



## SDG 8: Progress, gaps and recommendations for the UK

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The aim of SDG 8 is to promote inclusive and sustainable economic growth along with full and productive employment and decent work for all. The 2019 report highlighted four key areas of focus: inclusive economic development; standards of work in global value chains; decent work for youth; inclusive and sustainable economic growth.

Despite moderate economic growth across the world, projections for 2022 and 2023 are in decline. <sup>157</sup> Emerging and developing economies are taking the greatest hit, with growth expecting to drop by 1.9% between 2023 and 2021. <sup>158</sup> Rising inflation will affect workers in low- and middle-income countries the most, which in the absence of adequate and enabling policy environments will cause shocks to workers and households. Women and young people are will be particularly impacted, as more women will be pushed into poverty and youth unemployment will continue to grow.

Nothing has exposed the systemic injustice in global economic structures more than Covid-19, where we have witnessed deepening entrenched inequalities between people who are rich and people who are poor. The wealth of the richest people has doubled since the pandemic<sup>159</sup>, whilst estimates put the number of people pushed into poverty due to the pandemic at 150 million.<sup>160</sup> Despite upwards growth before the pandemic, the absence or inadequacy of investment into decent job creation, skills, entrepreneurship, as well as lack of investments into public services, means

157. World Bank (11 January, 2022), 'Global Growth to Slow through 2023, Adding to Risk of 'Hard Landing' in Developing Economies' [Online media release, accessed June 2022]

159. Oxfam (2022), Inequality Kills: The unparalleled action needed to combat unprecedented inequality in the wake of COVID-19
160. World Bank (24 June, 2021), 'Updated estimates of the impact of COVID-19 on global poverty: Turning the corner on the pandemic in 2021?' [online article, accessed June 2022]

that workers and households have not been able to withstand economic shocks during the pandemic. Although government schemes to subsidise workers' wages were implemented in many countries, these often left out millions of informal workers and failed to reach people left behind.

The informal economy comprises more than half of the global labour force. <sup>161</sup> The absence of formal contracts, and minimal workers' rights for many, combined with weak social protection systems, resulted in many workers losing jobs and income overnight due to the pandemic. Women and girls are disproportionately affected and are most at risk of losing jobs and livelihoods. In 2021, women lost more than 64 million jobs – a loss of 5%, compared to 3.9% for men. <sup>162</sup> A conservative estimate puts lost income for women in 2021 at \$800 million <sup>163</sup>, but this does not include informal workers who make up 89% of the female workforce in Africa and 95% in South Asia. <sup>164</sup> At the same time, women's care work – paid, underpaid and unpaid – substantially increased as public services failed to keep pace with increasing need. <sup>165</sup>

Covid-19 has also had a significant impact on persons with disabilities. Data from 51 countries shows that 19.6% of women with disabilities are employed compared with 29.9% of women without disabilities. For men the employment rate is 52.8% for men with disabilities, compared with 64.9% for men without disabilities. This gap has become more acute since the pandemic. For example, a survey conducted in Bangladesh and Kenya in April 2021 found many people

161. ILO, 'Informal Economy' [web page, accessed June 2022] 162. Oxfam (29 April, 2021), 'COVID-19 cost women globally over \$800 billion in lost income in one year' [online media release, accessed June 2022]

163. Ibid

164. UN Women, 'Women in the changing world of work: facts you should know' [online infographic, accessed June 2022]

165. GAD Network (March 2022), 'Lessons for a feminist Covid-19 economic recovery: Multi-country perspectives' [online resource, accessed June 2022]

166. WHO and World Bank (2011), <u>World Report on Disability</u>; Groce et al. (2011) <u>Poverty and disability</u>—a critical review of the literature in Low and <u>Middle-Income Countries</u> [p.237]



with disabilities had increased employment and job security concerns. In Kenya, 68% of respondents with disabilities reported not being able to work and 65% of those in work had job insecurity concerns. In Bangladesh a staggering 80% reported not being able to work, and more than 85% of those employed felt insecure in their job. 167

Global youth unemployment rose from 13.6% in 2019 to 13.8% in 2021. This figure masks huge regional variations, with youth unemployment at 29.6% in Northern Africa and 18.9% in Southern Asia but 8.7% in Sub-Saharan Africa. 168 Just under half (46%) of young people who are employed are 'own-account' workers or contribute to family businesses, and 30% are still living in extreme poverty, despite working.<sup>169</sup> Serious gaps in education, skills development and job creation persist for youth. Many youth, particularly in low- and middle-income countries, are not being provided with the education and skills they need to meet the demands of the changing world of work.

Wages continue to fall short of living wage standards with many barely getting by. Since the pandemic, thousands of informal workers lost income and their jobs overnight due to lockdown restrictions, closures in factories and major disruptions to global and local supply chains. On opening up, workers have faced wage cuts, intimidation and threats. Across the world, 156 countries continue to impose Covidrelated restrictions affecting freedom of assembly, and 62 have restrictions affecting freedom of expression. 170 These laws have been used by national governments to ban protests, justify use of force, arrest workers and activists, use government surveillance and intimidate workers.

Two years on from the start of the pandemic, governments, the medical profession and private sector companies have made concerted efforts to ensure a vaccine was created and produced at scale. However, by blocking waivers to patents at the World Trade Organisation, some governments, including the UK government, have prioritised profits for corporations over people. This is coming at a cost of \$9 trillion to the global economy. 171

Covid-19 has also exposed the care crisis; in particular, the inadequacy of public services and social protection provision. Immediate increases in social protection are needed, for example, through the Global Social Protection Fund. 172 Just and equitable recovery will also require longer-term investment in social infrastructure. 173 Not only will this

167. Leonard Cheshire (2020), Impact of Covid-19 on the lives of people

with disabilities [p.3]
168. ILO (2020), Technology and the future of jobs: Global Employment Trends for Youth 2020

169. Ibid

170. ICNL, 'COVID-19 Civic Freedom Tracker' [online resource, accessed June 2022]

171. People's Vaccine '<u>5 steps to end vaccine apartheid</u>' [web page, accessed June 2022]

172. ITUC – International Trade Union Confederation (2020), A global social protection fund is possible 173. De Henau, J. (2022), Costs and benefits of investing in transformative

care policy packages: A macrosimulation study in 82 countries'. ILO Working Paper 55

increase the supply of decent work in women-dominated sectors and reduce women's burden of unpaid care, through the multiplier effect it will also increase future government revenue streams.174

Workers, such as farmers, fisher folk and those dependent on forests, are already seeing the impacts of climate change through income losses caused by extreme weather, such as droughts and floods. Despite small-scale farmers, both male and female, making up the majority of global food producers, measures to support farmers to adapt and mitigate to climate change are still falling short. This is likely to result in internal displacement, migration, famine and death. The World Bank estimates that climate change could result in 216 million internal climate migrants across South Asia, Latin America, Sub-Saharan Africa, East Asia and the Pacific, North Africa, and Eastern Europe and Central Asia. 175 This year, we are already witnessing devastating levels of hunger and famines n the Horn of Africa as a result of drought, Covid-19 and inflationary market pressures accelerated by the Ukraine conflict. It is estimated that one person is dying every 48 seconds due to hunger. 176

The absence of decent quality jobs combined with the Covid-19 pandemic has increased many communities' vulnerability to exploitation and modern slavery, whilst climate change is likely to further heighten trafficking 177, including sex trafficking. Women and children are disproportionately at risk. Migrants seeking unskilled or daily wage work are particularly vulnerable to labour trafficking, including bonded labour. This, in turn, adds stress to already stretched public justice systems mandated to provide protection and services for migrants and accountability for perpetrators. Tackling modern slavery and trafficking requires a full-scale response which has both prevention and response at the heart of it.

Decent work is key to achieving a number of SDGs (e.g. Goals 1, 5, 10 and 13). The ILO's Decent Work Agenda comprises of four equally important, inseparable and interrelated pillars: employment creation and enterprise development; social protection; standards and rights at work; governance and social dialogue, and has gender equality at its heart. The ILO highlights that freedom of association and the effective recognition of the right to collective bargaining are particularly important to achieve these four strategic objectives. This means that strong, independent trade unions are key to achieving decent work and sustainable development. However, according to the International Trade Union Confederation's 2021 Global Rights Index, which ranks 149 countries on their degree of respect for workers' rights, 'abuses of the right to strike, the right to establish and join

174. Gender and Development Network (2022), Briefing: Centring care in Covid-19 economic recovery: a five-point care package

175. World Bank (2021), Groundswell Part 2: Acting on Internal Climate

176. Save the Children and Oxfam (2022) Dangerous Delay 2: The Cost of

177. These links have also been highlighted by the Independent Anti-Slavery Commissioner, 31 October, 2021), 'COP modern slavery' [online article, accessed June 2022]



a trade union, the right to trade union activities and civil liberties and the right to free speech and assembly are at an eight-year high'.<sup>178</sup>

## The economic case for inclusion

If we are to truly leave no-one behind, then it is imperative that all under-represented groups are able to participate in their communities without discrimination. Addressing the environmental barriers and other forms of discrimination that contribute to unequal outcomes would have clear economic benefits. This includes opening up new inclusive opportunities for communities that have been marginalised to contribute economically as part of the workforce, which in turn provides benefits for everyone. 179 This includes direct economic gains from increased incomes and labour productivity as well as indirect benefits, such as reduced spending on social assistance programmes and increased tax revenues.

Exclusion from work not only has a negative impact on people with disabilities but also on their families, communities and nations as a whole. A study in South Africa, for example, found that, on average, people with severe depression or anxiety lost \$ 4,798 in income per year, about half the average income level. In total, this equates to \$3.6 billion in annual lost income.

Whilst the FCDO (and previously DfID) have invested in work and employment, what comes next is crucial, given the impacts of Covid-19 on people who have been the most marginalised. For interventions to be equitable greater costs may be incurred to ensure excluded or hard-toreach communities are included. This means providing targeted support for people with disabilities and their families to assist with their employment and find business opportunities, something that is especially important given that challenges for jobseekers with disabilities were complex even before the economic impact of Covid-19. A good example of how this can be achieved is the UK Aidfunded economic empowerment programme i2i (Innovation to Inclusion<sup>182</sup>), where 250 staff from across Unilever in Bangladesh participated in online training run in partnership with Inclusive Futures formal employment programmes. 183

It is also essential to recognise contributions made to the economy by those who are often invisible to policymakers, such as older women. Older people, especially older women, are key contributors to the global economy, yet are often a

178. ITUC (30 June, 2021), '2021 ITUC Global Rights Index: COVID-19 pandemic puts spotlight on workers' rights' [online resource, accessed June 2022]

179. Bond (2016), Leaving no one behind: The value for money of disability-inclusive development

180. CBM (2016), Inclusion Counts: The Economic Case for Disability-

181. Lund, C. et al. (2013), '<u>Mental illness and lost income among adult South Africans'</u>, Social Psychiatry and Psychiatric Epidemiology, Vol 48, 5. p.845–851

182. Innovation to inclusion, 'About i2i' [web page, accessed June 2022] 183. Inclusive Futures (June 2022), 'Inclusive business recovery post COVID-19' [online article, accessed June 2022] hidden workforce who are not recognised or recompensed for their work. Women over the age of 60 take care of their grandchildren, grow food for family consumption, carry out

work in community projects and earn money, generally in precarious informal work, to support themselves and their families. However, these contributions to wellbeing and to the economy are often invisible to policymakers. Too often, data on the population of 'working age' uses arbitrary cut-off points, such as 60 or 65, and labour force surveys invariably underestimate informal work. Even data on the care economy often leaves out grandmother-carers and focuses on older women only as people that need care. <sup>184</sup> In making plans to 'build forward better' from the Covid-19 pandemic, we need to ensure that we reflect the diversity of women's experiences in later life, including how they continue to contribute to the wellbeing of others and to the economy through their work, both paid and unpaid.

184. Age International (2021), <u>Older women: The hidden workforce - Access to justice</u>



## To achieve SDG 8, the UK government should:

- Promote democratisation of the IMF and World Bank and support policy alignment with achieving decent work for all by 2030, protecting human rights, and a just transition to net zero under the Paris Agreement.
- 2. Invest in holistic Covid-recovery programmes that promote the creation of decent green jobs and skill development, including for informal workers, by implementing ILO Recommendation 204 (*Transition from the informal to the formal economy*).<sup>185</sup>
- 3. Support the introduction of a new Business, Human Rights and Environment Act, as called for by the UK Parliament's Joint Committee on Human Rights.
- 4. Support trade unions/elected worker representatives, workers groups and associations so they are in the driving seat to deliver the decent work agenda.
- 5. Support and fund increases in investment in social infrastructure to provide additional decent work for women and reduce their unpaid care burdens while increasing future government revenues, and support calls for a Global Fund for social protection.
- 6. Join the growing number of countries supporting the waiver of patents at the WTO to ensure that low- and middle-income countries can produce their own vaccines, and people have equitable access to free vaccines, testing and treatment.

- 7. Provide debt relief and cancellation as part of the global post-Covid recovery plan, recognising the interdependence of the global economy and people.
- 8. Ensure the UK's revised modern slavery strategy sets out a clear theory of change for reducing vulnerability to, and the prevalence of, modern slavery, which is founded on access to justice and strengthening the rule of law, and target aid and diplomacy to work bilaterally with countries to ensure local ownership of the response to modern slavery.
- 9. Work to create the fiscal and policy space for governments to recognise the need for investment in social infrastructure to centre care and wellbeing within the Covid economic recovery. In its new women and girls strategy, the FCDO should recognise the contribution of unpaid care and the need for investment in public care services.
- 10. Recognise that progress on women's economic justice and rights must be front and centre in post-Covid economic and trade plans. The UK government should ensure that women's economic justice and rights is a key pillar in the new women and girls strategy, with discrete and adequate budgets for programming to support this. The FCDO's work on women's economic justice should be rooted in gender analysis and meaningful consultation with women and girls.

185. ILO, 'Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204)' [web page, accessed June 2022]