INTERNATIONAL LABOUR OFFICE

Governing Body

317th Session, Geneva, 6-28 March 2013



GB.317/WP/SDG/1

High-Level Section *Working Party on the Social Dimension of Globalization*

HL

Date: 5 February 2013
Original: English

FIRST ITEM ON THE AGENDA

The post-2015 sustainable development agenda

Purpose of the document

Discussion on the post-2015 sustainable development agenda in the Working Party will be opened by a panel of leading personalities engaged in the debate. This paper is intended to provide background information and suggest issues for discussion between the Governing Body and the panel members, which can inform and deepen the ILO's strategy for the adoption of full and productive employment and decent work as an explicit goal of the global development agenda beyond 2015.

Relevant strategic objective: All.

Policy implications: This paper and its discussion should be taken into account in continuing follow-up to the decisions taken by the Governing Body at its 316th Session.

Legal implications: None.

Financial implications: None.

Follow-up action required: As foreseen at the last session of the Governing Body.

Author unit: Policy Integration Department (INTEGRATION).

Related documents: None.

Executive summary

The paper recalls the discussion on the post-2015 development agenda at the November 2012 session of the Governing Body. It summarizes trends in employment and growth in order to highlight the significance of the Decent Work Agenda to strategies for sustainable development. A brief report of activities within the United Nations (UN) process of consultation and reflection on development is presented with a summary of ILO involvement. The paper concludes with suggested points for discussion regarding emerging issues and the next steps the Office and constituents may wish to take in following up the decisions of the November Governing Body.

Introduction

- 1. As the target date of 2015 for the achievement of development goals established by the UN in its Millennium Declaration approaches, a broad and deep process of reflection and discussion is well under way to develop a vision for the post-2015 development framework and agenda. This discussion engages the UN system, governments, employers, unions, civil society and academia. As discussed by the Governing Body in its November 2012 session, it presents an opportunity for the Organization to place full and productive employment and decent work at the centre of future international policies for sustainable development.
- 2. At that session, the Governing Body requested the ILO Director-General to:
 - (a) develop and implement a strategy for the adoption of full and productive employment and decent work as an explicit goal of the global development agenda beyond 2015, including a reference to the need for social protection floors;
 - (b) prepare concept papers as a support for constituents in their national engagement in the debate on the post-2015 global development agenda and briefing notes for them on the progress of the deliberations; and
 - (c) strengthen ILO support to constituents to assist countries that are still lagging behind in meeting the relevant Millennium Development Goals (MDGs).
- **3.** The resumed discussion on the post-2015 sustainable development agenda in the Working Party will be opened by a panel discussion with leading personalities engaged in the debate. ¹
- **4.** The discussion creates an opportunity to focus on how international cooperation in support of national policies can help current and future generations build better and more secure livelihoods for themselves and their communities.
- 5. The enduring reality is that work is the way out of poverty for poor households and that the expansion of productive and decent employment is the way economies grow and diversify. For countries at all levels of development, an adequate availability of jobs is the foundation for sustained and growing prosperity, inclusion and social cohesion. Where jobs are scarce or available livelihoods leave households in poverty, there is less growth, less security and less human and economic development. The Decent Work Agenda contributes significantly to the promotion of inclusive development and poverty-reducing growth.

¹ The panel members will be announced on the Governing Body website as soon as their participation is confirmed.

Strategies for growth, employment and poverty eradication

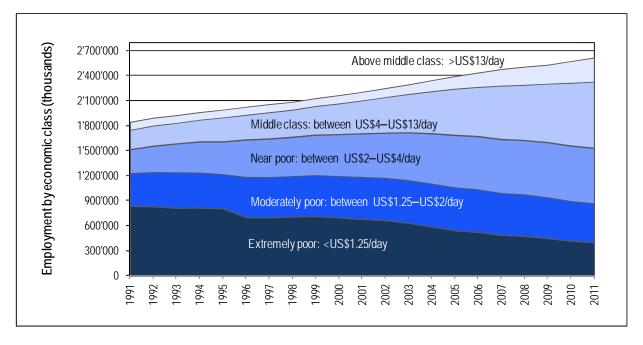
- **6.** The world economy has changed considerably since the MDGs were devised in 2000. The dynamics of growth, employment and poverty eradication have changed and the new reality must inform thinking about the global development agenda.
- 7. The urgency of focusing on full and productive employment and decent work and the need for social protection floors is highlighted by the continuing deterioration in the employment outlook in many countries. ² Recovery from the financial crisis and moving onto a path of sustainable development requires rising productivity and increasing job opportunities and incomes. Private and public investment is required to achieve this. For such a process to be sustainable in the long term, much greater care of the environment must be built into economic and social development strategies.
- **8.** By 2050, the global economy will need to provide a decent living for more than 9 billion people, 85 per cent of whom will be living in what are now developing countries. Africa will account for about half of the absolute increase in population and be home to nearly one quarter of the world's population.
- **9.** The challenge of eradicating poverty remains despite progress in many countries over the last two decades. Since the financial crisis broke in 2008, the rate of working poverty has continued to decrease, but at a slower pace. Currently some 400 million workers are living in extreme poverty (at or below US\$1.25 per day) without proper means to feed themselves regularly and sufficiently. A further 470 million workers (at or below US\$2 a day) are sometimes unable to meet their own and their families' basic needs.
- **10.** An important part of emerging and developing countries' growth derives from the movement of working women and men from agricultural activities into higher productivity jobs in other sectors. However, economic slowdown and weak demand for labour inhibits such structural change, braking development dynamics and creating the risk that workers remain trapped in low productivity jobs that do not enable them to escape poverty.
- 11. Looking over the 20-year period since 1991, workers' incomes in emerging and developing countries have risen, reducing the numbers living in extreme and moderate poverty and enlarging the numbers who are near poor or middle class. As can be seen in the chart, the growth of the developing world's middle class accelerated in the last decade. The global picture was strongly influenced by developments in fast-growing, large population countries, notably China. Workers' rising incomes are empirically associated with a self-sustaining dynamic in which broad-based increases in consumption and saving stimulate investment which in turn generates more productive employment and rising wages. ³
- 12. The recent rise in incomes has however not been evenly distributed. In many countries incomes at the top have risen much faster than those in the middle and at the bottom, widening inequalities. In a number of countries, policy-makers have responded to these trends with strategies to address inequality and improve social inclusion through sustained increases in minimum wages and expanded social protection systems. While these challenges have been long in the making and will take time to resolve, progress has been

² ILO: Global Employment Trends 2013.

³ Growth and Policy in Developing Countries: A Structuralist Approach, J.A. Ocampo, C. Rada and L. Taylor, Columbia University Press, 2009.

seen, for example in Brazil, where entrenched inequality shows signs of diminishing, and in China, where wages have tripled in the last decade. ⁴ It is increasingly accepted that for development to be sustainable it must be more inclusive.





Source: ILO: Global Employment Trends 2013.

- 13. Looking ahead, increased productive employment and rising incomes from work (wages and self-employment earnings), enabled by private and public investment, could eradicate extreme poverty and also lay the foundations for a more sustainable and balanced pattern of global growth. In many developing countries, accelerating the transition from informal to formal economic activities is central and requires a package of mutually supportive policies. An expansion of decent work opportunities in the developing world is essential to the convergence of living standards with developed countries and sustainable and balanced global growth.
- 14. The ILO's Decent Work Agenda, by strengthening the efficiency and equity with which labour markets function, contributes directly to a desirable development pattern. For example, policies for skills development, small enterprise promotion and tackling discrimination in employment enhance the inclusiveness of the labour market at the same time as raising productivity. The decent work approach has garnered widespread support beyond the ILO's constituency including within the UN system. The ILO thus has a strong platform on which to build. Nevertheless, it will be important for constituents and the Office to engage actively in the post-2015 process with a view to eventually embedding the goal of full and productive employment and decent work at the heart of a post-2015 sustainable development agenda.

Update on post-2015 process

15. To support member States as they ponder the post-2015 development agenda, the UN Secretary-General has launched a number of parallel processes for consultation,

⁴ ILO: Global Wage Report 2012–13.

discussion and analysis. He has established a UN System Task Team on the Post-2015 UN Development Agenda, set up a High-level Panel of Eminent Persons, and appointed a Special Adviser on Post-2015 Development Planning.

- 16. A large programme of national and thematic consultations has been launched to stimulate a "global conversation" on development challenges, opportunities and solutions with a wide range of stakeholders. Facilitated by the United Nations Development Group (UNDG), this includes national consultations in over 60 countries and 11 global thematic consultations. In all regions, the ILO, as a member of UN Country Teams, is supporting and involving the social partners in post-2015 consultations and related activities, including the provision of comments on country reports that identify development priorities and the organization of special events. Employers' and workers' organizations have either participated in these national consultations or special events in several countries or are being given advice and support to prepare for forthcoming consultations and processes for commenting on country reports in this regard. Some of the outcomes of these efforts have been made available through a web platform "World We Want 2015" which is a joint initiative between the UN and civil society. A final synthesis will be produced by the UN Secretariat as an input to the Secretary-General's report to the UN General Assembly in September 2013.
- 17. The High-level Panel of Eminent Persons on the Post-2015 Development Agenda held its first meeting in November 2012 in London, where it focused on human development issues including the question of jobs and livelihoods, and its second meeting in January 2013 in Monrovia, Liberia, with a special focus on the theme of national development and economic transformation. A third meeting is planned for March 2013 in Bali, Indonesia, to look at questions of global cooperation. The Panel is expected to produce a report to be launched in New York in May 2013.
- 18. Following up on the decision taken at the Rio+20 Conference, an intergovernmental Open Working Group of 30 members has been set up to start crafting a set of Sustainable Development Goals (SDGs). The Group will work on a constituency-based format in which most of the seats are allocated to "teams" of from one to four countries; its deliberations however will be open to all member States. The prevailing vision of the UN Secretary-General and within the UN General Assembly is that the outcomes of the post-2015 process and any proposals for SDGs should merge into one coherent development agenda.

ILO involvement

19. Following the Governing Body's decision at its November 2012 session, the Office prepared a concept note on "Jobs and livelihoods at the heart of the post-2015 development agenda", to make the case for including full and productive employment and decent work as a key goal of the post-2015 framework. ⁸ The note has been sent by the Director-

⁵ The 11 themes are: inequalities; governance; health; environmental sustainability; population dynamics; water; energy; growth and employment; conflict and fragility; food security and nutrition; and education.

⁶ For example, India, Indonesia, Serbia, Ukraine, United Republic of Tanzania and Zambia, to date.

⁷ The efforts by the UN system to reach out also included a global online survey asking people to choose their priorities for a better future world, see http://www.myworld2015.org.

⁸ http://www.ilo.org/global/about-the-ilo/media-centre/statements-and-speeches/WCMS_193483/lang--en/index.htm.

General to the members of the Governing Body, the diplomatic community in New York and Geneva and the members of the High-level Panel of Eminent Persons. It has also been widely disseminated by the Office to constituents, relevant stakeholders and civil society organizations. It is available in six official languages of the UN.

- **20.** Internal briefing sessions have been organized for ILO staff in Geneva and in the field, to encourage and support their participation in the programme of thematic, national and regional consultations set up by the UNDG. In particular, the Office has contributed a paper on "Labour market institutions for just societies" to the global thematic consultation on inequalities, ⁹ has produced a "think piece" on labour migration for the consultation on population dynamics, is facilitating the participation of the International Organisation of Employers (IOE) and the International Trade Union Confederation (ITUC) in UN consultations on migration with the private sector and civil society and is active in the consultations on environmental sustainability and education.
- 21. The ILO is acting as lead agency, together with the United Nations Development Programme (UNDP), for the global thematic consultation on growth and employment. In this capacity, it organized a "Briefing on growth and employment in the post-2015 development agenda" in New York on 13 December 2012, in cooperation with the UNDP and the Permanent Mission of Japan to the United Nations. ¹⁰ It has prompted the launch on the post-2015 web platform of a series of moderated e-discussions on key themes, starting with the theme of "Setting jobs and livelihoods at the heart of the post-2015 development agenda". ¹¹ To strengthen work in this area and widen outreach, the ILO and the UNDP have set up an advisory group which includes representatives of UN agencies and entities (Food and Agriculture Organization of the United Nations, United Nations Conference on Trade and Development, UN Department of Economic and Social Affairs, United Nations Industrial Development Organization and UN Women) as well as organizations outside the UN system, namely ActionAid, International Chamber of Commerce, IOE, ITUC, MDG Fund and the World Bank.
- 22. The Office is contributing to the work of the UN System Task Team on the Post-2015 UN Development Agenda and is participating in the UNDG Outreach Group on the Post-2015 Agenda, for which purpose the Employers' and Workers' groups each designated focal points. Resources have been mobilized to strengthen the ILO's advocacy for post-2015 and support relevant constituents' initiatives at global, regional and country levels.
- 23. The social partners have been involved and are participating in the post-2015 process in different manners. For instance, the IOE is engaging in a global consultation with its members to prepare a position paper and is participating in the Monrovia meeting of the High-level Panel of Eminent Persons. The ITUC has issued several documents and briefing notes and organized seminars in order to promote the active engagement of trade unions in the shaping of the UN post-2015 development framework. An ITUC delegate took part in a civil society event organized in the framework of the London meeting of the High-level Panel of Eminent Persons.

⁹ http://www.worldwewant2015.org/node/283476.

¹⁰ http://www.worldwewant2015.org/node/295360.

¹¹ http://www.worldwewant2015.org/node/299835.

Main issues and next steps

- **24.** For the ILO, two key elements of the strategy for the adoption of full and productive employment and decent work as an explicit goal of the post-2015 agenda are:
 - (i) the continued dissemination and articulation of the Decent Work Agenda as an indispensable foundation for inclusive and sustainable development; and
 - (ii) active engagement of constituents and the Office in the discussion leading up to negotiations at the UN.
- 25. The UN General Assembly will organize a special event in 2013 to follow up on efforts made towards achieving the MDGs and the Secretary-General's recommendations for further steps to advance the UN development agenda beyond 2015. The several strands of the debate described above will come together on this occasion. ILO constituents will need to work with the relevant national ministries of their governments to win support for the goal of full and productive employment and decent work. The Office will continue to work with its partner agencies within the UN and broader multilateral system and will provide support to constituents to the same end.
- **26.** The General Assembly intergovernmental discussion of a post-2015 agenda may continue into 2014 and 2015. Discussions are likely to involve a mixture of establishing policy priorities and designing a framework in which to organize international and national action. Some of the emerging issues regarding an overarching framework are:
 - (i) pulling together the three dimensions of sustainability environmental, economic and social in a comprehensive and coherent manner;
 - (ii) the expression of global goals in a succinct form to enable broad-based popular engagement in implementation and assessment of progress;
 - (iii) the articulation of goals requiring collective action by the UN system and a framework for establishing national goals appropriate to differing national circumstances that together contribute to global progress;
 - (iv) the formulation of means of action to enable the achievement of goals; and
 - (v) follow-up mechanisms that promote cooperation on a shared set of priorities.
- 27. Regarding policy priorities, ILO constituents and the Office may wish to draw on their extensive practical experience in implementing the Decent Work Agenda. Among the elements which can sharpen the focus on jobs and livelihoods of the post-2015 sustainable development agenda are:
 - (i) the ILO's work on sustainable development, decent work and green jobs, showing how well-designed policies promoting environmental sustainability can generate decent work and vice versa;
 - (ii) active follow-up to the Social Protection Floors Recommendation, 2012 (No. 202), as an important support to resilient and poverty-reducing sustainable development;
 - (iii) promotion of smaller enterprises and their progressive absorption into the formal economy to increase the rate at which decent and productive work is created;
 - (iv) infrastructure investment designed to maximize the generation of employment, for example through the construction of rural roads;

- (v) expanding access to employment-related training so that youth, persons with disabilities and other vulnerable groups are better able to acquire skills and secure productive employment, reducing their vulnerability to poverty; and
- (vi) tackling discrimination at work to release potential and remove barriers that lock vulnerable groups, including women, in exploitative working conditions.

28. The Working Party is invited to:

- (a) reflect on the issues raised, in dialogue with panel members, and expand on their experience on how building policies and programmes that promote decent work can support inclusive and sustainable development;
- (b) elicit the advice of panel members on how they see the policy priorities and organizing framework of the post-2015 agenda shaping in the run-up to the UN special event during the UN General Assembly and beyond;
- (c) draw on the discussions in their own further actions at the national and regional levels; and
- (d) provide guidance on the development of further concept notes and briefing notes.