

INTERNATIONAL TRADE UNION CONFEDERATION (ITUC)

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G20 FAILING TO MEET JOBS CHALLENGE

Toronto, Ontario, 27 June 2010 (ITUC OnLine): G20 Leaders risk sleepwalking into a double-dip recession due to their haste to halve fiscal deficits by 2013 or even sooner, according to an international trade union delegation in Toronto at the end of the G20 Summit.

"Jobs and better wages are at the heart of economic recovery, and last year G20 Leaders seemed to have recognized that," said ITUC General Secretary Sharan Burrow. "This year they are sending mixed and ambiguous signals that risk undermining the weak shoots of recovery."

"The Leaders' communiqué frequently contradicts itself, speaking of cutting deficits by 2013 yet welcoming recommendations from their own Labour Ministers that say jobs should be a priority," said TUAC General Secretary John Evans.

"This is the wrong communiqué at the wrong time - an essentially descriptive text bespeaking unacceptable complacency in the face of a worsening jobs crisis, at a time when unemployment risks surging again as a result of premature deficit reduction measures," added Burrow.

Unions were however heartened by the fact that German Chancellor Angela Merkel, who met a trade union delegation in Toronto on 26 June, supported trade union demands to reference the recent G20 Labour Ministers meeting in Washington in the final statement, and said that Germany stood ready to host a further G20 Labour Ministerial during the next year.

"At least the Leaders have endorsed the recent G20 Labour Ministers' recommendations," stated Evans. "However, they failed to set dates for a follow-up Labour Ministerial, or to establish a mechanism to consult with unions and implement urgently needed employment-intensive solutions to the crisis."

"The G20 had set up a Framework for Strong Sustainable and Balanced Growth, yet the decisions they have taken could drive the world in the opposite direction," said Evans. Burrow added, "The ILO must be given the task of writing the recommendations on employment and social protection, central to all economic and social policy, for the G20 Framework."

On financial regulation, unions are angered at continued "best-endeavour" principles in place of action, and at the lack of progress towards a financial transactions tax.

Consultation is a further problem. "The Canadian and Korean hosts of this year's G20 seem to consider it more important to rub shoulders with their "B-20" and "B-100" groups of business leaders, than to include trade unions in the process," stated Burrow. "They should take care: working people around the world are getting angry at the assumption that they will meekly pay the price for the crisis. On the streets and through the ballot boxes, politicians can expect them to make their feelings known."

And trade unions are deeply disappointed at the failure of the G8 Leaders meeting in Muskoka on 25-26 June to establish a clear timetable for increasing aid spending to reach the Millennium Development Goals on poverty, child and maternal health or universal access to treatment for HIV/AIDS.

"Every commitment on aid is made 'subject to budgetary process', giving G8 governments an alibi for their lack of real political commitment", Evans said.

"Neither have G8 Leaders not stepped up to the plate when it comes to the financial commitments and the targets required to tackle climate change", added Burrow.

To read the G20 declaration: <http://g20.gc.ca/toronto-summit/summit-themes/the-g-20-toronto-summit-declaration/>

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