

## **G20 LABOUR AND EMPLOYMENT MINISTERIAL DECLARATION ANKARA, 03-04 SEPTEMBER 2015**

*Creating quality jobs for all, investing in skills and reducing inequalities to promote inclusive and robust growth*

### **A. Introduction**

1. We, the Ministers of Labour and Employment from G20 members and invited countries, met in Ankara on 3-4 September 2015 to discuss recent trends on labour markets across the world, progress made on our commitments, and actions we must take to tackle the key challenges we are still facing.
2. Global growth has been modest and uneven since we met last year. Global unemployment continues to increase while global labour force participation and productivity growth rates remain relatively low. Our efforts to create more and better jobs for all, including the most vulnerable in our societies, are essential to achieve strong, sustainable and balanced growth, with a particular focus on inclusiveness and improved standards of living.
3. We, once again, underline the critical importance of an integrated and comprehensive policy approach to foster strong, sustainable and inclusive growth. Our work to tackle inequalities, promote inclusiveness and strengthen the links between employment and growth must be complemented with corresponding efforts in other work streams. In this respect, we welcome the opportunity to meet with G20 Finance Ministers under the Turkish Presidency. We believe that the establishment of the “G20 Employment Working Group” (EWG) will further support these efforts.
4. Based on our discussions in Ankara and the work of the EWG throughout 2015, we have agreed upon the following conclusions, which are aligned with the priorities of the Turkish Presidency, formulated as three “i”s: Inclusiveness, Investment and Implementation.

### **B. More inclusive labour markets**

5. Economic growth in many G20 members has been insufficient to close the jobs gaps triggered by the 2008 global financial crisis. To meet the needs and aspirations of our peoples, we need policies that boost employment growth while strengthening job quality, respecting fundamental principles and rights at work, and effectively tackling inequalities and informality.
6. At G20 and national level, we aim to develop policy principles to promote more equal economies and fair societies, strengthen social cohesion and better integrate vulnerable and disadvantaged groups into the economy and the labour market. We recognize that joblessness and underemployment place downward pressure on wages and contribute to increased inequality. We recommend our Leaders prioritize job-rich growth by addressing the range of factors underlying weak aggregate demand in many of our economies.
7. The long-term trend of rising inequalities in many G20 economies has a negative impact on current and potential growth and is inconsistent with our Leaders’ goal of strong, sustainable and balanced growth. This trend has often been associated with slow wage growth when compared to productivity gains and a decline or stagnation in the labour income share in some of our countries. Tackling inequalities is therefore important for achieving both stronger economic growth as well as our priority of creating better jobs and having more inclusive societies.
8. In order to address rising inequalities and where necessary declining labour income shares, we agree to undertake a mix of policies appropriate to our national circumstances including improving wage-setting mechanisms, institutions for social dialogue, social protection

systems, employment services and active labour market policies. We endorse the attached policy priorities on inequalities and labour income share (*Annex-1*). We will consider them in further developing our labour and employment policies and look forward to examining progress on their implementation in the coming years.

9. International labour mobility brings both challenges and opportunities. When managed carefully, effectively and in a fair manner, it has the potential to make an important contribution to economic growth. It may also help address current and future labour force imbalances and skills needs. Further work is needed to explore the complexity of these issues, including through sharing good practices.

### **C. Increasing investment in human resources**

10. We acknowledge the importance of investment in human resources as a powerful driver of productivity, economic growth, higher individual earnings and greater social cohesion. Therefore, we commit to increasing our efforts to build skills for work and life and to strengthening the link between education and employment.
11. Limited access to quality education, barriers to a successful school-to-work transition and skills mismatch remain as challenges in many G20 economies. We are committed to developing, strong partnerships with social partners and relevant stakeholders to ensure that all young people learn the basic skills needed to help their transition from school to the labour market. Combining strong basic education with skills development and portability policies including quality apprenticeships, career guidance and counselling and lifelong learning opportunities can yield sizeable returns for individuals and economies and help build more inclusive societies. In this light, we welcome the attached G20 Skills Strategy (*Annex-2*).
12. Promoting better employment outcomes for youth remains a key G20 objective and an integral part of our inclusiveness agenda. Therefore, we renew our commitment to take concrete actions to place young people in education, training or jobs and avoid prolonged periods out of work.
13. We agree that progress on youth employment requires adopting and implementing a comprehensive strategy including policies to facilitate transition from school to work, strengthen quality employment and apprenticeship opportunities as well as action to improve employability, equal opportunities and entrepreneurship.
14. We recommend our Leaders consider the adoption of a G20 target on reducing the share of young people who are most at risk of being left permanently behind in the labour market by 15% by 2025. To reach this target, depending on national circumstances, we will focus our efforts on young people with low skills and qualifications; those who are neither in employment, nor in education or training (NEET); or the low-skilled who are NEET or informally employed. To this end, we welcome the policy principles set out in *Annex 3* to improve youth labour market outcomes in our economies.
15. Quality jobs are important as a key driver of greater well-being for individuals and society. We therefore commit to improving job quality along three dimensions, namely promoting the quality of earnings, reducing labour market insecurity, and promoting good working conditions and healthy work places, as outlined in *Annex-4*.
16. We emphasize the important role of employment services in tackling unemployment and promoting employment by providing rapid, innovative, flexible and effective solutions to help people into work; helping to connect jobseekers and employers; and assisting those in work to progress in the labour market. Therefore, aligned to national circumstances, we commit to improve the institutional and professional capacities of our employment services

and will consider the policy principles set out in *Annex-5* when implementing these reforms. We recognize the importance of international cooperation among public employment services such as the World Association of Public Employment Services (WAPES) and welcome the planned efforts to enhance communication and contact between these services in our countries.

17. We are aware of the challenges and opportunities brought into the labour markets by the ageing of our populations. We recognize the potential of a flourishing silver economy to create new jobs and will explore the demographic challenges facing G20 labour markets further. We acknowledge the attached policy principles (*Annex-6*) which provide valuable guidance on approaches to manage the economic consequences of population ageing.

#### **D. Implementation through effective monitoring**

18. In line with the commitment assumed last year, we have started monitoring the implementation of our Employment Plans through newly established reporting templates. We will update our policy commitments where needed. We welcome the EWG's establishment of a multi-year agenda to ensure continued focus on key labour and employment priorities related to women, youth, inequalities, and safe workplaces.
19. In this regard, we reiterate our strong determination to improve occupational safety and health (OSH) in our countries and throughout the world. As we implement the commitments we made under the Australian presidency, we welcome the establishment of a G20 OSH Experts Network and the ILO's new "OSH Global Action for Prevention Program". We will maintain our efforts to foster safer workplaces also within sustainable global supply chains and acknowledge other initiatives in this regard.
20. We are also implementing reforms to achieve our Leaders' commitment to reduce the gender gap in participation rates by 25 per cent by 2025, taking into account national circumstances. We will closely monitor our progress in achieving this goal over the coming years, and we reiterate the importance of improving the quality of women's employment.

#### **E. The way forward**

21. We will present this Declaration to the G20 Antalya Summit for our Leaders' consideration as they strive to develop an integrated and comprehensive public policy approach towards inclusive, strong, balanced and sustainable growth.
22. We acknowledge the essential role of social dialogue between employers and workers during the Turkish Presidency of the G20. We strongly welcome the efforts of B20 and L20 on producing a joint statement on jobs, growth and decent work. We also appreciate the constructive roles of the B20, L20, T20, C20 and Y20 in the G20 process. We look forward to further cooperation with social partners, engagement groups and the newly established Women20 (W20) in implementing our shared commitments.
23. We also appreciate the expertise provided by the ILO, OECD, World Bank Group and IMF for the EWG and our meeting. We take note of their reports (*Annex-7*) on key issues and are determined to continue this fruitful cooperation with them.
24. We thank the Turkish Presidency for its leadership and look forward to our next meeting in 2016 under the Presidency of the People's Republic of China.

**ANNEXES:**

- Annex-I:** G20 Policy Priorities on Labour Income Share and Inequalities
- Annex-II:** G20 Skills Strategy
- Annex-III:** G20 Policy Principles for Promoting Better Youth Employment Outcomes
- Annex-IV:** G20 Framework on Promoting Quality Jobs
- Annex-V:** G20 Principles for Effective Public Employment Services
- Annex-VI:** G20 Principles on Silver Economy and Active Ageing
- Annex-VII:** List of Reports prepared by IOs