

WORKERS DEMAND A NEW SOCIAL CONTRACT FOR RECOVERY AND RESILIENCE

RWANDA

A TRADE UNION FOCUS ON THE SDGS

#HLPF2023

WORKERS NEED DURABLE RESPONSES TO MULTIPLE CRISES

The government of Rwanda has introduced various policies to combat the ongoing multiple crises. To mitigate the impact of the Covid-19 pandemic, an economic recovery fund was established to support businesses severely affected by the pandemic and safeguard jobs. In addition, a broader Economic Recovery Plan introduced measures to support vulnerable households through food distribution, subsidised access to agricultural inputs, cash transfers to casual workers, measures to ensure poor households access to basic health and education, and tax deferral and relief measures to help formal and informal sectors.

To combat the cost-of-living crisis, mainly caused by the global food and energy price crisis, and high inflation, the government introduced fuel subsidies, comprehensively reformed tax systems, capped the prices of essential food products and provided other subsidies for the general population.

As the effects of climate change are becoming ever more apparent in Rwanda, with occurrences of deadly floods, landslides and drought, the government has put in place prevention and rapid response measures. Rwanda has introduced a Green Growth and Climate Resilience Strategy, which will stay in place until 2050. The strategy aims to guide policy and planning, mainstreaming climate change preparedness and mitigation into all sectors of the economy, positioning Rwanda to access international finance for climate resilience and low-carbon development.

ARE TRADE UNIONS AT THE TABLE?

Rwanda has integrated the objectives of the SDGs and those of the Africa Agenda 2063 into its national development agenda through the National Strategy for Transformation (NST1, 2017-2024), Vision 2050 and related strategies. The Ministry of Finance and Economic Planning is responsible for the implementation of SDG priorities. Trade unions believe that enough resources have been allocated to this objective and that the overall progress on implementing Agenda 2030 in Rwanda is satisfactory. In relation to SDG 8, the government implemented a Decent Work Country Programme, which ended in 2021.

Trade unions report that transparency in relation to SDG implementation in Rwanda could be improved. While reports on the implementation of the SDGs are available to all on the Ministry of Finance and Economic Planning website, trade unions suggest that they can be more systematically involved in the whole process. While a multi-stakeholder platform for consultations on the SDGs exists, trade unions are often confounded with other civil society organisations. As such, trade unions suggest that the methods of reporting, data collection and information processing in relation to the SDGs should be more inclusive and transparent, and that information should be disseminated to key stakeholders for input before publication.

The national labour council comments and gives advice on labour law, the minimum wage and other labour-related matters. While a tripartite plus body exists, trade unions should be regularly invited to provide input on Agenda 2030 in the context of social dialogue. Trade unions aim to provide input on all relevant SDGs whenever possible, not only on SDG 8 but also other topics, such as gender equality, quality education, reducing inequalities, climate action, peace and social justice as well as partnerships.

TRANSPARENCY



Irregular access to limited information



CONSULTATION



Informal or ad hoc consultation



SOCIAL DIALOGUE



Individual contributions from social partners to the national government



IS THE (DECENT) WORK GETTING DONE?

With regards to **SDG 1**, indicators for **target 1.1** (eradicating extreme **poverty**) show that in 2022, 40.3% of Rwanda's workers and their families lived below the international poverty line, which trade unions attribute essentially to the lack of a minimum liveable wage. Between 1995 and 2021, Rwanda's HDI increased from 0.286 to 0.534, a significant change of 86.7%; however, in 165th place, Rwanda remains among the world's least developed countries. With regards to **target 1.3** (nationally appropriate social protection systems), in 2021, the proportion of the population covered by at least one social protection benefit stood at only 9.8%, as only 3.1% of people above retirement age were receiving a pension and no unemployment benefit is available. Public expenditure on social protection stood at only 2.3% in 2017.

On **SDG 5**, some commendable progress can be seen in reaching the objective set by **target 5.5** (women's full and effective participation), as 35.4% of managerial positions were held by women, and the proportion of seats held by women in parliament increased from 17.1% in 2000 to 61.2% in 2023. A dedicated Gender Monitoring Office oversees gender mainstreaming across different sectors.

Significant improvements still need to be made on SDG 8, as indicators on target 8.3 (support decent job creation) show that 87.1% of all workers and 71% of those outside of agriculture were in informal employment in 2021; additionally, the rate of vulnerable employment stood at 66.3% in 2021. On target 8.5 (full and productive employment and decent work for all), the unemployment rate came in at a high 17.2% in 2023, with women (19.2%) more affected than men (15.5%); unemployment was slightly higher among the population living in rural areas (18.0%) compared to those living in urban areas (15.9), and it remains relatively higher in the youth category, those aged 16-30 (20.4%), than among adults (15.1%). In all age categories, the highest unemployment rate is observed among those aged 16 to 24 years old (21.8%), while the lowest rate is observed among those aged 45 and above (14.0%). The data for 2023 shows that labour underutilisation is also high at 54.3%, and the gender wage gap stood at 29.8% in 2021. NEET indicators for target 8.6 (reduce the proportion of youth not in employment, education or training) stood at 31.6% in 2023 – 35.3% for women and 27.6% for men, and 25% for urban and 33.4% for rural areas. Performance on target 8.7 (eradicate forced labour and the worst forms of child labour) is concerning, as trade unions report that there are many children still subjected to the worst forms of child labour in domestic work, dangerous tasks in mining, agriculture, and construction, including carrying heavy loads. However, in 2021 Rwanda finalised a national action plan to combat human trafficking and launched a hotline for reporting child abuse, including child labour. The situation is unsatisfactory with regards to target 8.8 (protect labour rights and promote safe and secure working environments for all workers), as trade unions report that the numbers of trained labour inspectors is very low, and court proceedings take a very long time, which discourages unlawfully-treated workers from seeking justice.

Progress still needs to be made on SDG 10. On target 10.4 (progressively achieve greater equality), in 2016, 10% of the highest income earners controlled 35.6% of GDP, while the lowest 20% controlled 6% of GDP. The labour share of GDP stood at 44.2% in 2020, having barely increased from 43.5% in 2004. On target 10.7 (migration policy), migration policy as well as other policies and laws are discussed between the government and social partners and civil society, who are sometimes invited to provide their input through technical meetings, to the National Labour Council and in the parliament's social commission.

On SDG 13 and target 13.2 (integrate climate change measures into national policies, strategies and planning), given that the subject of climate change is relatively new on Rwanda's political agenda, a consistent and regular dialogue with trade unions and civil society organisations on achieving a just transition is to be recommended.

With regards to **SDG 16** and reaching **target 16.10 (protect fundamental freedoms)**, improvements are needed to ensure workers' rights, as trade unions report that while these are protected by legislation, their enforcement needs to be enhanced. Trade unions report that employers at times refuse union activists entry to their premises and that workers are generally afraid of joining unions due to employer discrimination and fear of losing their jobs. This contributes to low trade union density (less than 5%).



TRADE UNIONS ASK THAT NO-ONE IS LEFT BEHIND

Trade unions call on the government of Rwanda to:

- Improve engagement and consultation of trade unions throughout the process of implementing the SDGs.
- While remaining committed to increasing the number of jobs created, boost the creation of more quality jobs (decent, climate-friendly and sustainable), and ensure that skills match market needs, e.g. through the promotion of innovative and attractive vocational training.
- Improve social protection by ensuring universal social protection systems, including social protection floors; support inclusive growth, boost human capital and increase domestic demand and supply.
- Guarantee labour rights and equality at work by passing legislation that secures fundamental rights and ensures their implementation.
- Establish strong social dialogue mechanisms that promote effective collective bargaining and conflict resolution. Foster commitment among employers and workers to collaborate with the government to overcome crises and support recovery together. Remove barriers to productive collaboration between employers and employees.







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