

UNRISD Input to ECOSOC Integration Segment

“Achieving sustainable development through employment creation and decent work for all”

Recommendations (1,200 words)

Towards Employment-Centred Structural Change

The report *Combating Poverty and Inequality: Structural Change, Social Policy and Politics* (UNRISD 2010a), suggests a framework for incorporating employment more centrally in development policy (UNRISD 2010a: pp. 54-57):

- ❖ Economic policies must seek to stimulate an adequate level of *labour demand* and a favourable investment climate.
- ❖ The policy framework should support improvements in the *quality of existing employment*, through raising productivity and improving wage levels, social protection and conditions of work.
- ❖ A range of interventions such as removing restrictions on the movement of labour, improving access to education and skills upgrading, providing basic financial services and reducing imbalances in the burden of unpaid work, are instrumental in improving the *mobility* and economic status of workers enabling them to change jobs and move into other industries.
- ❖ An appropriate policy framework can also ensure that *natural resources* are used to improve employment outcomes. If the resources from commodity exports are used to fund strategic investment, instead of general consumption, the bias against tradable or export sectors can be minimized. Appropriate infrastructure investments can improve competitiveness and productivity, and help ensure that productive resources are allocated to activities with the potential to create decent employment opportunities. Managed exchange rates can also help counter the problem of real exchange rate appreciation during commodity booms.
- ❖ *Strategic policy interventions for structural transformation* are: government-directed investment in infrastructure; development finance to channel credit to specific productive activities; well-managed industrial and agricultural policies, such as subsidies and tax credits, extension services and redistributive land reform; the pursuit of dynamic competitive advantage by nurturing the development of strategic industries and activities; and social policies to improve the skill levels and welfare of the population, such as investments in education, training and research.
- ❖ Part of the transformation of the structure of employment involves the extension of labour law, social protections and regulations to all forms of employment.

Rebuilding the connections between social policy and employment

Over the past three decades links between social policy and employment have been weakened in a context of deflationary macroeconomic reforms which have dampened employment generation, and constrained expansion of social protection. UNRISD research suggests (UNRISD 2013):

- ❖ Putting employment at the centre of economic policy
 - Opportunities for employment expansion and labour market regulation should be explored to enable previously excluded social groups access to the labour market and redress situations of unfavourable inclusion.
 - States need to develop locally appropriate revenue systems to ensure the sustainable financing of social policies.

- ❖ Minimal safety net approaches offer inadequate protection to economic risks
 - A minimum safety net approach, such as a low-level grant, is not an adequate response to risks. Thus, some of the conditional cash transfer (CCT) programmes cannot adequately replace the income from wages, public services and social benefits that have been traditionally linked to employment.
 - Recipients of social assistance, often women, are frequently subjected to conditionalities which restrict their rights and may even hinder their access to the labour market.

- ❖ Citizenship-based social provisions cannot replace robust employment policies
 - A citizenship-based set of social provisions, which could include a universal basic income grant, would go further than targeted approaches in meeting needs and being free of conditionalities.
 - A basic income grant should complement, rather than replace, employment policies.

- ❖ Labour standards and protections should not be undermined and are vital for reducing tensions between paid and unpaid labour
 - Key labour standards and protections—such as paid sick leave, working hours standards, and occupational health and safety—directly affect conditions in paid employment.
 - They also have important implications for unpaid care work. Access to paid leave when a dependent becomes sick, for example, can be essential in resolving tensions between paid employment and unpaid family responsibilities.

Making care work for women

UNRISD research findings (UNRISD 2010, 2012) suggest several policy priorities that would lead to greater gender equality and women's empowerment, better distribution of the burden of social reproduction within society, better responses to the demands of care beneficiaries, as well as better work conditions for paid care workers including community care-providers:

- ❖ Invest in infrastructure (water, sanitation, electricity) and basic social services with the guarantee of wide availability and access;

- ❖ Guarantee adequate income for care givers through paid work or social transfers;
- ❖ Create synergies between social services and social transfers with a crucial role played by the state in guaranteeing child and elderly care, as well as care for individuals affected by disabilities or diseases (i.e. HIV/AIDS);
- ❖ Recognize care workers and their rights;
- ❖ Produce sex disaggregated data on unpaid care work (i.e., time use surveys).

Social and Solidarity Economy (SSE) can contribute to decent work and greening the economy

UNRISD research identifies an important potential of SSE in advancing employment opportunities and decent work and in greening the economy and society (UNRISD 2014: iv-v):

- ❖ SSE is a complementary pathway to tackling the ongoing growth of precarious employment and acute decent work deficits connected with the informal economy. Cooperatives and other social enterprises can play a key role in realizing the goal of decent work. From an aggregate point of view, cooperatives are among the largest employers in many countries in both the global North and South. SSE organizations can facilitate access to finance, inputs, technology, support services and markets, and enhance the capacity of producers to negotiate better prices and income. They can reduce power and information asymmetries within labour and product markets and enhance the level and regularity of incomes. The low capital requirements needed for forming certain types of cooperative can be beneficial for informal workers seeking to engage in enterprise activities
- ❖ SSE organizations have a number of fundamental advantages over conventional business regarding environmental protection. There is little imperative to externalize environmental and social costs or fuel consumerism as part of profit maximization and competitive strategies. SSE organizations tend to have lower carbon footprints due to the nature of their systems of production and exchange. Furthermore, organizations such as forestry cooperatives and community forestry groups can play an important role in the sustainable management of natural resources, particularly in contexts where they constitute common-pool resources.

Win-Win policies can create synergies between sustainable development objectives

UNRISD enquiry into the Social Dimensions of Green Economy has identified specific examples of win-win policies, linking social, economic and environmental objectives, which include:

- ❖ Policies linking climate and employment via green (and decent) jobs, such as in the renewable energy or clean waste sectors; job creation and training in “green and decent” work; education, retraining and skills for the transition from “dirty” to green jobs (Cook at al. 2012, p. 10).
- ❖ Social and eco-social policies which address the distributional consequences of energy prices and green taxes on different income groups; mitigate the social costs of industrial restructuring, through the creation of green jobs and related training programmes; set standards of decent work associated with green jobs; and protect and promote the livelihoods and rights of rural populations and communities in the context of market-based conservation mechanisms (PES, REDD+), green growth policies (export-led agriculture, large-scale water infrastructure development), green technologies (biofuels, renewable energy) and other green economy schemes (Cook at al. 2012, p. 21-22).

References

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