



**COVID-19:  
WORKERS DEMAND  
JOBS, INCOME AND  
SOCIAL  
PROTECTION**

## COVID-19: WORKERS NEED RESPONSES FOR RECOVERY AND RESILIENCE

The government has responded to Covid-19 with a policy of partial social isolation, with measures such as curfews, 'dynamic quarantines' and the recommendation to stay at home.

According to the Central Unitaria de Trabajadores (CUT), the government has prioritised protecting the economy over people's health and has taken advantage of the situation to make working conditions more precarious. An 'employment protection law', for example, has been passed that allows companies to suspend employment contracts, in which case the salary is paid out of the worker's unemployment insurance (in other words, his or her own savings). The government has also enacted a law on teleworking, whereby the workday can be extended to 12 continuous hours. Income support measures, as well as the moratorium on credit payments, have been provided only for the most vulnerable segment of the population, reaching very few people, in practice. The CUT considers it a priority to respond to the Covid-19 pandemic by extending social protection coverage and free access to health care services, protecting wages and employment and extending the moratorium on the payment of utilities, implementing a wealth tax on large fortunes, and providing a guaranteed universal basic income.

### ARE TRADE UNIONS AT THE TABLE?

Trade unions report that since the current government came to power in March 2018, no activities relevant to the implementation of the Sustainable Development Goals (SDGs) have taken place. On the contrary, despite the widespread protests which have shaken the country since October 2019, calling for basic rights such as decent wages, healthcare, education, housing and pensions, the government has only intensified its neoliberal agenda, using the Covid-19 pandemic as a pretext for increasing the precarity of working conditions in the country.

The implementation of the 2030 Agenda in Chile is done through the National Council for Sustainable Development, chaired by the Ministry of Foreign Affairs, with the participation of the Ministries of the Economy, Development and Tourism, Social Development and the Environment. The role of the Council is to advise the president on the implementation and follow-up of the 2030 Agenda, to coordinate its implementation at national and regional levels and to consult with governmental

bodies, international organisations, the private sector and civil society.

Trade unions have not been systematically informed of or consulted on the SDG implementation process and warn that there is a lack of transparency with regard to the government's actions on this matter. Although the government co-organised workshops on several SDGs with organizations such as the International Labour Organisation (ILO) and the Economic Commission for Latin America and the Caribbean (ECLAC) in April 2019, no official consultation accompanied this process. Trade unions were invited to attend an information session with the Ministry of Labour in April 2019, which they did not qualify as a consultation; no other sessions have been held since. Social partners such as the CUT have not been invited to discuss or provide input towards the implementation of the SDGs within the framework of the Superior Labour Council (CSL), where social dialogue takes place.

#### TRANSPARENCIA



No access to information at all

#### CONSULTA



No consultation process at all

#### DIÁLOGO SOCIAL



Social partners not involved in defining and realising government's SDG national plan



# IS THE (DECENT) WORK GETTING DONE?

Indicators for **target 1.1 (eradicating extreme poverty)** suggest that, in 2019, 0.2 per cent of the population was living in extreme poverty on under \$1.90 per day; a further 3.7 per cent were living in near poverty on under \$5.50 per day in 2017. These are shocking numbers in a country with a human development index (HDI) of 0.847, in the top 50 best scores. In terms of social protection benefits, in 2016, only 45.6 per cent of the unemployed received related payments, and only 18.8 per cent of vulnerable people were covered by social assistance. This suggests that **target 1.3 (implement nationally appropriate social protection systems)** has not yet been reached. In addition, government spending on essential services, including health, education and social protection, stood at only 10.7 per cent in 2017.

As regards **target 5.4 (recognise and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies)**, 2015 data shows that women spend more than twice as much time (24.7 per cent) on unpaid labour compared to men (10.8 per cent). Performance on **target 5.5 (ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life)** is satisfactory; however, between 2010-2017, 79 per cent of women obtained at least a secondary education, as compared to 80.9 per cent of men.

There are substantial obstacles to Chile meeting the targets set under **SDG 8 (promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)**. As regards **target 8.3 (support productive activities, decent job creation, entrepreneurship, creativity and innovation)**, the proportion of informal work remains high, at 28.3 per cent in 2017 (26.3 per cent for men and 31 per cent for women). In addition, 10.6 per cent of jobs are low paid. In 2018, 24.1 per cent of jobs were classified as precarious, a proportion that has remained steady, with a tendency

towards increasing, since 2010. The overall unemployment rate stood at 7.7 per cent, with young women (aged 15-24) being most likely to be unemployed (20.3 per cent) in 2018, suggesting that **target 8.5 (full and productive employment and decent work for all)** requires attention. In addition, in 2018-2019, the gender pay gap stood at 21.6 per cent. The indicators for **target 8.6 (reduce the proportion of youth not in employment, education or training)** stood at 16.5 per cent, (14 per cent for men and 19.4 per cent for women) in 2019. With regard to **target 8.8 (protect labour rights and promote safe and secure working environments for all workers)**, collective bargaining coverage stood at only 17.9 per cent in 2016 and the unionisation rate at only 19.6 per cent.

Significant progress remains to be made for Chile to reduce social inequalities and reach **target 10.4 (adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality)**, as the share of the top ten per cent of income earners accounted for 36.3 per cent of overall GDP in 2017, while the bottom 20 per cent of income earners accounted for a miniscule 5.8 per cent.

With regard to **target 13.2 (integrate climate change measures into national policies, strategies and planning)**, while Chile has a National Policy and Strategic Plan for Disaster Risk Management from 2016 and a 2013 law which states that by 2025 the country should rely on renewable energy sources for 20 per cent of energy consumption, trade unions warn that these policies are not being implemented effectively enough.

With regard to meeting **target 16.10 (protect fundamental freedoms)**, a major cause for concern is the violent repression used by police forces in response to the October 2019 popular protests, which resulted in at least 33 deaths, more than 330 people suffering eye injuries, thousands of others being wounded and over ten thousand demonstrators being arrested.

## TRADE UNION ASKS TO LEAVE NO ONE BEHIND

The Central Unitaria de Trabajadores (CUT) urges the Chilean government to involve civil society in discussions and consultations on the 2030 Agenda by creating a civil society council and broad social dialogue. Moreover, the discussion on the implementation of the SDGs should be placed on the agenda of the Superior Labour Council, a legal body with tripartite representation.

As regards the Covid-19 emergency, the CUT urges the government to take the following measures:

- In terms of economic measures, to introduce an expansionary monetary policy with the aim of injecting more liquidity into the economy and ensuring direct assistance to micro, small and medium-sized enterprises. It should also adopt an expansionary fiscal policy that accelerates budgetary measures for all public services, especially the extension of social protection and health coverage, the supply of medicines and health materials, as well as the increase in medical personnel. It should, in addition, place a wealth tax on large fortunes, introduce a guaranteed universal basic income, and suspend the payment of mortgage loans and basic services.
- In terms of work and employment, the government must ensure basic health, safety and environmental conditions in the workplace, as well as the suspension, as a result of the pandemic, of productive processes that are not essential, without impacting wages. In addition, the grounds for the termination of employment should be provisionally lifted.



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