



Trade Union  
Advisory Committee  
to the OECD  
*Commission  
syndicale consultative  
auprès de l'OCDE*

OECD Ministerial Council Roundtable on  
“Economic Recovery: Strong, Resilient, Green and Inclusive”

## **Making a Green Recovery Work for Jobs, Income and Growth**

Paris, 11 September 2020

The TUAC welcomes the **OECD Ministerial Council Roundtable “*Making the Green recovery work for Jobs, Income and Growth*”** and the ad hoc high-level process initiated by the OECD Council to address the urgency of the COVID-19 crisis. The TUAC considers the Ministerial Council Roundtable an important step in the process towards a just and sustainable recovery that inspires trust and confidence in the ability of our governments to deliver shared prosperity.

As part of these efforts, the TUAC urges the OECD and Member Countries to:

- Maintain and expand protection schemes for workers and for the most vulnerable ;
- Ensure sustained support to the economy with conditions on employment, social justice and a Just Transition to a low carbon economy ; and
- Strengthen labour market institutions and close regulatory gaps allowing for precarious non-standard work and lowered job security.

With an unprecedented fall in global GDP and massive increases in unemployment, the COVID-19 pandemic has proven to be the deepest global crisis in modern history. The negative impacts felt across the world carries with it rising social protests and widening inequalities. As we painfully learned from the 2008 financial crisis, such negative developments can rapidly transform into a political crisis for democracy.

However, we entered the COVID-19 crisis with a world already struggling. Low wage gains, governments too weak or unwilling to ensure people their dignity, a middle class under pressure and young workers frustrated that they do not see paths to stable lives. Structural reforms in the labour market and a weakening of labour market institutions have pushed more workers into a precarity that was promoted as a cheap way to boost growth in an age of austerity. The down-side risk of those policies are now being paid by workers who fall through the policy cracks. This has left many workers even in the world’s wealthiest economies facing the pandemic without unemployment insurance, without health care and without paid sick days.

At the same time, the world is facing a climate crisis and there is an urgent need to address this. The TUAC therefore welcomes the focus on “*Making the Green Recovery work for Jobs, Income and Growth*” and calls on the OECD and Member Countries to embed economic

justice and a transition to low-carbon economies in the fiscal and monetary recovery measures, including via progressivity of tax reforms, in their recovery efforts.

Many OECD countries have responded forcefully to the COVID-19 crisis, with the involvement and support of national labour movements, ensuring equally unprecedented responses of monetary and fiscal policies seeking to keep unemployment in check in the face of this unprecedented economic contraction. The TUAC would like to underline the importance of maintaining and expanding protection schemes for workers and for the most vulnerable. The TUAC furthermore urges Member Countries to ensure that recovery plans and conditions tied to business and industry support from the onset includes climate targets and follow the Just Transition principles.

This requires rethinking the trade and investment agenda for more sustainable and labour-friendly global value chains. As well as ensuring that the much needed COVID-19 recovery efforts **supports a Just Transition towards climate- and digital-proof economies**, through investment in skills development and education, social dialogue and collective agreements, and through public investment via transition funds and industrial policies.

The year 2020 is also the year for governments to submit their NDCs (nationally determined contributions) in line with the Paris Climate Agreement. The TUAC urges governments to bear in mind that the transformation to a low carbon economy is not only about phasing out polluting sectors and industries, it is also about creating new decent jobs, new industries, new skills, new investments and the opportunity to create a more equal and resilient economy. It also entails strengthening labour market institutions and addressing regulatory gaps that leaves workers in precarious non-standard work. **Just Transition measures are, as such, a crucial condition to implement the ambitious climate policies we urgently need.** Without the correct social conditions and clear pathways to decent jobs there will never be enough support in society for the structural reform of our economies needed to protect the climate.

The imperatives of a Just Transition of the workforce and the creation of decent work and quality jobs are recognised in the Paris Climate Agreement that, together with the United Nations' 2030 Sustainable Development Goals, should lead to a zero-poverty and zero carbon world. In this regard, the TUAC would like to remind the OECD and Member Countries of the importance of the ILO "Guidelines for a Just Transition towards environmentally sustainable economies and societies for all". The guidelines rest on a set of concepts known as the decent work agenda: Rights at work, social dialogue, social protection and employment.

The importance of the Just Transition principles was further emphasised the COP 24 "Solidarity and Just Transition Silesia Declaration". By adopting the Silesia Declaration, countries committed themselves to take seriously the impact of climate change and climate policies on workers, their families and communities when they prepare and implement their new NDCs, national adaptation plans and national long-term low greenhouse gas emission development strategies. However, the TUAC would like to use this opportunities to stress to all OECD Member Countries the necessity of implementing Just Transition policies, which involves engaging with workers and their trade unions to prepare new climate policies and long-term climate strategies.

The TUAC calls upon the OECD and its Member Countries, to make best use of this high-level process in delivering a policy roadmap to create trust in recovery plans in response to the COVID-19 crisis. It is vital that we do not repeat the mistakes of the past. We must instead seize this opportunity and ensure that the recovery puts the world on track to a more just and sustainable world. This is our chance to “build back better”. A chance to restore growth whilst creating decent and good paying jobs with a strong focus on addressing the urgent challenges of climate change and environmental degradation.