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G20: Pittsburgh Must Be a Jobs Summit, As Growing Unemployment Threatens Recovery

Brussels, 16 September 2009 (ITUC OnLine): The G20 meeting in Pittsburgh next week must tackle the growing global jobs crisis if real economic recovery is to take place, according to the world's trade unions. With the global crisis set to cost 59 million jobs by the end of this year, and predictions that unemployment across the OECD countries could reach 10% in 2010 and increase into 2011, the ITUC, TUAC and the Global Union Federations are warning in their "Pittsburgh Declaration" that the chances of real economic recovery are under severe threat. A 50-strong delegation of top union leaders from every continent will hold a series of meetings with heads of government and global institutions at the Pittsburgh Summit to press the case for stronger and more coordinated action.

"Governments must do much more to arrest the plunge in jobs as tens of millions of people, especially young people and those in precarious jobs, find themselves facing a future without work. The full impact of the crisis is now being felt by the most vulnerable, and 200 million more people are expected to fall into absolute poverty because of it. Coordinated global action to maintain and create jobs is required, and this has to start with the Pittsburgh Summit. Any talk of recovery has little meaning until people are getting back to work," said Guy Ryder, ITUC general secretary.

Today's gloomy predictions in the OECD's annual Employment Outlook reinforce the union concerns. On top of an estimated 15 million jobs already lost in the richer countries, the OECD has warned that the worst is yet to come for labour markets in several countries. The OECD also confirms that young people, those with fewer skills, immigrants, ethnic minorities and those in temporary or untypical jobs are being worst hit.

"The G20 must move on several fronts, quickly and with determination," said John Evans, general secretary of the TUAC. "Jobs must be the first priority, but action on jobs will be undermined without reforms of the financial system, action for development in particular in the poorest countries, and concrete steps to create green jobs and ensure a just transition to a low-carbon future," he added.

The unions' Pittsburgh Declaration sets out detailed and workable plans to tackle bank insolvency, deal with excessive corporate pay and bonuses, reform taxation and ensure effective financial market regulation. A global tax on financial transactions is put forward as means both of reducing unproductive speculation and generating funds for development. Trade unions demand changes to the programmes of the International Financial Institutions, which are imposing job-destroying

conditions on developing and transition countries with devastating consequences for health, education and social protection in the future, and insist that the G20 move forward on creating green jobs and ensuring proper protection for workers affected by urgently needed action on climate change.

The Declaration calls in particular for the G20 to implement the ILO's Global Jobs Pact, set up an employment working group with the ILO and to instruct their Labour Ministers to meet together and with the social partners urgently.

New and effective means to govern the global economy are put forward in the Declaration, which calls for the G20 to ensure the Decent Work Agenda of the ILO is added into its Charter for Sustainable Economic Activity, covering rights at work, employment and income opportunities, social protection and social security, and social dialogue and tripartism.

The Pittsburgh Declaration also highlights the corrosive nature of financial sector bonuses. In the USA, the nine largest banks which received altogether US \$175bn in taxpayer-funded bailouts paid a total of US\$ 32.6bn in bonuses, mostly to top executives, in 2008. This amount alone is equivalent of all the debt of the most heavily indebted countries, and could have covered the gap in education provision in 68 of the world's poorest countries across a period of three years.

"Jobs and incomes must become the central focus for the global economy. Economic growth must be driven by productive investment and employment, rather than another bubble and bust cycle led by financial speculation. Even in the depths of this crisis, some bankers and company CEOs are setting new records for greed by paying themselves massive salaries and bonuses. The seeds of another crisis are already being sown, and political leaders need to do much more than just condemn this kind of behaviour. They need to show the world that they are prepared to govern in the interests of all," said Ryder.

To read the Pittsburgh Declaration:

http://www.ituc-csi.org/IMG/pdf/0909t_g20_Pittsburgh_en_2_.pdf

To read the OECD's annual Employment Outlook:

http://www.oecd.org/document/62/0,3343,en_2649_37457_43701438_1_1_1_1,00.html

The ITUC represents 170 million workers in 157 countries and has 312 national affiliates. <http://www.ituc-csi.org> <<http://www.ituc-csi.org>> and <http://www.youtube.com/ITUCCSI> <<http://www.youtube.com/ITUCCSI>>

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