

INTERNATIONAL TRADE UNION CONFEDERATION (ITUC)

Change of tone at joint G20 Labour and Finance Ministers' meeting – will policy action follow?

Brussels 19 July 2013 (ITUC OnLine): International unions welcomed the statements from G20 Labour and Finance Ministers following their first joint meeting in Moscow but warned the crisis of unemployment and inequality has reached critical levels and requires an urgent action plan to drive investment and create jobs.

Sharan Burrow, General Secretary of International Trade Union Confederation, said the shared concern about the worsening jobs outlook voiced by both Labour and Finance Ministers should be a warning to G20 Leaders meeting in St. Petersburg in September to deliver a plan for investment and job creation.

"Over 200 million unemployed, growth forecasts down, families struggling to put food on the table with low wages, yet there is no sense of urgency amongst our leaders.

"G20 leaders must acknowledge the urgent need to take action to address rising unemployment and inequality," said Sharan Burrow.

"Year after year the social and economic situation for working people has deteriorated; however, government policies of the G20 countries are failing. Having Labour and Finance Ministers meet is a first step to getting them to work together towards policy coherence and should be continued under the Australian Presidency of the G20," said John Evans, General Secretary, TUAC.

"Rising unemployment and inequality are unacceptable. The downgrade of growth forecasts for G20 economies and the decrease in income-led demand is withering our economies.

"We therefore need a clearer commitment to a Jobs and Investment Plan into green, inclusive, fair and sustainable growth, with macroeconomic changes away from austerity towards demand-enhancing policies," said John Evans.

"While the failed policies of austerity have attacked fundamental labour market policies, G20 Labour and Finance Ministers have recognised for the first time that implementing labour market and social investment policies that support aggregate demand and reduce inequality with social protection, a minimum wage and national collective bargaining systems will support economic growth and employment. Yet in reality too many structural policies by national governments contradict this," said Mr Evans.

While Labour Ministers showed support for aggregate demand to drive economies, Finance Ministers do not recognise people-centred recovery, which shows that much more is needed to achieve real coordination of policy. The Labour Ministers' communiqué makes progress on monitoring commitments – which is absent from the joint communiqué, as well.

"The world needs an effective G20 with a commitment to people not just financial markets. The hope of working people and their families lies in rebuilding trust – this requires jobs. Success lies with economies where strong employment, fair wages and social protection drive growth," said Sharan Burrow.

See TUAC article: Labour Representatives met for the L20 Summit to confront the Jobs Crisis at the G20 : http://www.tuac.org/en/public/e-docs/00/00/0D/41/document_news.phtml

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