



# L20 statement to the G20 Labour and Employment Ministers Meeting, 2023

## A NEW SOCIAL CONTRACT FOR RESILIENCE AND RECOVERY

In 2022, labour market conditions worsened significantly, chiefly due to tightening monetary policies. While households in all countries struggle with the rising cost of living, low wages and economic growth prospects, many developing countries are close to having exhausted their fiscal space. Austerity and budget consolidation at this stage would further reduce demand and employment levels, as well as impact social cohesion and resilience to future crises.

In this challenging setting, hundreds of millions of people are unemployed or remain outside the labour market. An estimated 214 million people are in jobs of such a low quality that their wages are insufficient to lift them out of extreme poverty.

As leading institutions warn of recession or severe economic slowdown, the G20 Labour Ministers need to **act now to cushion against job losses**, and to tackle all forms of forced labour, precarious work and poverty, inequality, and the price gauging that corrodes any nominal wage

growth. Working people need higher wages which can be delivered through respecting and **promoting trade union freedoms and collective bargaining and raising the level of minimum living wages**. Labour Ministers must send a clear message to G20 Leaders on the realities and needs in the world of work. We urge Ministers to **advocate for a fiscal and monetary policy** that delivers a just transition and addresses the enormous investment gaps in public services, social protection, infrastructure, and development. We emphasise that strong **social protection systems build climate resilience** for workers and communities. We call for action to support **gender equality, equal pay, and to put an end to violence and discrimination** in the workplace.

The G20 Labour Ministers have made **previous commitments on labour-income share, fair wage principles, and workers' rights**, including in global supply chains. The implementation of these continues to lag, yet they are ever more urgent. This is a matter of credibility for the Labour and Employment Track and for

the G20 as a whole. To make progress in the implementation of previous commitments in

practice, **reviving the work of the Subgroup on Income Inequalities** would be a timely first step.

**With regards to the priority “*Addressing Global Skill Gaps*”, we call on the G20 Labour and Employment Ministers to:**

- Invest in public education at all levels – especially early childhood, primary and secondary education – that is high-quality and accessible, and move the focus from skill mismatches and gaps to developing productive capabilities holistically.
- Identify the obstacles that hinder access to quality training, considering factors that limit access, such as insufficient income, the unequal distribution of caregiving responsibilities between men and women, different forms of discrimination, and lack of access to the internet, technological devices and essential services.
- Promote women’s equitable access to education, skills and lifelong learning, through targeted measures to encourage access to STEM education, technical vocational education and training (TVET), apprenticeships and traineeships, as well as digital skills training.
- Support the adoption of the new ILO Recommendation on Apprenticeships at the 2023 ILC, and ensure its effective implementation in practice.
- Identify needs and invest in skills required for a just transition to a carbon-neutral economy, in line with the 2015 ILO tripartite Guidelines.
- Participate in the launch of the ILO Green Jobs for Youth Pact while respecting a strong social agenda to create quality jobs.
- Invest in reskilling workers whose jobs are being transformed by new technologies.
- Ensure the labour rights of migrants and guarantee social dialogue.

**To address the priority “*Gig and Platform Economy and Social Protection*”, we call on the Ministers to:**

- Encourage and support efforts to develop an ILO Convention on decent work in the platform economy.
- Ensure that all workers, regardless of employment status, benefit from the ILO Fundamental Principles and Rights at Work, strengthening prevention policies for health and safety.
- Regulate and enforce the proper classification of workers in the platform economy, and address misclassification and disguised employment, in accordance with ILO Recommendation 198 on the Employment Relationship.
- Regulate the governance of algorithmic management to ensure fairness, transparency and the protection of workers’ rights, including data and privacy protections.
- Strengthen effective labour inspections, labour administration and dispute settlement systems to ensure the realisation of workers’ rights.
- Expand social protection in line with ILO Convention C102 on Social Security and Recommendation 202 on Social Protection Floors, ensure the preservation and portability of social security contributions and require that employers pay social security contributions for all workers, regardless of the employment relationship.

To address the “**Financing Social Protection**” priority, the L20 urges the Ministerial Meeting to adopt a Declaration calling for:

- Expanding the contributory base of social protection systems led by formalisation and quality employment creation, with tripartite frameworks of policies on industrialisation, inclusion, and transition from informality to formality.
- Eliminating tax evasion and avoidance, implementing progressive taxation, and raising new forms of taxes, including on windfall profits and on financial transactions in order to increase state fiscal space and fund, when needed, social protection systems.
- Making progress toward a global social protection fund for the poorest countries.
- The commitment of at least 7% of ODA allocations towards social protection.
- Active support to the UN Global Accelerator on Jobs and Social Protection for just transitions, as well as for the establishment of a global social protection fund to mobilise and coordinate international public financial assistance towards social protection.
- Enhanced cooperation among international organisations, in particular between the IMF, the World Bank and the ILO, including through joint projects, to ensure that activities carried by IFIs are in line with relevant ILO instruments (Convention 102 and Recommendation 202).
- In all social protection work, recall and take into account the USP2030 Joint Principles for Financing Social Protection developed by the Global Partnership for Universal Social Protection.

We call on the G20 Labour and Employment Ministers **in 2023** to **prioritise a discussion on the just transition to a carbon-neutral economy** with quality job creation in renewable energy, ecosystem restoration, and public green infrastructure and services. We believe that **a joint meeting with Ministers of Finance, Labour, and Environment/Climate is long overdue**. Action to accelerate the just transition, in the context of a New Social Contract, is urgently needed, and the G20 should take the lead in achieving tangible, timebound outcomes.

Unions globally maintain our commitment to working with the Labour Ministers at national and global levels and with the relevant global institutions to ensure that working people benefit from our joint work in 2023 and beyond.



CLIMATE-FRIENDLY JOBS  
WAGES  
RIGHTS  
SOCIAL PROTECTION  
EQUALITY  
INCLUSION

**A New Social Contract**