

## INTERNATIONAL TRADE UNION CONFEDERATION (ITUC)

ITUC OnLine  
169/190911

### IFIs and G20 Must Lead a Global Action Plan to Put Job Creation at the Top of Their Agenda

Brussels, 19 September 2011 (ITUC OnLine): The global economy is facing a surge in unemployment as record numbers of people out of work risk tipping the world into a 1930s-style downturn.

G20 Governments and the International Financial Institutions (IFIs) have failed to deliver on their promises to attack joblessness and instead have turned their attention to fiscal consolidation, as money markets increasingly dictate policy.

ITUC and its Global Unions partners are calling on the IMF, World Bank and G20 Governments to assume leadership and put a halt to destructive economic policies as austerity measures contribute to a renewed economic downturn.

In the twice-annual letter sent to Ministers of Finance and Executive Directors of the IMF and World Bank, ITUC General Secretary Sharan Burrow said austerity measures threaten to create several million more job losses, making it even more unlikely that deficit targets will be reached.

"We need programmes to stimulate employment through infrastructure and climate related investments and public services.

"The IFIs have a responsibility to protect public services vital to societies' development, such as education and health care, and support the introduction of a social protection floor in all countries," explained Burrow.

The Global Unions warned that policies of fiscal consolidation should only be considered when economic growth is self-sustaining and unemployment is falling.

"Instead of cutbacks, the IMF should lead a co-ordinated effort to establish a financial transactions tax to pay for job recovery programmes and meet development and climate-finance commitments.

"Unless the IFIs move to regulate the global financial system and create a solid foundation for millions of workers, jobs will remain unstable and we will forever be on a crisis footing," said Burrow.

Global Unions also called on the IFIs to:

- contribute efforts to achieve climate resilience and reduce greenhouse gas emissions;
- provide supplementary assistance for developing countries affected by the increasing cost of food;
- reverse policies that increase gender inequalities.

In a targeted message to the IMF, Global Unions called on it to stop promoting labour market de-regulation. The ILO's expertise on working conditions should guide policy instead.

The World Bank needs to ensure consistency within the World Bank Group in support of core labour standards and to put in place effective safeguards to ensure compliance.

Read the ITUC, Global Union Federations and TUAC statement to the 2011 Annual Meetings of the IMF and World Bank, Washington DC 23 - 25 September 2011: [http://www.ituc-csi.org/IMG/pdf/No\\_30\\_Global\\_Unions\\_Statement-2.pdf](http://www.ituc-csi.org/IMG/pdf/No_30_Global_Unions_Statement-2.pdf)

The ITUC represents 175 million workers in 151 countries and territories and has 305 national affiliates.

<http://www.ituc-csi.org> and <http://www.youtube.com/ITUCCSI>

For any further information, please contact the ITUC press department on: +32 2 224 02 04 or +32 476 62 10 18

---

You are currently subscribed to ituc-online as:

To unsubscribe click here: <http://forum.ituc-csi.org/u?id=38591.9b9f95bf74798c23c71e69445d2c53d3&n=T&l=ituc-online&o=39466>  
or send a blank email to [leave-39466-38591.9b9f95bf74798c23c71e69445d2c53d3@forum.ituc-csi.org](mailto:leave-39466-38591.9b9f95bf74798c23c71e69445d2c53d3@forum.ituc-csi.org)