



# MALDIVES

## A TRADE UNION FOCUS ON THE SDGs

#HLPF2023

### WORKERS NEED SUSTAINABLE RESPONSES TO MULTIPLE CRISES

In the wake of the crisis provoked by the Covid-19 pandemic, the Maldives government, with the support from International Financial Institutions (IFIs), has been working on introducing reforms to create and implement an active and integrated labour market policy. IFI grant and loan schemes are also being used to plan projects supporting the transition to sustainable renewable energy, to better address the challenges of the energy crisis. However, trade unions point out that in the absence of a tripartite social dialogue, these discussions are not well coordinated with social partners and lack a meaningful consultative process.

Trade unions welcome the fact that the Maldives government has increased climate budgeting over the past decade, making it an integral part of public finances and the annual budget. This addresses the climate crisis as it includes budgeting for disaster reduction, risk management, building a resilient public health system adapted to climate change as well as enhancements to water security and coastal protection. However, a more inclusive approach to the fight against climate change is needed through just transition plans negotiated with social partners, including trade unions, in all phases of policy implementation.

### ARE TRADE UNIONS AT THE TABLE?

Sustainable Development Goals (SDGs) objectives are integrated into the Maldives' National Strategic Action Plan 2019-2023. The implementation of the 2030 Agenda is coordinated by the Ministry of Planning, which contains an SDG monitoring unit. A National Coordination Committee comprising the Ministries of Environment and Energy, Youth and Sports, Education, Fisheries and Agriculture, Gender and Family, and Foreign Affairs monitors the progress of implementation.

Trade unions report that in 2022, the government allocated USD 14 million from different funds and grants to SDG implementation. However, the lack of transparency with regards to how these funds are being used, or with regards to how implementation is progressing overall in the Maldives, means that trade unions are unable to assess if this financing is adequate.

Trade unions regret that there is a lack of transparency and adequate data sharing of materials such as implementation progress reports. They report that the government conducted a consultation with civil society, including trade unions, as part of the country's 2023 voluntary national review (VNR), which was the first instance of trade unions being consulted on this topic. However, it is not clear if their contributions have been taken on board. Furthermore, since the Covid-19 pandemic, broader dialogue on the SDGs between civil society and the government has been lacking. Previously, annual civil society fora had been held, but these have not yet been resumed.

Since 2019, tripartite dialogue has been conducted in the context of the Minimum Wage Advisory Board, but discussions are restricted to the minimum wage, with no consultation related to SDG 8 or other SDGs.

#### TRANSPARENCY



Irregular access to limited information

#### CONSULTATION



Information sessions but no interaction

#### SOCIAL DIALOGUE



Individual contributions from social partners to the national government



## IS THE (DECENT) WORK GETTING DONE?

Reaching the SDGs will require the Maldives to make further efforts on several key indicators.

With regards to **SDG 1**, indicators for **target 1.1 (eradicating extreme poverty)** show that the nationally defined poverty rate in the Maldives increased from 3.9% in 2019 to 19.3% in 2020. However, the Maldives' human development index for 2021 has improved compared to pre-Covid-19 levels, standing at 0.747 in 2021. On **target 1a.2 (spending on essential services)**, the percentage of the population covered by at least one social protection benefit stood at 21.2% in 2020. All citizens of the Maldives have access to universal healthcare through a universal health insurance scheme; health spending amounted to 8.04% of GDP in 2019. However, trade unions regret the lack of unemployment benefit and a mechanism for the sustainable reintegration of unemployed persons. In the absence of an occupational health and safety act, there is no compensatory mechanism for workplace injuries and accidents.

On **SDG 5**, further efforts are required to reach **target 5.4 (recognise and value unpaid care and domestic work)**, as in 2019, women dedicated three times as much of their time to unpaid work as men: 15% compared to 5%. Women are also overrepresented in informal employment – 59% of workers in the informal sector are women. To better implement **target 5.5 (women's full and effective participation)**, the Maldives has established a Ministry for Gender, Family and Social Protection, and signed an agreement with the Asian Development Bank to create a holistic gender equity project. Within the Maldives' civil service, 64% of employees are women. However, out of 87 parliamentarians in the 19th Parliament, only four are women.

On **SDG 8**, a lot remains to be done to implement **target 8.3 (support decent job creation)**, as 39% of workers were in informal employment in 2021; additionally, the rate of vulnerable employment stood at 33.4% among women and at 15.2% among men. Efforts are needed to progress on **target 8.5 (full and productive employment and decent work for all)**, as women's participation in the labour force (34.3%) was much lower than

that of men (67.5%) in 2021; in addition, 13% of women were unemployed due to caregiver and domestic responsibilities, compared to 1% of men. The gender pay gap stood at 14% in 2019. Underemployment stood at 14%. NEET indicators for **target 8.6 (reduce the proportion of youth not in employment, education or training)** for the 18-35 age group stood at 15% for men and 41% for women. With regards to **target 8.8 (protect labour rights and promote safe and secure working environments for all workers)**, trade unions report that there are restrictions in practicing the right to freedom of association, even though the Maldives has signed the fundamental conventions of the ILO, as legislation transposing these at national level is lacking; rights are even more restrained for migrant workers.

Progress is still required on **SDG 10**. On **target 10.4 (progressively achieve greater equality)**, in 2019, 10% of the highest income earners controlled 23.3% of GDP, while the lowest 20% controlled 8.9% of GDP. The labour share of GDP stood at 43.8%, a share that has remained relatively stable over the nine previous years, although it has decreased from 44.3% in 2010. In 2022, the Maldives introduced a minimum wage; however, migrant workers are excluded from the minimum wage, and the level of the minimum wage is subject to sectoral differences depending on the size of business. In addition to being excluded from the minimum wage policy, migrant workers are also excluded from the new pay harmonisation policy, which is intended to review the existing salary structure for all public employees.

On **SDG 13** and **target 13.2 (integrate climate change measures into national policies, strategies and planning)**, the Maldives is progressively moving towards renewable energy projects. In preparation for the nationally determined contribution, a socio-economic analysis as well as consultations with stakeholders are being conducted, but these do not include trade unions. Climate-resilient adaptation measures are being integrated into the public healthcare system.

## TRADE UNIONS ASK THAT NO-ONE IS LEFT BEHIND

Trade unions call on the Maldives government to:

- Engage trade unions in consultations and social dialogue on the implementation of the 2030 Agenda.
- Increase the transparency of the monitoring and evaluation progress on SDG implementation.
- Meaningfully consult with trade unions in relation to all employment and labour policy programmes.
- Put in place an industrial relations bill outlining trade union and collective bargaining rights and establish a tripartite labour governance mechanism.
- Adopt a gender-responsive approach to the creation of decent employment, focusing on capacity-building through systemic education and training.
- Ensure that the basic social protection floors reach everyone, including access to universal health coverage and minimum wage benefits.



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