis, currently stands at 61 million. Half of this gap is due to higher unemployment and the other half to falling participation rates (associated with more workers feeling discouraged from looking for work and exiting the labour market).

If new labour market entrants over the next five years are taken into account, an additional 280 million jobs will be needed by 2019 to close the global employment gap which has emerged since the start of the crisis. An extrapolation to 2030 gets to around 600 million new decent jobs needed by 2030.

Young people, especially young women, continue to be disproportionately affected by unemployment. Almost 74 million young people (aged 15–24) were looking for work in 2014. The youth unemployment rate is almost three times higher than the adult unemployment rate. Only 39 per cent of young women participate in the labour market, in other words it is 16 percentage points lower than the participation of their male counterparts. Despite the upward trend in educational attainment, heightened youth unemployment is common to all regions, thereby fuelling social discontent.

You know too well the European employment situation but I think we need to be aware that after a period of better performance compared to the global average, job creation has slowed in a number of middle-income and developing regions and economies, including Latin America and the Caribbean, China, the Russian Federation and a number of Arab countries.

The employment situation has not improved much in sub-Saharan Africa, despite better economic growth performance. In many developing countries, underemployment and informal employment are expected to remain stubbornly high over the next five years.

As a consequence, decline in the rate of vulnerable employment, that is the own-account and unpaid family workers who make up the bulk of the informal economy, have stalled in emerging and developing countries. The incidence of vulnerable employment is projected to remain almost constant at around 45 per cent of total employment over the next two years, in contrast to the decline observed during the pre-crisis period. The incidence of vulnerable employment among women is two percentage points higher than among men.

The number of workers in vulnerable employment has increased by 27 million since 2012, and currently stands at 1.44 billion worldwide. Sub-Saharan Africa and South Asia account for more than half of the world's vulnerable employment, with three out of four workers in these regions in vulnerable employment.

These are key numbers because if the new agenda is to be truly transformative it has to enable women and men to move out of low productivity, low paid, insecure jobs into decent work. This is central to the development process.

Likewise, progress in reducing working poverty has slowed. At the end of this decade, one out of 14 workers is expected to still be living in extreme poverty.

In addition, inequalities of various dimensions are widening.

On average, in the countries for which data are available, the richest 10 per cent earn 30–40 per cent of total income. By contrast, the poorest 10 per cent earn around 2 per cent of total income.

Turning to the political implications of the current global employment situation and prospects, in a recent survey of programme countries by the UN Department for Economic and Social Affairs (DESA), “Economic growth and employment” tops the list of governments' expectations about the support of the UN system.

An online rolling opinion poll by the UN with over 7 million participants places Better Job Opportunities third in a list of priorities just after education and health. Support for people who cannot work is not far behind. If you add the two together they would be the no 1 priority. As Jim Clifton the CEO of Gallup concludes “What everyone in the world wants is a *good job*.”

An even higher authority, Pope Francis, has expressed this far more eloquently. In a message to the Secretary General and Chief Executives of the United Nations he said, “Future sustainable development goals must therefore be formulated and carried out with generosity and courage, so that they can have a real impact on the structural causes of poverty and hunger, attain more substantial results in protecting the environment, ensure decent work for all, and provide appropriate protection for the family, which is an essential element in sustainable human and social development.”

Looking ahead, the new framework is not the MDGs mark II. The MDGs did enable much to be achieved but they were a product of their time – and times have changed. In good part, the MDGs were created to enable donor countries to justify to often sceptical voters that their money was being well spent in reducing poverty. This is a perfectly justifiable aim but it situated the MDGs in a North aids the South relationship rather than a common global agenda.

The new framework will be a much more political document which should be used by countries to shape their own national sustainable development strategies in ways that fit into a global strategy where the whole is more than the sum of the parts.

The UN Secretary General has suggested that the new framework should become a global social contract which connects the peoples of the United Nations to the governments of the United Nations. This would be a fitting way to celebrate the 70th Anniversary of the adoption of the UN Charter and reconnect the multilateral system to the everyday hopes and fears of women, men, families and communities.

The political glue in such a global social contract is surely decent work. The open world economy is not producing the quantity and quality of jobs that people need. The repercussions of this are politically worrying, economically and socially damaging, and are hampering progress on the environment. Reversing current trends in global labour markets and setting course for achieving the SDGs by 2030 is an essential foundation for the political momentum and cooperation needed to fulfil the promise of the whole agenda.

So we need to make sure that implementation of the new agenda is also framed to assemble, expand and maintain a broad political consensus for sustained action, nationally and internationally.

The political families sponsoring this meeting and driving forces behind the adoption of the recent European parliament report and resolution are the core of such a consensus. But we will also need a small “p” political consensus to mobilize key actors. Here the employers and workers organizations – the social partners – are essential. And the wider stakeholder community of faith-based organizations, CSOs, and academics should be fully engaged.

A further small “p” political aspect of implementation is the challenge of policy coherence.

Governments and the multilateral system long ago broke up the governance system into separate production units, just like Adam Smith's pin factory. And of course specialism has its value. The ILO prides itself on being the agency that understands the world of work and is competent to offer countries good advice on how to maximize the creation of decent work.

However the new agenda demands that policy makers get much better at integrating cross-cutting action across the SDGs. In this sense, the lens of decent work can be a

valuable and practical way of identifying and exploiting policy synergies. For example arresting climate change requires not just a transformation in production and consumption patterns but also employment patterns. That transformation needs to ensure that the new jobs created are decent and that those who lose old unsustainable jobs get the chance to transition into better work.

Europe can lead the way in thinking through how to fully integrate the new agenda into our policy-making and implementation systems. After all it is a universal agenda which means the EU is committing itself to act at home not just in its aid policies.

For example, the templates for the Euro semester could pick up and use the new framework. Europe could produce for itself and the UN an annual or semi-annual report on how it is doing in progressing towards the goals and targets. This could feed an annual parliamentary debate in which governments and perhaps other actors can account for progress or lack of it.

At the global level, many countries will be looking for international solidarity to support their own actions. This will not be through the assistance frameworks of the past but partnerships in which the international community is invited through a process of dialogue to support a national strategy built around a global framework in which all are implicated.

The ILO is actively preparing itself for this new framework for cooperation. We see strengthening our capacity in countries to respond to priorities within the global framework as the focus. We are relatively well-equipped with evidence-based policy advisory tools although one can always improve. The key is bringing that knowledge into UN country teams, integrating it with the advice of other specialized agencies and offering it to governments and their social partners.

We look forward to working closely with the EU as we have in the past to build that capacity.

To conclude, the European Parliament, and other parliaments around the world must be part of the implementation of the post 2015 agenda because it will have to be a deeply political exercise of creating and maintaining a broad social consensus for action. It will not be easy given current trends in many countries. The ILO will be working with you, focussed on the goal of decent work for all as part of an integrated and transformative UN sustainable development agenda.