



ITUC CSI IGB

# *Workers and trade unions' consolidated contribution to the United Nations Conference on Sustainable Development*

## **Rio + 20**

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## Introduction

**W**hen global crises multiply and intensify, people lose faith in governments' capacity to listen to or defend their interests, and citizens see the future as lacking hope, the international community needs to show that it can deliver.

The United Nations "Earth Summit" in Rio 20 years ago was an historic and foundational moment to globally address development and environmental challenges. At that time, leaders believed that a coordinated plan could change the face of the earth and lay the foundations for a world in which every person could have a decent life in a healthy and secure environment.

The Rio+20 UN Conference in June 2012 and the events leading up to it need to show that there is indeed hope to achieve global equity, that multilateralism has a role to play, that solidarity and cooperation between countries and their people is necessary and feasible.

Rio + 20 must also acknowledge that, while necessary, a vision alone will not be enough and that activating creativity and commitments for the future is a way to address the impact of these crises on the people and the planet. We need action. We require the international community to deliver concrete measures which will put our societies on track to achieve social equity, decent work, environmental protection, development and prosperity, on track towards truly sustainable development.

Since its emergence, the trade union movement has provided workers and their families a voice, rights and a vision of a fair world. However, the world in which we live and work has changed over the last twenty years. On one hand, the challenges have worsened. Precarious work is today the daily reality for a majority of people around the world; inequalities have grown to the point that people often do not acknowledge they are part of the same community; financial markets and lack of regulation have broken the relationship between companies and their responsibilities vis-à-vis workers, their families and the communities in which they operate; environmental challenges have become daunting, to

the point that the very survival of communities is at risk.

On the other hand, our responses as trade unions have also evolved. The "Agenda 21" adopted at Rio in 1992 gave us the right to be recognised as actors in sustainability. And we have used that right wherever and whenever we have been given the opportunity to act and collectively organise. Around the globe, we strengthened our work on social equity through the decent work agenda; we have also built bridges with environmental policies, bringing new ideas to the table, such as the 'Just Transition' framework, or engaging on environmental actions through workplace, sectoral and national initiatives. We need to scale up these efforts but we also need governments and employers to step up their efforts.

The world does not need an empty Summit. The world needs leaders to lead and deliver. Rio+20 must be the place where future generations look back and say that with its focus and initiatives, humanity took the right direction.

### Unions want a Summit that inspires

The International Trade Union Confederation and its 305 national affiliates in 151 countries and territories call on governments to deliver outcomes that go beyond pre-recorded language. Trade unions are convinced that Rio+20 can still deliver a message of hope and commitment to 'peoples' future. This requires a **strong political document**, containing among other aspects, the **main principles to be respected by the Green Economy** (See #4a) including the need for a 'Just Transition' for workers in moving towards a sustainable society, a recognition of the **role social protection systems** play in ensuring people's resilience (See #2) and a commitment to strengthening **rights** to defend the planet and communities.

### Unions want a Summit that directs us concretely towards sustainability

A declaration will not be enough. Workers expect governments and civil society to leave Rio+20 with **decisions that will be implemented from day 1**. These must include **nationally-based targets on decent and green jobs** (see #4c), a commitment to **kick-start the Social Protection Floor Initiative** in the poorest countries (see #2) and a decision on a **Financial Transactions Tax**, to be used, among others, to support climate action, social protection and development (see #3).

### Unions want a Summit that integrates the three dimensions of sustainability IN EACH of its decisions

The 1992 Rio Summit was fundamental in making the linkages between social progress, environmental protection and economic prosperity. Unfortunately, decisions on these three topics have mostly been taken in isolation for the last twenty years. Rio+20 needs to change that trend and lead by example: **Each Rio+20 decision, partnership and initiative needs to incorporate explicitly all three dimensions.** Trade unions commit to make explicit the linkages of our proposals, focused on equality and fairness, with environmental protection and economic progress. Similar initiatives should be taken by all other actors in the process.

### Our expectations

The ITUC sees two different set of outcomes for Rio+20: a concrete set of decisions that governments need to implement, and be hold accountable for, from day one and a declaration, with the main aspects of the agreements on the objective and the themes of the conference.

#### Leaders' commitments at the Summit level

- › A commitment to implement the Universal Social Protection Floor initiative by 2020.
- › A decision on the Financial Transactions Tax.
- › A country by country self-identified target on decent and green jobs to be reached in the next 5-10 years, accompanied by a package of decent work policies to secure jobs quality. This target should help at least doubling the number of 'green and decent jobs'.

#### Key contents in a policy-based declaration

- › A recognition of the role social protection systems play in reducing people's vulnerability in a sustainable way.
- › An agreement on the principles of the green economy, which must include social equity, gender equality, decent work and trade union rights, democracy and a Just Transition for workers.
- › A clear acknowledgement of the role of redistributive and environmentally-friendly tax policy in the green economy.

## 1 Commitments must be based on people, their rights and their empowerment [Rio+20 agenda item: Objective of the conference]

The condition we are living in shows that despite the adoption of ambitious wording twenty years ago, sustainable development has not become a reality. A full report on gaps in implementation would exceed the scope of this document. However, the International Trade Union Confederation (ITUC) highlights one major barrier to progress on sustainable development: financing. None of the financial commitments made at the international level in terms of development, environment or social justice has been fulfilled, and this has made it difficult to evaluate the pertinence of sustainable development

- › The inclusion of 'Decent Work' and 'Just Transition' as central dimensions of any sustainable development policy.
- › An acknowledgement of the role collective bargaining and environmental and Occupational Health and Safety (OHS) rights for workers could play in sustainable development.
- › In any agreement on sustainable development goals, governments should agree on a commitment to ensure that at least half of the workers of the world have decent jobs by 2020, accompanied by a second goal ensuring all governments have, as a minimum, a Social Protection Floor in place by 2020.

#### Trade unions also support

- › the designation of a national council or public representative or 'ombudsperson' to represent the interests and rights of present and future generations
- › the launch of negotiations for the establishment of an international convention on Principle 10 of the Rio Declaration that deals with access to information, public participation and environmental justice.
- › decisions in support of food security and energy access, pursued within the framework of sustainable development

policies. A renewed political commitment needs to go hand in hand with a clear identification of the sources that would fund those commitments.

In addition, securing political commitment requires each and every actor in society to take responsibility, be it a government, a labour leader, an employer or a community representative. Rio+20 needs to become a turning point in history; one when the international community managed to make a first step towards sustainability through a series of decisions at the heads of state level, with strong governance mechanisms based on broad public involvement.

First, **a commitment for sustainable development must effectively enshrine a commitment to people's human, labour, social and environmental rights.** Too many men and women lose their lives and health fighting for freedom or trying to organise workers; too many people die because they lack access to health services, or because of their exposure to toxic substances... too many have no access to education or die because they lack access to food, social protection and can not work any more. This is unsustainable and can be changed. A renewed political commitment to sustainable development is therefore also a renewed political commitment to democracy, fundamental rights, and social justice.

Second, **Rio+20 must promote coherent decision-making and policies guided by public interest objectives.** Achieving sustainable development requires putting at the heart of economic policies the need for equity and social progress as well as environmental protection. This is being undermined by dominant economic orthodoxy in many countries and by unprecedented influence by the financial markets in decision-making. Trade unions will not accept the tyranny of uncontrolled markets, and calls on governments and communities to stand together to reform them.

Third, a renewed political commitment can only be sustained if it comes with a commitment to **provide citizens with accessible means to claim and exercise their rights to sustainable development.** Accountability and social scrutiny is key. Leaders need to be held fully accountable and responsible for their actions and decisions. Rio+20 must therefore take steps aimed at securing the long term involvement of civil society and citizens in this agenda.

## **2 Our deepening problem: social vulnerability. A solution: social protection [Rio+20 agenda item: New and emerging issues]**

Poverty is a major factor into people's vulnerability to environmental crises, such as climate change, as well as to economic crises. Income losses generated by these crises leave the poorest communities in even more precarious situations. The current economic model and its governance must be changed to ensure the end of crises, and measures need to be taken now to protect the livelihoods of those families and communities that are on the edge of exclusion as a consequence of present crises. The time has come to decide on long-term solutions to people's vulnerability. Social transfers, income security, health security, child benefits, maternity protection, unemployment benefits, quality essential public services, adequate nutrition, housing, education... These aspects of social protection systems are key to reducing vulnerability and to improving resilience. Rio+20 has a unique opportunity to ensure universal access to them.

For more information about social protection, its linkages to sustainable development and concrete examples, please consult Annex I.

**What can Rio+20 do for social protection?**

**Rio+20 must send a clear message on the links between strong social protection systems and the capacity of communities to respond to emerging risks and reach a sustainable development.**

This message, which must apply to all countries, needs to be accompanied by concrete actions aimed at tackling the absence of robust public social protection systems in many developing countries, notably the Least Developed Countries.

**This is why trade unions call on governments to support a rapid implementation of the Social Protection Floor Initiative (SPFI) especially in the world's poorest countries.** This implies extending globally two main elements: social transfers providing minimum income security, and access to essential goods and services for all those in need including the unemployed, the poor, the disabled, pregnant women, the elderly and children and the provision of quality public services such as sanitation, health and education. The Social Protection Floor should be the first brick towards the construction of solid social security systems everywhere.

From our perspective, in order to allow this minimum protection to enable sustainable development, it needs to be based on decent work policies, rely on legal entitlement of the beneficiaries and be designed with the involvement

of the social partners. They should aim at building solid social security systems, providing universal coverage and including at least the contingencies and guarantees provided for in ILO Convention 102, the key international instrument related to social protection. Ultimately, all governments should ratify and implement ILO Convention 102.

Trade unions are conscious that the financing challenge is huge. We are convinced that in the long run, the system can be self-sustained through strong decent work policies enabling the development of contributory schemes and public taxation. Nonetheless, in the short run, developing countries face sizeable upfront costs for launching or improving their social protection systems. This is why it is important to ensure that developing countries have the required fiscal space they need to implement adequate social protection policies. While governments should try to mobilise national resources to finance social protection schemes, in some cases, the mobilisation of international resources might be necessary at the short term. Developed countries should contribute to the costs of a social protection floor by meeting their promised commitments to targets for official development assistance, and by supporting policies for a fairer taxation of the corporate and financial sector, for an end to tax evasion and for a Financial Transactions Tax (see below).

### Key messages from this section:

- ▶ **Social protection is THE solution to the emergence of multiple sources of vulnerability.**
- ▶ **The ITUC calls on governments and stakeholders to support, in the context of Rio+20:**
  - At the **'Declaration level'**, the inclusion of **Social Protection systems as key tools for building resilience of workers and communities, and a call for maintaining and strengthening existing social protection systems in both developed and developing countries, with specific programmes that address the effects of the transition to a green economy, especially in terms of employment;**
  - At the **'Heads of State level'**, **commitment to implement the Social Protection Floor Initiative in the Least Developed Countries and advance towards a horizontal and vertical extension of social security, with special attention to the centrality of decent work;**
  - **In any agreement on Sustainable Development Goals, a commitment to ensure that all governments have, as a minimum a Social Protection Floor in place by 2020.**

## 3 Time for innovative funding: a Financial Transactions Tax [Rio+20 agenda item: Means of implementation, New and emerging issues]

Earlier we indicated that the gap in the means for implementation is huge. Almost none of the promises regarding funding over the last twenty years has been fulfilled. For new actions to become reality, the international community needs to start looking at additional sources to fund its actions. Although a change in priorities and a re-direction of existing funds (eg. bailouts of financial speculators, military budgets) would go a long way towards funding social and environmental needs, the international labour movement is deeply convinced that one fundamental stepping stone towards a global funding architecture is a Financial Transactions Tax (FTT).

The effects of uncontrolled and unregulated financial markets are not only being suffered in the developed world, now facing one of its worst crises in its history, but also in developing countries which have frequently been affected by financial crises over recent decades.

In addition to its perverse effect on development, the financial sector is also exempted from paying value-added and corporate taxes in the vast majority of countries. It benefits from the many tax cuts on capital gains that were favoured by the IMF and the OECD and thanks to the globalisation of capital flows, it is better positioned than any other sector to take advantage of tax 'avoidance' and tax evasion strategies via offshore financial centres. At the same time, it is taking an increasing share of economic wealth and, as the current crisis has shown, it is generating new forms of financial stability 'systemic' risks.

It has been estimated that the international community needs US\$324-336bn per year between 2012 and 2017<sup>1</sup> to fund global public goods (development and climate), at a time when developed countries are already running budget deficits at unprecedented levels as a result of the global crisis. Some political and business leaders want to eliminate those deficits through cuts in public expenditure, public pensions and regressive tax reforms that would hit chances of economic recovery and working people extremely hard. Thus current fiscal scenarios would make working families pay twice for the crisis: firstly through rising unemployment and falling incomes, and secondly as a result of cuts in public and social services.

1 Hubbard, Pierre, The parameters of a financial transaction tax and the OECD global public good resource gap, 2010-2020. TUAC, 2010. The calculation on public common goods needs includes US\$156bn for financing climate change measures in developing countries and US\$168-180bn for Official Development Assistance to reach 0.7% of GNI).

The financial sector cannot be allowed to make the victims pay for the crisis of its own making. It needs to live up to its responsibilities. Private economic returns in the financial sector need to be pegged to social and environmental returns through taxation measures.

A Financial Transactions Tax (FTT) could reduce the risk of witnessing more speculative bubbles in the financial markets and generate revenue for financing global public goods, including development, social protection and climate action. According to the Austrian Institute for Economic Research, a global transaction tax of 0.1% could yield between US\$410 billion and US\$1060 billion a year.

It is time to take the FTT option seriously. The FTT could be designed with different rates for each party (large banks, other financial institutions including hedge funds, and non-financial corporations) and per market ('traditional' foreign exchange markets, exchange-traded derivatives, over-the-counter derivatives).

### Key messages from this section:

- ▶ There is a need for innovative sources of funding to fund the gap and finance global public goods.
- ▶ The ITUC calls on governments and stakeholders to support, in the context of Rio+20:
  - At the 'Heads of State level', a decision to implement a Financial Transactions Tax.

## 4. A Green Economy in the Context of Sustainable Development and Poverty Eradication

The world is currently facing rising unemployment, and for those who have work, increased risk of precarious working conditions and poverty. Almost half a billion young people are set to join the workforce within the next decade. This explains why a *green economy* that does not incorporate the challenges of the world of work is neither politically feasible nor sustainable.

For several years, the international trade union movement has promoted policies, debates and research on green and decent jobs and the means to ensure a 'Just Transition' for workers in the move towards a sustainable society<sup>2</sup>. These are two of our

<sup>2</sup> As an example of this early work, it was trade unions that in 2007 asked for the first global study on green jobs: "Green Jobs: Towards decent work in a Sustainable Low Carbon World", published in 2008: [http://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/@webdev/documents/publication/wcms\\_098487.pdf](http://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/@webdev/documents/publication/wcms_098487.pdf) More recent publications include documents on Employment and climate change: <http://www.ituc-csi.org/unions-and-academics-assess-the.html> and Just Transition: <http://www.ituc-csi.org/what-s-just-transition.html>

main priorities in the *green economy* debate. We are convinced that focusing on these two ideas can lead to policies which achieve social justice, environmental protection and economic prosperity.

The international labour movement agrees with the urgency of moving towards a resource efficient, low-carbon economy, prioritising renewable resources over non-renewable, implementing a life-cycle approach to products and better integrating environmental benefits and costs in production and consumption in order to protect and, where possible, restore ecosystems. We also consider it important to start re-thinking the economy around the satisfaction of needs rather than the capacity to buy goods (for example promoting mobility services with multiple options, rather than buying one car per household).

We acknowledge the difficulty of changing our system massively while we are still part of the old paradigm, but we are convinced that the right policies can ensure the foundation of a different economic model.

A *green economy* will not per se be fairer, pro-poor or pro-decent jobs. In order to secure the support of workers, the green economy will need to demonstrate that it can deliver social progress and equity. It will need to be significantly distinct from market fundamentalist approaches to the economy. This is why in the context of Rio+20, we expect the debate on the '*Green Economy*' to define the principles on which 'green economy' policies will be based (4a), and to recognise the role of greener and fairer tax systems as tools to improve the equity and environmental performance of our societies (4b).

The trade union movement is convinced that in order to move this agenda forward, concrete decisions need to be taken at Rio+20. Governments need to present their plans for decent job creation through green investments in the next 5-10 years, commit to them at Rio+20 and respect them in the subsequent years (4c).

### 4a Principles for a Green Economy that meets the needs of workers and their trade unions

In order to ensure that the 'Green Economy' will deliver in terms of social equity and decent work, Rio+20 has to integrate a certain number of principles in its declaration, as a means to guarantee positive social outcomes and a real contribution of the green economy towards sustainable development. The international labour movement promotes these ten principles for a socially-fair and inclusive green economy:

**1. A green economy must be based on equity between and within countries**, to distribute benefits

and costs in a just manner. It needs to reduce global imbalances between developed and developing countries and respect their different development paths. It also needs to take into account that in the last two decades, in a majority of countries higher income households have earned more than their lower income counterparts which have seen their wages decrease. This is one of the major causes behind the decline in the share of wages in total national income. Some 'green' policies have reinforced this trend: poor households have paid three times more environmental taxes than wealthy ones<sup>3</sup>. This is not the green economy we want.

**2. It must be inclusive.** The participation of young people, women, and poor and low skilled workers in the green economy is fundamental. It is essential to attract young people to new sectors, to offer them green and decent jobs and to ensure that skills-enhancing programmes promote their integration in the labour market. The green economy needs to provide jobs for working women and facilitate their employability through anti-discrimination and family-friendly programmes, quotas to hire women for non traditionally female jobs, green skills training and policies aimed at reducing gender wage gaps<sup>4</sup>. The green economy needs to acknowledge precarious and informal workers, and provide them with a pathway towards decent work.

**3. It must transform existing jobs and create green and decent jobs.** A green job should be one which reduces environmental impacts of enterprises and economic sectors to sustainable levels, while providing decent working and living conditions to all those involved in production and ensuring workers' and labour rights are respected. Under this definition, several dimensions of green jobs must be taken into account: their ability to reduce environmental impacts in different sectors, their capacity to deliver Decent Work, their respect for trade union rights and their ability to enable the inclusion of women and youth in the labour market.

**4. It must protect the rights of workers and trade unions.** The green economy should be a rights-based economy: based on the rights of the planet, on human rights and on workers' rights. Trade unions will fight for this to be a fundamental part of the equation.

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3 Fullerton, D., A. Leicester and S. Smith (2010), *Environmental Taxes*, Chapter 5 in *The Mirrlees Review – Reforming the tax system for the 21st century*, <http://www.ifs.org.uk/mirrleesReview>

4 Sustainlabour, *Green Jobs and Women Workers - Employment, Equity, Equality*, September, Spain, 2009 [http://www.sustainlabour.org/dmdocuments/en255\\_2009.pdf](http://www.sustainlabour.org/dmdocuments/en255_2009.pdf)

There are huge challenges ahead: new jobs in new sectors may entail worse working conditions than in mature industries where unions have been organising workers for decades. The challenge of organising new sectors can not be underestimated. In some new sectors, there are no collective agreements to protect workers, or those existing are not applied. Trade unions will only support a transition that comes with job security and this is only possible with strong collective bargaining mechanisms. When workers can organise collectively into trade unions, they can achieve dignity in the workplace, receive a fair wage, be defended against discrimination and enjoy a decent standard of living. They can enjoy security, and work with their trade unions to protect the environment.

**5. It must fulfil social objectives and satisfy human needs in the long term.** The green economy has to be a driver for social progress. From its inception the green economy's aim must be to satisfy human needs in the long term, including universal access to water, food, housing, energy, land, health, education, transport and culture.

**6. It must reverse the current economy's tendency to "wring out" workers.** Under the current economic model, companies and governments tend to concentrate their efforts on increasing their competitiveness in international markets through a reduction in labour costs. And since the industrial revolution this strategy has been coupled with the overexploitation of scarce natural resources and energy with little incentive for efficiency gains. This has resulted in a higher increase in labour productivity than in the productivity of materials and energy. For example, in Europe, in the last fifty years work productivity has increased by 300% while the productivity of materials improved by 100% and energy productivity by 20%. The green economy needs to move towards full employment together with the optimal use of materials and energy<sup>5</sup>.

**7. The transition to a Green Economy must be a Just Transition.** The transition in the sectors that will be negatively affected must be managed. Without specific Just Transition policies, the green economy could be unfair, more costly and harmful to social services. Workers, families and communities affected need adequate social protection and access to new opportunities. A Just Transition needs to be based on sustainable industrial policies, active labour market policies, income protection, retraining, meaningful social dialogue, ex-ante research on potential impacts, investments at the local level and economic

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5 Sustainable use and management of natural resources. EEA Report 9/2005

diversification<sup>6</sup>.

**8. It must widen social protection schemes.**

To advance towards a green economy, investments in social security and health systems are just as important as those in new energy sectors, in order to build resilient societies and address poverty reduction. A universal social protection floor for many countries where there is none is important, as would the ratification of ILO Convention 102. (See social protection section #2)

**9. It must promote democracy.** At the international level, the promotion of democratic processes in which civil society and citizens participate in decision-making is essential. Only truly democratic institutions can effectively design and implement the changes required by a green economy. The identification of the most efficient and appropriate options, and their implementation, will require the informed and empowered participation of all and in particular affected populations.

**10. It must be based on the real economy and be non-speculative.** Short-term speculation leads to significant price fluctuations and creates artificial bubbles, like those that contributed to the current economic crisis. The time has come to return to the real economy, as speculation is a major barrier to sustainable development. A green economy needs stringent regulation of financial markets, actors and services including taxes on speculative flows as a transition measure to control speculation.

## **4b** Recognising the role of green and fair taxation

In order to provide some signals about the kind of green economy we would like to see, and to start building solid bridges with the sustainable development concept, trade unions would like the Rio+20 summit to highlight the potential for social progress and environmental protection of a transformation of tax systems.

Taxes are generally used to raise revenues for government to redistribute wealth within societies, including through the financing of public services or redistributing income for people in need. However, recent reforms have tended to make taxation less progressive and therefore less likely to address growing income inequality. As an example, indirect taxation, such as consumption taxes, has taken a

<sup>6</sup> ITUC, A Just Transition <http://www.ituc-csi.org/what-s-just-transition.html>, for more detailed information, Rosemberg, Anabella, Building a Just Transition: the linkages between climate change and employment, in International Journal of Labour Research, 2010, Vol. 2, Issue 2, 2011.

larger share of government tax revenues, without an increase in compensation mechanisms or other social transfers. In addition, few policies have addressed the rampant level of tax evasion effectively...

Furthermore, the challenge of securing a fair distribution of natural resources in our societies while also ensuring a sustainable natural resource base for future generations needs to be addressed. In this sense, Green Taxation offers a way to respond to these societal needs. In practice, Green Taxation forms are as diverse as taxation itself, as are also its effects and possible contributions to a fair and green economy.

Trade unions are convinced that progressive tax reform, having as a guiding principle the fair distribution of material and natural wealth, will play a key role in achieving the objectives of sustainable development. The Rio+20 declaration should recognise this.

## **4c** Kickstart the process: Green Investments in decent job creation and transformation

Trade unions are convinced of the importance of the principles and measures mentioned above. Nonetheless, we are also conscious that principles alone will not transform the current economic model. We need a concrete action plan which will move us towards environmentally and people-friendly investments, which will create and transform jobs into decent and green jobs and put us on the road towards sustainability. Nonetheless, how can action be taken at the international level on green and decent jobs, when we know the differences between countries when it comes to their levels of development, employment needs, social protection coverage and environmental challenges?

The trade union movement has concluded that in order to move this agenda forward, we need nationally-based commitments to decent work creation through green investments. These commitments must come from domestic analysis of where the highest potential for win-win solutions is (for the planet, for workers and for society as a whole) and how an annual investment of 2% of GDP in green sectors will modify the labour market in the next five to ten years, combined with an accompanying set of policies that ensure the decent work dimension of these investments is achieved.

It is possible. Several sectors have already shown their potential in terms of green job creation (i.e. renewable energy, building retrofits, public transport). And we have also seen successful linkages being made with manufacturing and the services sector. The 'greening' of jobs in traditional sectors is also crucial if

we want to succeed in the transformation of the whole production system. The ITUC has initiated research to estimate the potential impact, and with our affiliates, we will be presenting to governments policy packages which will include proposals on the investments as well as the accompanying social policies needed to ensure that the jobs created correspond to the ILO definition of Decent Work and follow all the principles mentioned above, including the need for integrating women and young workers in the 'green economy'. The positive impacts on environmental protection will be significant and those on people's prosperity and social progress even more.

**This is why trade unions think an ambitious Rio+20 agenda must be one that includes a commitment, at the highest levels possible, to invest in 'green' policies with high job creation potential and to implement accompanying decent work policies in the next five to ten years.**

› **Key messages from this section:**

- **Generating millions of new green and decent jobs and transforming existing ones into greener and more decent jobs could be the most positive achievement of the green economy. This could also 'plant the seed' for systemic change.**
- › **Therefore, the international labour movement calls on Rio+20 to decide:**
  - **at the 'Declaration' level, the principles that must be followed by the Green Economy, in order to ensure that it contributes to social progress and sustainable development, including those described in section 4a above; and to acknowledge the role of socially-progressive and environmentally-friendly taxation reforms.**
  - **At the 'Heads of State' level, a country by country self-identified target on decent and green jobs creation to be reached in the next 5-10 years, through environmentally-friendly investments coupled with decent work policies.**
  - **In the event of an agreement on Sustainable Development Goals, a commitment to ensure that by 2020, the share of decent work in total employment has reached more than half the global working population, including through the implementation of green and decent jobs targets.**

## **5 Sustainable development needs stronger governance and coherence [Rio+20 agenda item: The Institutional Framework for Sustainable Development]**

Over the last decades we have witnessed a global crisis of governance and regulation, both at national and international levels, along with economic and financial deregulation. Both before and since Rio 1992 the orthodoxy of weak government participation in the economy has prevailed, first through the "Washington Consensus" and now in the developed world through the predominance of market fundamentalism and financial speculation. The assumption is demonstrably wrong but remains effectively unchanged: that the weaker the government the better, at national and international levels.

The social and environmental dimensions of globalisation have not been addressed. Global businesses have become increasingly able to operate beyond the constraints of national regulation, and no effective system of international governance has been put in place to ensure that their activities contribute to economic prosperity, social progress and environmental protection. The absence of effective public oversight at national and international levels has fostered a culture of corporate greed and irresponsibility. We need democratic and effective states at the national level and democratic and effective UN institutions at the international level.

A stronger and more efficient multilateral system is the instrument to create a democratic, legitimate and coherent framework for globalisation. The UN multilateral system constitutes the core of the current system of global governance. Nonetheless, at the international level, the need for reform and greater coherence is huge, in all three dimensions of sustainable development.

Economic governance has to be reformed in order to improve transparency, democracy in decision-making, balance between developing and developed countries and a much better redistribution of benefits and burdens, providing the necessary resources for global prosperity and sustainable development.

Social governance has to be strengthened in order to ensure economic decision-making also achieves social and environmental gains. Despite the existence at the international level of formal institutions with a mandate to redress social imbalances, they have not been empowered to stop the trend towards greater global and national inequalities.

Environmental governance also needs to be strengthened. The lack of environmental governance is forcing workers in many parts of the world to choose between their health and their income, putting their lives, communities and jobs at risk. Strong environmental governance contributes to social justice. The trade union movement agrees with the creation of a new UN Environmental Organisation that would strengthen the authority of

environmental decision making and facilitate more coherent decision-making and implementation. This organisation will need to be democratic and ensure the balanced participation of developed and developing, small and big countries in informed decision-making.

There is also a need to reform the way in which these three social, environmental and economic dimensions interact. The international labour movement is convinced that we need first and foremost a commitment to prioritise social progress and environmental protection. If this commitment exists, institutions will succeed in their mandate of achieving sustainable development. The creation of a Sustainable Development Council should also be considered as an option.

## **6** Governance of sustainable development is about peoples' rights and empowerment [Rio+20 agenda

item: **The Institutional Framework for Sustainable Development]**

Finding a balance between developed, emerging and developing countries at the international level should not be the only aim of a stronger governance of sustainable development or of its dimensions. The ultimate objective of discussions on governance is to ensure decisions are solid and democratic and positively affect people's lives. Therefore, there is no truly sound governance without the strong participation of civil society and citizens, at national and international levels.

Governments should be guided by a rights-based approach. In the same way that social rights can only be enhanced if workers see their rights respected and enforced, environmental governance requires citizens to have the right to access information, justice (dispute settlement, arbitration, courts), and public participation on environmental matters. Civil society holds governments accountable. It is an essential aspect in the implementation of sustainable development decisions.

This is why trade unions support the call to launch negotiations for the establishment of an international convention on Principle 10 of the Rio Declaration that deals with access to information, public participation and environmental justice.

Another mechanism that trade unions support to give workers and communities a voice is the creation of 'Ombudspersons for Future Generations' at global, national and local levels, who will advocate sustainable development, serve as an auditor at the heart of governments and deal with citizens' complaints and address violations.

The contribution of trade unions to environmental

protection could be improved if real changes were made in sustainable development governance. All elements described under Principle 10 of Agenda 21 need to be translated into rights at the workplace. This applies to:

**Right to participate:** Workers have the right to participate in decision-making processes related to environmental concerns in their workplaces. At present, such a right is not envisaged in national legislation, although it is to some extent recognised in some large enterprises, sectoral collective agreements and voluntary regional accords.

**Right-to-know:** Workers have the right to be aware of environmental hazards in their workplaces. These hazards can be identified and evaluated, and information concerning them must be communicated to employers and employees through such means as labelling, material safety data sheets and employee training.

**Whistleblower protection:** A worker must not be held liable or be disciplined for reporting workplace practices that he/she honestly believes may pose an environmental risk.

**Right to refuse dangerous work:** A worker must not be held liable or be disciplined for refusing to perform work that he/she honestly believes may pose an immediate or serious threat to his/her or other workers' health.

**Right to refuse work which harms the environment:** A worker must not be held liable or be disciplined for refusing to do work that he/she honestly believes may pose an immediate or serious threat to the environment.

Building the governance of sustainable development is the real challenge of Rio+20. Governments should not hesitate to take the necessary steps to empower their citizens today, in order to secure a long-lasting legacy of this Summit.

### › Key messages from this section:

- **An institutional framework for sustainable development must be based on a strong political commitment to prioritise social equity and environmental protection over economic performance, and this must be translated into the importance given to economic, social and environmental institutions in the multilateral system.**

### › Trade unions call on governments at Rio+20 to:

- **Support the designation of a national council or public representative or 'ombudsperson' to represent the interests and rights of present and future generations;**
- **Launch negotiations for the establishment of an international convention on Principle 10 of**

**the Rio Declaration that deals with access to information, public participation and environmental justice;**

- **Work towards the creation of a UN Environmental Organisation with strong powers and authority and support the creation of a Sustainable Development Council**

### **Final remarks**

The enormity of the challenges facing our world means that no social group can act alone. We need to enter a time in which trade unions, environmental, social and gender NGOs and movements, local governments, consumer organisations, indigenous peoples, and responsible employers, among others, work together and build a progressive agenda for change.

For the last twenty years, trade unions have worked to integrate all components of sustainable development into their work. Much remains to be done. Our work is based on the belief that a commitment to ensure workers' participation in decision-making will improve our capacity to achieve a decent life on a healthier planet.

Trade unions will continue to raise awareness among workers and their communities of the need to change our current production and consumption models. A paradigm shift towards an environmentally and socially responsible society needs the commitment of workers and their organisations and the recognition of their role. We will work with commitment to achieve this end.

## **Annex I: Social Protection**

### **How does social protection contribute to the three social, environmental and economic dimensions of Sustainable Development?**

Social protection has the potential to reduce the poor's long-term vulnerability to global challenges such as economic crises, instability in food prices and, of course, climate change. The Stern Review, for example, argued that social protection could become one of the priority areas for adaptation in developing countries. Granting universal access to basic social services, such as minimum income, education, health and water, also makes economic sense as these services increase human capital, support economic growth and limit the risk of excessive income inequality. Investing in social protection supports progress towards achieving the Millennium Development Goals, by increasing the effectiveness of investments in health, education, and water and sanitation.

Social protection can also play a key role in preserving the environment. By providing the poorest communities with a "protected" income and a capacity to have more sustainable lifestyles, social protection systems can reduce poor families' pressure on natural resources. An example is forests which are being depleted partly to satisfy the energy needs of rural communities. Social protection can give poor communities the opportunity to protect their environment. The Indian National Rural Guarantee Act (NREGA) provides a 'right to employment' to rural workers, guaranteeing them a minimum annual income while employing them in the restoration of water streams and land, among other tasks. It shows how a synergy is possible between building social protection systems and building a "green economy" that reduces poverty.

In the transition towards sustainability, our societies will witness major changes, including on employment in all productive sectors. Social protection is the basic component of a strategy to minimise the risks of change and optimise gains for all workers and their communities – a Just Transition strategy.

It is the prerogative of the state to formulate and fund the development of social protection programmes, but there is a need for the full involvement of social partners in their design and implementation.

However, trade unions are witnessing increased pressure over social protection systems and social security arising from fiscal consolidation initiatives in most of the developed world. Such pressure on social spending is not only unfair but counterproductive, as it will also reduce the chances of achieving recovery both the short and the long run.

# ***Workers and trade unions' consolidated contribution to the United Nations Conference on Sustainable Development***

***Rio+20***

***The ITUC represents 175 million workers  
in 151 countries and territories and has  
305 national affiliates.***

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