



L20¹ NOTE FOR THE G20 EMPLOYMENT TASK FORCE (ETF)

Paris, April 2014

1. The G20 Finance Ministers meeting in Canberra in February 2014 committed to “ambitious but realistic policies with the aim to lift our collective GDP by more than 2 per cent above the trajectory implied by current policies over the coming 5 years”². They have set out to achieve this by taking concrete actions across the G20, including by increasing investment and lifting employment and participation. The Employment Task Force (ETF) must therefore set out an ambitious agenda for supporting such actions. As stated by the L20 representatives at the Sydney meeting of the Task Force in February, this requires the:

- **Integration of policy:** coherent coordinated policy packages (macro, financial, labour market) which require a joint Labour-Finance ministerial;
- **Investment:** more productive private sector investment will need to be underpinned by pro-growth macro policies and desperately needed increases in public infrastructure spending;
- **Inequality reduction:** rising inequality is bad for growth – we need strong wage floors and strengthened collective bargaining to stop the slide in the labour share;
- **Inclusion through Active Labour Market Policies:** strengthened worker rights to formalize informality; youth guarantees; better childcare to facilitate women's participation in the workforce; dialogue with social partners; improved worker safety; and the implementation of Social Protection Floors.

2. Such an ambitious agenda is needed to reverse the rise in global unemployment (now at more than 202 million in 2013) and to begin to fill the 55 million Jobs Gap⁴ in G20 countries. As stated in Sydney, the ETF must therefore ensure that discussions on the need for quality job creation are upheld and their conclusions integrated in the policy formation at the G20 level and mainstreamed into national economic plans.

3. In 2013, the L20 and the B20 reached a common understanding in support of investment in infrastructure, including enabling green infrastructure to create jobs, scaling up quality apprenticeship

¹ 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 host the Australian Council of Trade Unions (ACTU). For more information see [L20](#).

https://www.g20.org/sites/default/files/g20_resources/library/Communique%20Meeting%20of%20G20%20Finance%20Ministers%20and%20Central%20Bank%20Governors%20Sydney%2022-23%20February%202014_0.pdf

⁴ ILO Global Employment Trends, January 2014

systems⁵ and formalising the informal sector. The L20 and the B20 are in particular discussing critical principles for infrastructure investment that will reduce risk.

The L20 and the B20 are now reviewing apprenticeship policies and frameworks as well as action by affiliates and partners to deliver on commitments regarding quality apprenticeship systems. The main conclusions of the **L20 survey** of 14 G20 countries⁶ – that are being presented to the G20-OECD Apprenticeship Conference on April 9 – are as follows:

- I. While most G20 countries have apprenticeship systems in place, in a large number of cases, these systems are not comprehensive and do not cover all sectors. It is worth noting that national VET systems do not always include work-place-based training. However, the more comprehensive apprenticeship systems are, the more they seem to be based on work-place-based training.
- II. Trade unions and employers associations are not always sufficiently involved in the governance of national VET systems. According to the survey responses, in a number of countries trade unions do not seem to be involved in the process of designing, implementing and governing national VET systems at all (Korea, India, Indonesia). In other countries, their involvement doesn't go beyond (often limited) consultation and information procedures. In some instances, as in the US or the UK, the involvement of trade unions is less comprehensive, and more sector or occupation specific. In economies with a long tradition of skill-based production of goods and services, trade unions are more actively involved in the governance of national VET systems (in particular in Australia, Canada, Germany). Within this country group, collective bargaining agreements often focus on VET and apprenticeship issues in order to facilitate access to quality training as well as to promote gender equity. In this case, collective bargaining has become an important instrument for promoting investments in workforce training as well for cost-sharing. Furthermore, wages and salaries for apprentices are often fixed by bargaining agreements. However, trade unions in many countries have emphasized that the remuneration of apprentices is far from satisfying.
- III. The findings confirm that trade unions that are actively involved in the governance of national VET systems perceive these systems as much more balanced in addressing both the interests of employers as well as of the apprentices. It should also be mentioned that with regard to contractual arrangements of apprenticeships and the employment of apprentices – with the exception of Korea – an appropriate compliance with core labour standards has been reported.
- IV. Across a large majority of G20 countries, trade unions are concerned about the fact that neither apprenticeship programs nor curricula facilitate a transition from school to work in a sufficient manner. They remain concerned about the fact that public as well as private training providers in many countries are not able to provide the latest technology and state of the art learning tools. Serious concerns in this regard have been expressed by unions from Australia, India, Italy, India, Indonesia and Spain. In other countries, among them, Germany and Canada, concerns are more sector-specific.
- V. In a number of countries, VET-systems do not focus exclusively on young apprentices as they also include the promotion of training and re-training of adult, formerly displaced workers. Yet, there appears to be much less variation when it comes to policies aiming at the elevation

⁵ [Key Elements of Quality Apprenticeships – A Joint Understanding of the B20 and L20](#)

⁶ Australia, Canada, Germany, India, Indonesia, Italy, Japan, Korea, Russia, South Africa, Spain, Turkey, United Kingdom, United States

of the status of apprentices and in linking apprenticeships to future career paths. These policies are in general actively supported by trade unions – provided that there is a meaningful trade union involvement in VET-governance.

- VI. With regard to the provision of quality training, trade unions in many of the G20 countries are concerned about the fact that apprentices often face limited access to supporting arrangements or lack of support through mentors, in particular outside the workplace. Even though these concerns have not been expressed across the board, unions see a serious need for improvement. The same applies to the need for linking quality apprenticeships to social protection. Being employed as an apprentice, according to the survey responses, does not automatically ensure payments of contributions by the employer and the apprentice to social security systems that are guaranteeing health insurance and pension schemes. Including apprenticeships in social protection schemes is indispensable in order to provide decent work conditions. With regard to the latter, it is also essential to address prevailing gender inequities within apprenticeship systems.

4. The L20 is ready to begin its work with the ETF to follow up on its mandate to work for improved worker safety along supply chains so as to achieve broader support for promising initiatives notably the Bangladesh Safety Accord⁷ and more active implementation of the OECD Guidelines on Multinational Enterprises⁸.

⁷ <http://www.industrial-union.org/bangladesh-safety-accord-implementation-moving-forward>

⁸ [OECD Guidelines for Multinational Enterprises](#)