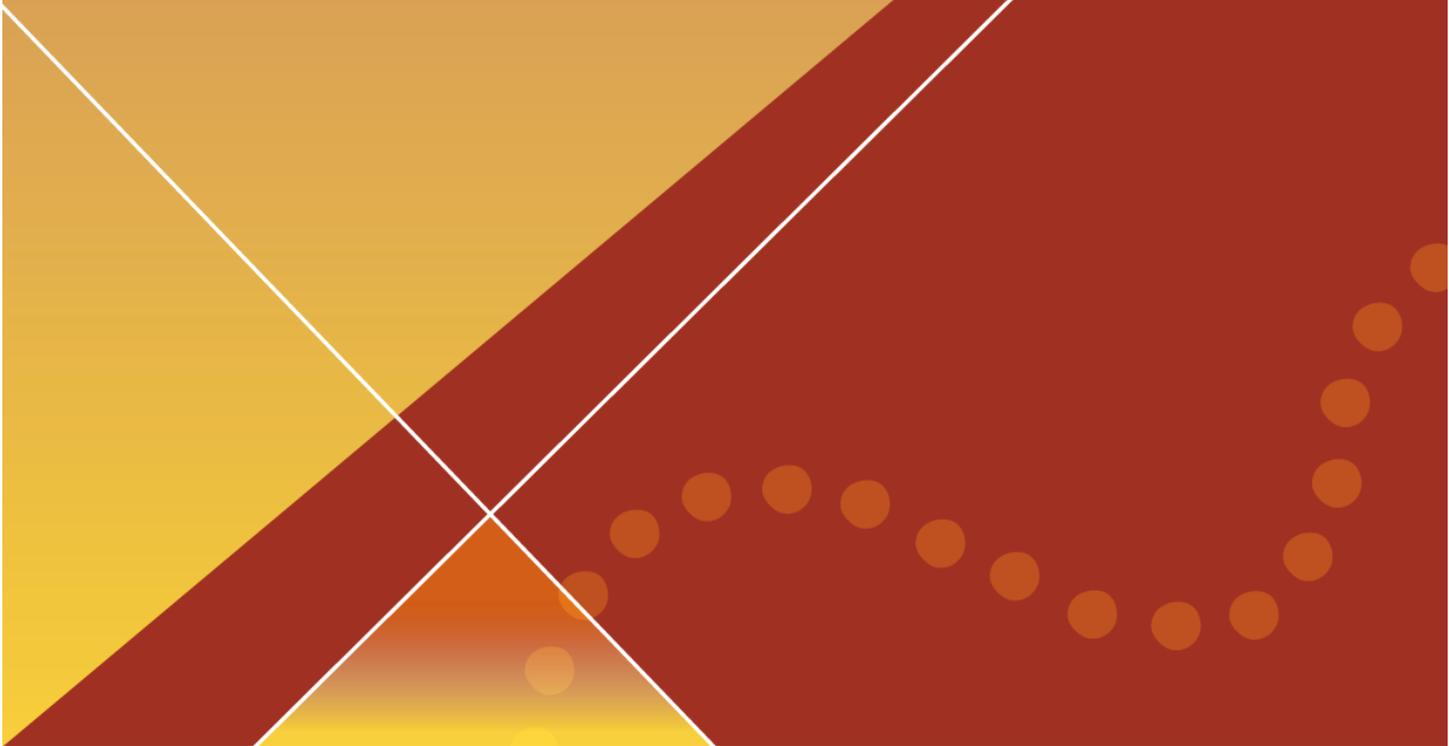
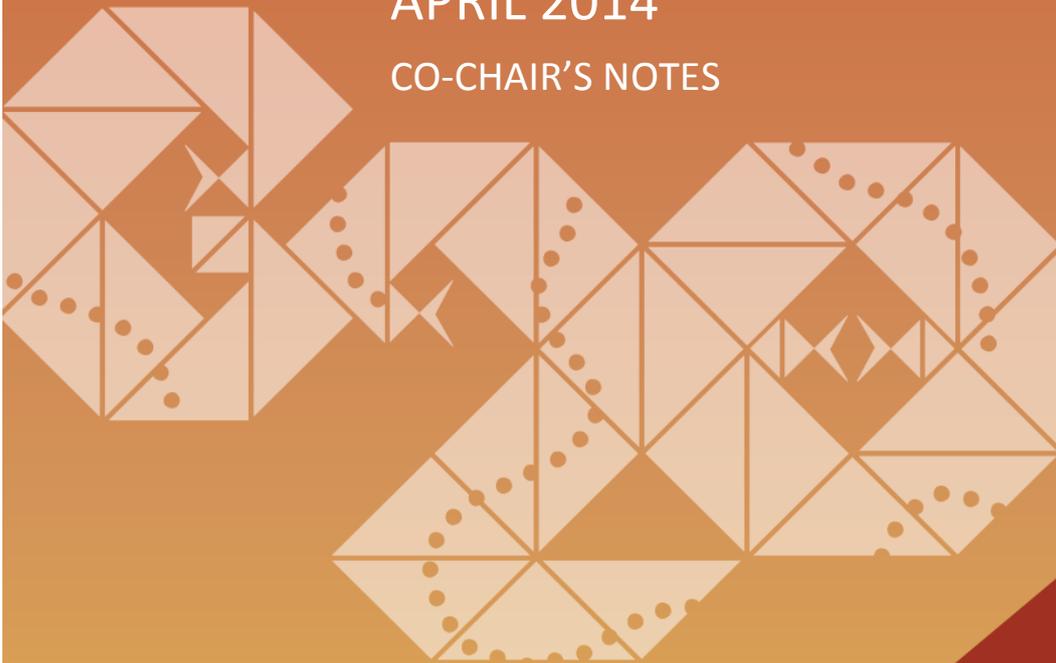


TASK FORCE ON EMPLOYMENT,
APRIL 2014
CO-CHAIR'S NOTES



DAY 1

SESSION 1: PROGRESS TO DATE ON THE G20 AGENDA AND COLLABORATION

Ms Kidd provided feedback from the Finance and Sherpa Tracks. The linkages between the growth strategies and the country employment plans are important for these groups, with shared outcomes important in both the finance and trade tracks. The Sherpas are also keen to include a collective commitment on female participation. The Development Working Group has expressed interest in the Taskforce’s safer workplaces and informal economy work.

Ms Kidd noted that TFE3 will be held in an Australian location which is yet to be determined.

Joint FWG-TFE meeting

Members agreed that 5 June was preferable to 8 June for a joint FWG-TFE meeting in Goa, India. The ILO was able to provide a videoconference room in Geneva for those countries not able to attend the Goa meeting.

Ms Kidd suggested that the agenda for the joint meeting was open for discussion but could include discussing with the FWG the TFE’s one-pager paper on links between jobs and growth and alignment of the growth strategies and the Country Employment Plans. Ms Kidd also noted that the joint meeting would be a no frills event, with no large support crew, no dinner or side events and that Engagement Groups would not be invited.

Actions

1. *Australia to notify members of the Australian location of the third Taskforce meeting by the end of April/early May.*
2. *Australia to circulate draft papers being prepared by the IOs on quality jobs and informality two weeks prior to the TFE3 meeting in July.*
3. *Australia to confirm the 5th June as the preferred date for the joint FWG-TFE meeting in Goa.*
4. *India and Australia to further discuss logistical and other arrangements for the joint FWG-TFE meeting.*
5. *Australia to consult with members regarding the agenda for the joint FWG-TFE meeting.*

SESSION 2: EMPLOYMENT, SOCIAL PROTECTION AND ECONOMIC GROWTH: CONTRIBUTING TO THE G20’S GROWTH COMMITMENT THROUGH OUR COLLECTIVE PRIORITIES

The Turkish Co-Chair, Mr Batur, reported that the recent FWG meeting focused strongly on the Growth Strategies, noting that the emphasis of the employment stream was on supply-side policies. They also noted the key role the TFE plays on employment.

The ILO provided a presentation on the jobs gap, emphasizing the continued growth of the jobs gaps and the high rates of informal employment in a number of G20 countries. They highlighted the need for strategies that boost aggregate demand and which take account of changing demographic and technological factors.

Ms Kidd noted that the ILO’s presentation to the Sherpas was sobering, and their message was to make ambitious commitments in growth strategies.

Countries agreed that a collective commitment was desirable on boosting female participation, but with individual countries able to set their own policies and targets. Other issues raised included the need to ensure the goal was appropriate as well as ambitious, the need to recognise the multiple factors that generate higher economic growth, the value in providing case studies, the need to consider how the commitment might contribute to the 2% growth

targets, the value in defining factors which contribute to closing the gap, the possible involvement of the B20 and L20 in framing the commitment and the inclusion of text which focuses on the benefits of closing the gender gap.

The ILO noted that Sherpas have asked the IOs to prepare a joint paper on how to close the gender gap. This will provide a list of policies to address each type of gap. It will be completed within the next month.

Ms Kidd noted that Sherpas had also asked the TFE to prepare an options paper by mid-June. This needs to address a wide range of issues, include commitments that ministers and leaders may be willing to adopt (e.g. a quantitative target), be mindful of the heterogeneity of issues across the OECD and include a mechanism to measure progress.

Actions

6. *IOs to prepare a joint paper on closing the gender gaps for consideration by Sherpas in May.*
7. *Australia to prepare, and circulate to members, an options paper in consultation with the IOs, on a collective commitment on boosting female participation.*
8. *Australia to consider the involvement of the B20 and L20 in framing the collective commitment.*

SESSION 3: PANEL SESSION WITH SOCIAL PARTNERS AND ENGAGEMENT GROUPS: ‘ADDRESSING SKILLS MISMATCH’

The two Engagement Groups (B20 and L20), the Social Partners (Y20, C20 and T20) and WAPES each provided an outline of key priorities and activities. With regard to specific actions that could be taken to address skills mismatch, the following was suggested:

- B20: simplifying temporary work visas and processes to work across borders, collaborative forecasting of skills needs by education providers and employers, and fostering a culture of adaptability in business.
- Y20: collaboration between key players, global connectivity and the global alignment of standards and qualifications. The Y20 asked the Taskforce to include at least one recommendation on youth unemployment in their declaration.
- T20: a range of labour market and growth policies need to be put in place to support the solutions. To achieve outcomes, the Taskforce needs to communicate with the FWG, the investment and infrastructure Working group and other streams of the G20.
- L20: alignment with finance ministers’ work is critical. Need to include women’s participation as a priority and to factor safe workplaces into supply chains. Inequality should be considered in macro-economic policies.
- C20: Wrap around services, local job creation strategies and social enterprises are critical factors to tackling long term unemployed. An inclusive approach that provides support is essential.
- WAPES: Increasingly important to develop a global framework for skills and qualifications to support mobility. The report from their 100 questions survey will highlight skills mismatch issues.

SESSION 4: PROGRESS ON COUNTRY EMPLOYMENT PLANS

Member countries provided an update of progress with their Country Employment Plans. Ms Kidd noted she was encouraged by the level of commitment and ambition shown in the development of the plans. However, there was still a need to be more ambitious and to identify new measures in the Plans.

Ms Kidd also noted that the timing for contributions to the Growth Strategies (2 May) and the final Country Employment Plans (30 May) meant that both documents could be considered at the Goa meeting on 5 June. In late June, Sherpas and Finance Deputies will also be meeting and considering progress on the strategies. This timing would allow the TFE to follow up any issues that might arise at this joint meeting, at our own TFE meeting in July.

Actions

9. *Countries to provide contributions for their Growth Strategies by 2 May, with draft final Employment Plans due by 30 May.*

DAY 2

SESSION 5: YOUTH AND APPRENTICESHIPS

The key message from the EU conference was the need for each country to put real actions in place that address youth unemployment. There is also a need for collaboration and cooperation between all stakeholders including government, non-government organisations, employers and unions, with additional funds allocated to this work.

The OECD conference on apprenticeships highlighted youth unemployment, youth underemployment and job quality as key issues. The challenges facing apprenticeships include the quality of training available, the relatively low value placed on apprenticeships by youth and the barriers experienced by employers. The way forward will include competency based progression and a commitment by all stakeholders to promote stronger apprenticeship systems.

The International Organisations are preparing a report on progress against previous Taskforce commitments which will include youth-specific agreements. Ms. Kidd encouraged members to provide data for this work. Members agreed that apprenticeships were one way of approaching youth unemployment, but there were a range of measures that could be employed.

The EU noted that youth unemployment was on the agenda for the next International Labour Conference at the end of May. They are also committed to monitoring progress to date against agreed actions.

Actions

10. *All countries to include action/s on youth unemployment in their Country Employment Plans. This should include new measures, and not just a reconfirming of commitments made in earlier meetings.*
11. *Australia to draw out the common themes from the employment plans after the review date of the end of May. These will guide a possible collective commitment on youth unemployment and related references in the Ministerial Declaration.*
12. *OECD agreed to include a section in their report of progress against previous Taskforce commitments, on the remaining barriers for youth and to propose principles to addressing these.*
13. *World Bank to work with India and other emerging economies to further explore the effectiveness of alternative approaches to apprenticeships in place in those countries.*

SESSION 6: PREVENTING UNEMPLOYMENT FROM BECOMING STRUCTURAL: POLICY PRINCIPLES AND RECOMMENDATIONS

In their presentation, the OECD noted that recovery from the global financial crisis has been sluggish. The short term prospect for long term unemployment was not promising with increasing numbers transitioning to very long term unemployment. Contributing factors include major structural economic changes and the lag associated with training people with appropriate skills. In the short term, the focus should be on boosting aggregate demand and getting people back into work as quickly as possible. Long term challenges include the need to strengthen social protection systems and to set adequate minimum wages. There is a need to anticipate skills and guide those entering study.

Australia presented a case study on its automotive sector, which is undergoing major structural change. Policy principles that guide Australia on structural adjustment and displaced workers are: able to be implemented quickly, include a short and long term focus, maintain the connection of displaced workers with the labour market, provide a social safety net and be well targeted.

Countries variously commented that strategies to reduce unemployment cannot be separated from economic strategy, that there is a need to better respond to structural change, that skills mismatch is expensive, that more is needed to support those who are unemployed, and that difficult choices are needed in the current environment of budgetary constraints.

Actions

14. *Members to provide comments on the draft OECD-led paper “Preventing Unemployment and Underemployment from becoming Structural” by 30 May, to allow finalisation by the third Taskforce meeting in July.*

SESSION 7: ADDRESSING LONG-TERM UNEMPLOYMENT: POLICY PRINCIPLES AND RECOMMENDATIONS

The World Bank’s presentation had three key messages: long term unemployment incurs high costs over the long term, there is no ‘fit for all’ best practice solution and that an optimal package needs interventions that are tailored to the specific economy and have a strong focus on placing the long term unemployed in work.

The UK gave a presentation on their ‘Work Programme’ – a flagship program for combatting long term unemployment. This program gives the private sector full freedom to design training, job search and other interventions to support clients – paid on results. Financial incentives to partner with the third sector are also provided. The program is showing positive results and has provided lessons in how to best set up collaborations between public employment services and private providers.

The extent of the prevalence of long term unemployment in member countries is varied. Strategies to address long term unemployment will be included in Country Employment Plans in a manner that reflects individual country priorities and needs.

SESSION 8: ADDRESSING SKILLS MISMATCH: POLICY PRINCIPLES AND RECOMMENDATIONS

WAPES, Belgium, Canada, Singapore and the EU provided presentations on skills mismatch in their countries, along with the policy approaches being employed. Some recurring themes were the need to recognise skills, the need for better information, the need to better anticipate future skills needs and the need for multi-pronged strategies and collaborative approaches to address skills mismatch.

Discussion following these presentations included the need for medium and long-term planning, support for small and medium enterprises, quality public employment services and the growing number of over-skilled workers.

The ILO noted they were happy to work collaboratively with the TFE on issues around apprenticeships and skills matching. The OECD also flagged their survey on skills needs which they hope to present to the TFE later in the year.

The World Bank suggested they could undertake some exploration of the evidence supporting the need for soft skills – those needed to respond to change.

Actions

15. *Australia to consider the work undertaken by the international organisations when preparing possible building blocks on skills mismatch. These will be circulated in the coming weeks for comment.*

SESSION 9: SAFER WORKPLACES

Turkey proposed a safer workplaces sub-group meeting in Istanbul on 5-7 May. Ms Kidd asked that this be an optional event. Turkey also noted that a member of the International Confederation of Employers will participate in the sub-group.

The USA tabled a paper, providing an overview of the sub-group’s proposed outcomes and work program for the year. This included four pillars: national commitments, development of a broad interim G20 process to share good practice, the encouragement of strong worker and employer participation and establishment of a voluntary G20 initiative to improve worker safety. They also noted that the ILO and other IOs are preparing a paper on this topic for the July TFE meeting and sought support from countries to respond to the associated survey that will soon be circulated.

The next steps of the sub-group are the May conference in Istanbul, the July TFE meeting and the August 2014 international forum on worker safety in Germany. The USA also proposed the development of an action plan for Ministers to adopt.

Members sought clarification of the mandate for the sub-group, with some expressing concern that they were making decisions on behalf of the TFE. Australia reminded members that the Terms of Reference for the sub-group stated they were to provide advice to the TFE on what their role might be, and that all final decisions are made by the TFE as a whole.

Some members expressed concern regarding any separate action plan on safer workplaces, and noted that the sub-group should not duplicate the work of the ILO. Italy and Russia both asked to join the sub-group.

Actions

16. *The USA to circulate the paper tabled at the meeting, within the next few days.*
17. *The safer workplaces sub-group to bring recommendations to the July TFE meeting, for consideration by the full TFE.*

SESSION 10: PREPARATIONS FOR THE G20 LABOUR AND EMPLOYMENT MINISTERIAL MEETING

Ms Kidd outlined the arrangements for the Labour and Employment Ministers meeting, noting that the side event on the 8th was optional.

A number of countries raised concerns regarding the interpreter arrangements for the Ministerial, noting that only full simultaneous interpretation would be suitable.

Members sought clarification of the process of drafting the declaration, expressing concern that a long lead-in time was needed, particularly for those countries with extensive approvals processes and/or where English was not a first language.

Ms Kidd clarified that under the Australian presidency, a ‘building block’ approach was being taken to the development of the declaration. Under this approach, draft pages of the declaration are being prepared and circulated as topics are agreed by the TFE. The first one of these on participation and local job creation had already been

circulated to the membership for comment. In addition, time will be set aside at TFE3 to discuss the declaration. Recommendations and policy principles would be incorporated in annexes attached to the declaration.

Argentina noted that the declaration should be a political and not technical statement and should represent an increase in ambition from previous years. Australia supported this view.

There were differing views regarding the level of involvement of the Engagement Groups and Social Partners with Ministers. Views ranged from B20 and L20 only allowed access, through to all groups having an opportunity to express their views. Ms Kidd noted that it was up to the Presidency, to make a call on this aspect of the Ministerial meeting. She also noted that Australia was taking a very inclusive approach to the involvement of the Engagement Groups and Social Partners.

Actions

- 18. Australia to follow up on the interpretation arrangements for the Ministerial meeting and notify TFE members as soon as possible*
- 19. Australia to re-circulate all key papers which are being drafted on behalf of the TFE by the IOs. Clear guidance about providing comment will be included in the accompanying email.*

CLOSING: OTHER ACTIONS

Ms Kidd closed the meeting, thanking all members for their participation. She also thanked the OECD for the provision of the venue for the meeting and their assistance with arranging and running the meeting. She also acknowledged the support and hard work of the Australian Embassy staff and the support team that travelled from Australia.

The meeting closed at 5pm.