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BUILDING WORKERS' POWER

DRAFT Congress Statement

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Introduction

People feel abandoned by their governments. More than 50% of the world's people have direct or family experience with unemployment or reduced working hours, more than 50% are in vulnerable or irregular work and 40% struggle to survive in the desperation of the informal sector. There is a profound mistrust of institutions.

Governments and their international institutions have failed to ensure secure and inclusive democracies for people and a sustainable planet for the 21st century.

They have failed to build stable economies, at tremendous cost to working people and their families and communities;

They have failed to tackle climate threats; and

They have failed to strengthen democracy and deliver on global peace.

People are increasingly losing trust in their governments as they prioritise business interests over the needs, concerns and livelihoods of working people.

The global economy

The ‘structural adjustment’ policies of the 80s and 90s crippled development in poorer countries, and today ‘austerity’ has damaged growth and inclusion in too many developed nations.

Developing countries knew first-hand the nature of crisis and inequality before the excessive greed of credit-fueled consumption and unregulated finance inflicted the ‘great recession’ of 2007.

The global economy is no more secure today than it was seven years ago, and we now have a bitter crisis of unemployment and inequality that is crippling both our economies and our societies.

Business and its political supporters have used the great recession to tip the balance of power firmly towards large corporations at the expense of ordinary people and to eradicate decades of progress made by trade unions and other progressive forces, damaging democracy.

Two generations of corporate greed have exacerbated rising inequality, deepened the marginalisation of a generation of young people, stunted global growth and escalated the desperation represented by growing informal sector where rules simply don’t apply – a sector where women, migrants and young people are over-represented.

Despite the overwhelming evidence that their neo-liberal policies are destructive and simply not working, international financial institutions continue to press governments to bow to the power of financial markets, and governments have cowed before them. They neither foresaw nor prevented the economic crisis and they are still failing in the quest to regulate the greed and destruction of speculative capital.

The very best prognosis is that we are living through a period of prolonged stagnation.

The ITUC Global Poll 2013 found one in two working families are directly impacted by the loss of jobs or reduction of working hours. Young women in particular are impacted.

More than half the world’s population say their incomes have fallen behind the cost of living in the past two years.

59 percent people are no longer able to save any money.

Inequality is growing in the overwhelming majority of countries.

Income inequality rose over the past three decades in 17 out of the 24 OECD countries for which data is available.

The OECD report ‘Growing Unequal’ shows that while disposable income grew annually on average by 1.7 %, between the mid-1980s and the late 2000s, the distribution of this growth was very unequal. The top decile grew annually on average by 1.9 % while the bottom decile

did so only by 1.3 %. As a consequence, the average Gini coefficient in OECD countries, which stood at 0.29 in the mid-1980, increased by almost 10 % to 2010.

The most recent report of the OECD (2013), with updated inequality data into crisis years until 2010, shows no reversal of the inequality trend – quite the contrary. Market income inequality increased further and more rapidly than ever before. The increase between 2008 and 2010 was as strong as in the twelve years prior to the crisis.

In the developing world, while the poverty headcount ratio, measured at the 1.25 USD a day (PPP), fell globally from 43.1 % in 1990 to 20.6 % in 2010, there are still more than 1.2 billion people living below this very low threshold and in extremely deprived conditions (World Bank 2012).

What the financial institutions fail to acknowledge is that rapidly rising income inequality puts even these marginal achievements into perspective and poses a threat to any further reduction in poverty.

Trends over the last few decades have shown that rapid growth is not sufficient to make our societies more inclusive and fair. For example in Botswana, China, Costa Rica and the Dominican Republic, relatively rapid growth went hand in hand with significant increases in income inequality and declines in poverty that were far less than what was possible.

However, this doesn't have to be the case. In countries with similar growth patterns, like Ghana and Brazil, the benefits of growth were more evenly distributed and the impact on poverty and decent work was more significant, due largely to Government intervention.

The scandal of tax avoidance by the wealthy and by corporations within and between countries is compounded by the slashing of public services, jobs and social security.

Between 2000 and 2010, the number of people covered by collective agreements declined in two-thirds of the countries reviewed by the ILO World of Work Report (2012).

Hundreds of millions of workers are denied the right to a minimum wage on which they can live with dignity.

And 75% of people have inadequate or no social protection.

Unions across the world are leading the fight for economic and social justice, with policies based on fair distribution of income rather than the empty promise of neoliberal austerity.

Governments, at the behest of their international institutions, have gone to war on the rights of workers and put the interests of banks, financial institutions and large corporations ahead of their people. Just 13 percent of people surveyed in the ITUC Global Poll 2013 believe their government is focused on the interest of working families.

The ETUC has pursued the Governments of the EU for a 'recovery plan'.

The ITUC has called for the G20 to implement its Growth and Jobs Plan beginning with a trillion Euro of investment into infrastructure and jobs in the developed and the developing world – half the amount of money used to bail out the banks.

We support an ambitious agreement on climate which we know, with investment in greening the economy, can result in millions of new jobs that will be sustainable for our children and grandchildren.

We demand investment in the care economy where the dignity of decent work means the dignity of care and opportunity for our families and communities, and we demand an end to the undervaluing of women's work.

We are mobilising to make gender equality a reality worldwide and to realise women's rights at work, in households and in society.

Public education, affordable health, child protection, child care, aged care, support for the disabled, active labour market programs and much more form the basis of dignified societies where quality public services are at the heart of social inclusion.

We have pursued measures to include young people including youth guarantees for education, employment and social protection with a dramatic scaling up of apprenticeships to deliver the skills needed for sustainable growth and the potential of new technology.

We have called for action by the institutions and for policies that will formalise jobs in the informal economy, including the social protection floor and a minimum wage on which people can live. Social protection must replace the corporate welfare which is increasingly dominating public policy. And we are determined to reverse the attacks on collective bargaining.

We demand that the UN post-2015 development goals include decent work, social protection floor and climate justice.

The 20th century model of capitalism has failed, and the 'Washington Consensus' must be buried forever. Business as usual in this, the 21st century, is not acceptable. We need a new Bretton Woods settlement that guarantees a rights-based global social contract with the ILO at the heart of global decision-making. We need to rebuild economies on new economic models that serve people and their communities.

Social justice for all, not profit for the few, must be part of our future.

Socially-just nations will only be shaped if the collective voice of citizens is strong enough. Decent work in safe workplaces will only be achieved where the workers have sufficient power to bargain for a better deal.

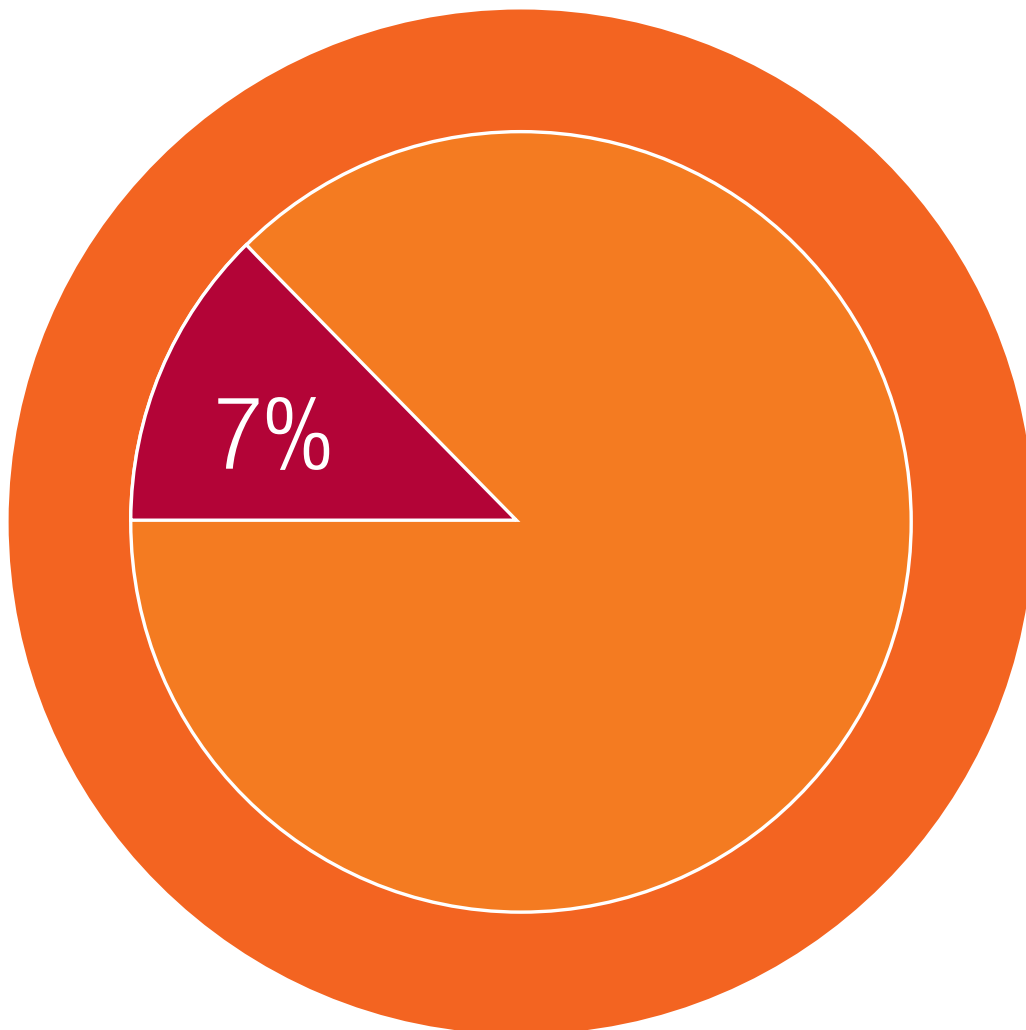
This requires us to organise in our workplaces and in our communities – to mobilise to build the power of workers to effect change.

The global workforce

However, the challenge is enormous:

- The global workforce is 2.9 billion;
- The formal workforce is 1.7 billion;
- The unionised workforce is 200 million;
- Women are 40% of the global paid workforce yet less than 15% of union leaders;
- 50% of workers are in vulnerable or irregular forms of employment, most of them women;
- Unemployment amongst women is higher than men, while there are less than 70 women who are economically active for every 100 men;
- Youth unemployment is around 12% globally – twice the level for older workers; and
- 40% of the global economy is informal.

The central challenge is union growth – organising to ensure we have the democratic power to realise rights and shape a world of work that delivers sustainable jobs, secure incomes and social protection for both men and women.



Climate action

There are no jobs on a dead planet.

Climate action is non-negotiable. With the highest level of carbon in the atmosphere in history, humanity is in uncharted waters and living well beyond the boundaries of what the planet can sustain. The chance to stabilise temperature increases at 2% may be lost, but without urgent action the prediction for a 4% increase by the turn of the century will result in destruction and death for massive numbers of the people across the world.

There is a path for survival, but Governments must have the courage to take it.

The ITUC accepts both the moral imperative to preserve an inhabitable planet and to profit from the jobs that climate action can deliver. We demand a commitment to a ‘just transition’ and will work to see an ILO standard to guide government and employer action. Equally we will work to ensure that our own workers’ capital is invested in the real economy with an initial target of 5% investment in the green economy by 2016.

All jobs must be cleaner if we are to green our economy, and decent work must be at the heart of this transformation.

As the world prepares for another deadline of December 2015 for a global agreement on climate emissions and related issues, the ITUC will mobilise our members and their communities.

Holding governments to account for climate is a top priority, but so too is ensuring that we live within planetary boundaries and that the crucial issues of food security, energy security and water are addressed.

Unions will mobilise to demand of their governments an ambitious and binding global agreement in 2015 and continue to fight for climate justice including just-transition guarantees.

Peace and democracy

Congress reaffirms the ITUC's commitment to a world free of weapons of mass destruction and to disarmament, with a United Nations capable of averting and ending conflicts within and between countries. However, there is no substitute for the democratic authority of people to ensure peace and justice, nor to the resolution of conflict through dialogue.

The ITUC stands beside our brothers and sisters engaged in liberation struggles and the fight for democracy including in Bahrain, Egypt, Libya, Palestine, Syria and Tunisia.

Equally we support the demand of our people for peace and security in nations ravaged by deep conflict and/or oppression, such as Afghanistan, Belarus, Guinea, Haiti, Iran, Iraq, Mali, RDC and Somalia.

And we deplore the denial of rights, reaffirming our stance in the fight for legislative justice and an end to impunity in Colombia, Guatemala, Fiji, Swaziland, Turkey and Zimbabwe.

We will continue to oppose state-inflicted oppression against women and migrants or peoples who are indigenous, religious or of different ethnicity and to stop all forms of discrimination, vilification and harassment at work.

Conclusion

The ITUC is determined to build the power of workers -- the power to shape societies and economies that are socially just. This Congress will deliver the plans of action to ensure:

- Union growth
- Sustainable jobs, secure incomes and social protection, and
- Realising rights

The uncertainty that people face creates anger and denies hope. We demand a plan and we demand hope. Jobs, jobs and jobs – decent work supported by a global framework of rights.

We have a vision for a positive future for working people and their families. With a strong global labour movement that can shape that alternate economic and social future. A movement which can organise and mobilise the full potential of its vast membership to stand united against the vested interests of unregulated capital.

The ITUC is proud of our inclusive global movement of working people, and we stand with them and their families as we build the power of workers to strengthen democracy, demand rights and bargain for a socially just world.

