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*Item 4: Trade development policies and the post-2015 sustainable development agenda*

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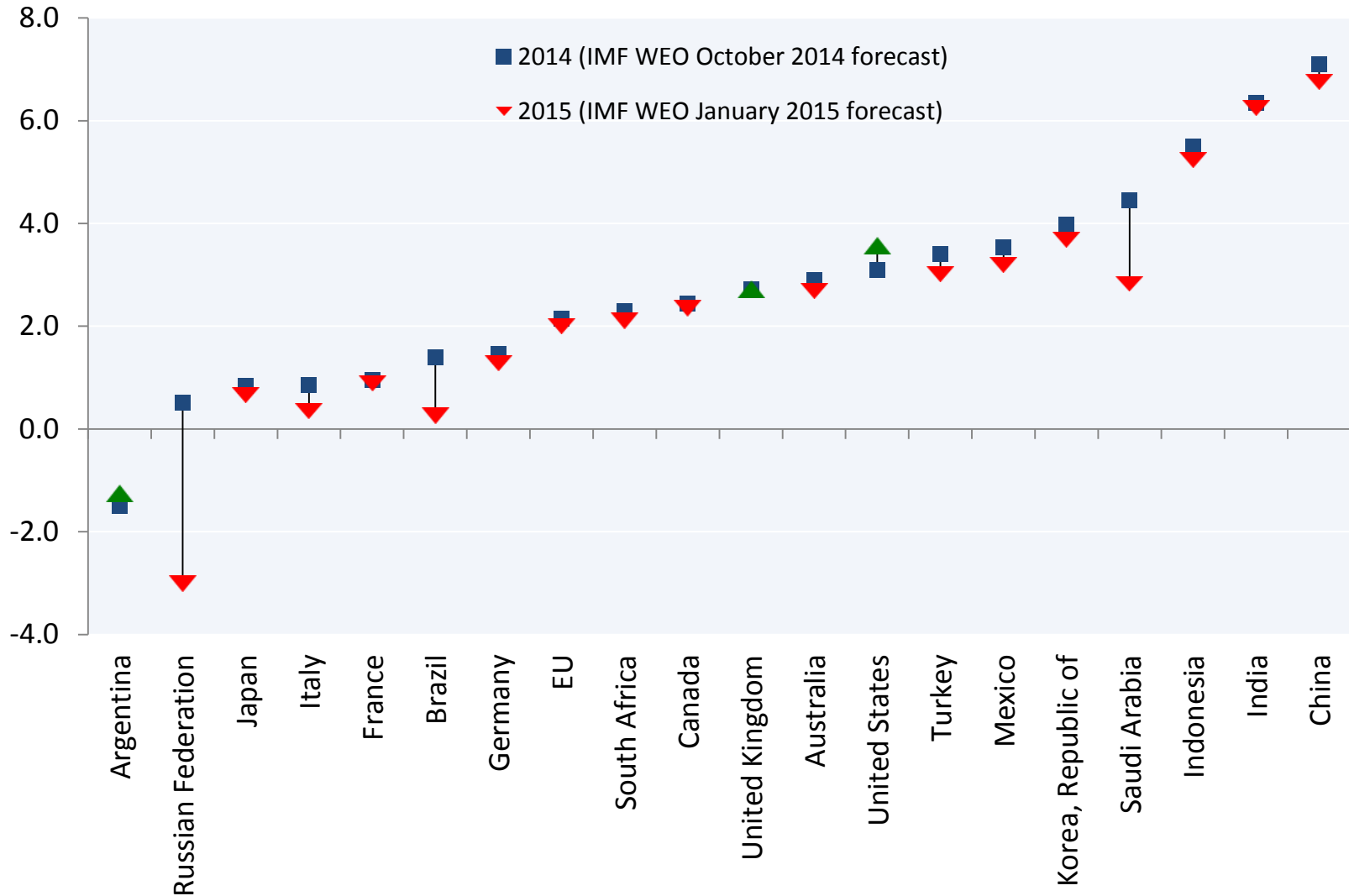


# Trade and development policies and the post-2015 sustainable development agenda

Sandra Polaski  
International Labour Organization  
18 May 2015

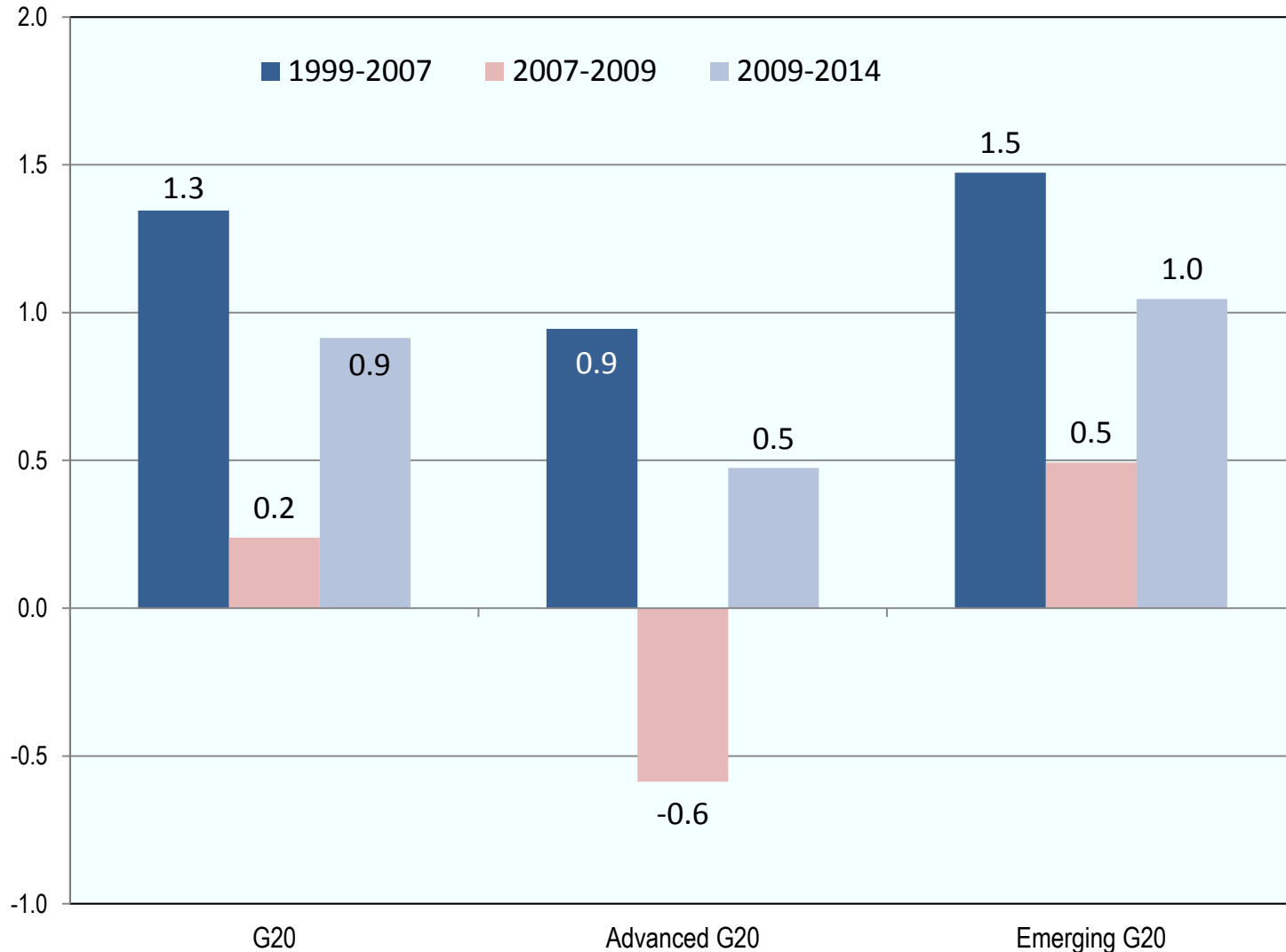
# Growth forecasts revised downwards for 17 of G20 since October

GDP forecasts for 2015 (October's forecast compared to January, per cent)



# Employment growth has slowed, even during the “recovery phase”

Average annual employment growth

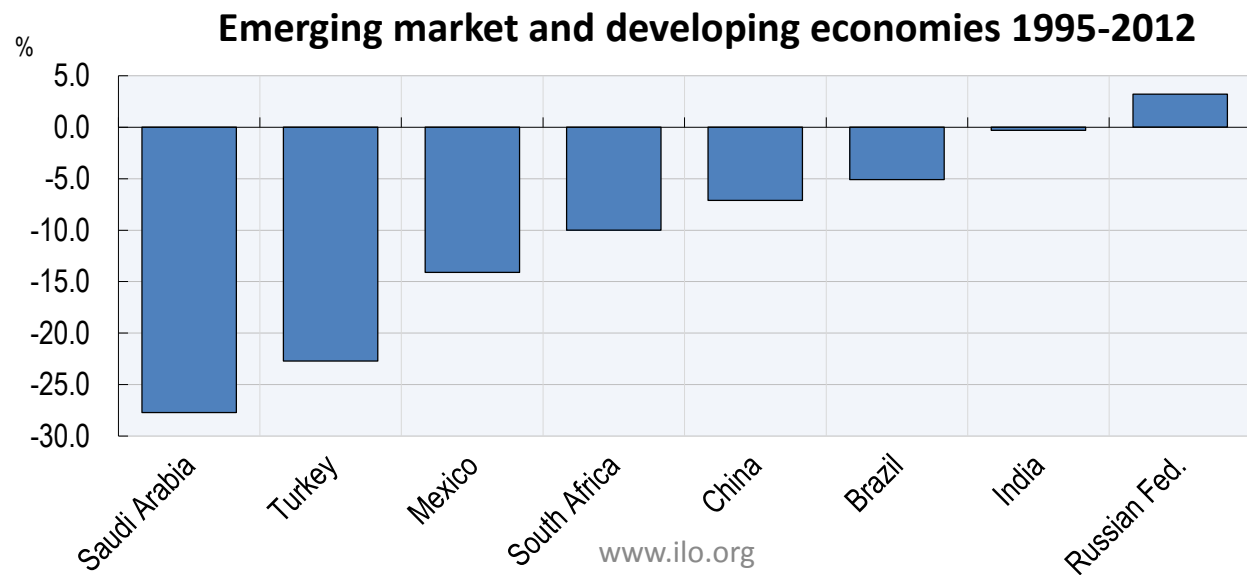
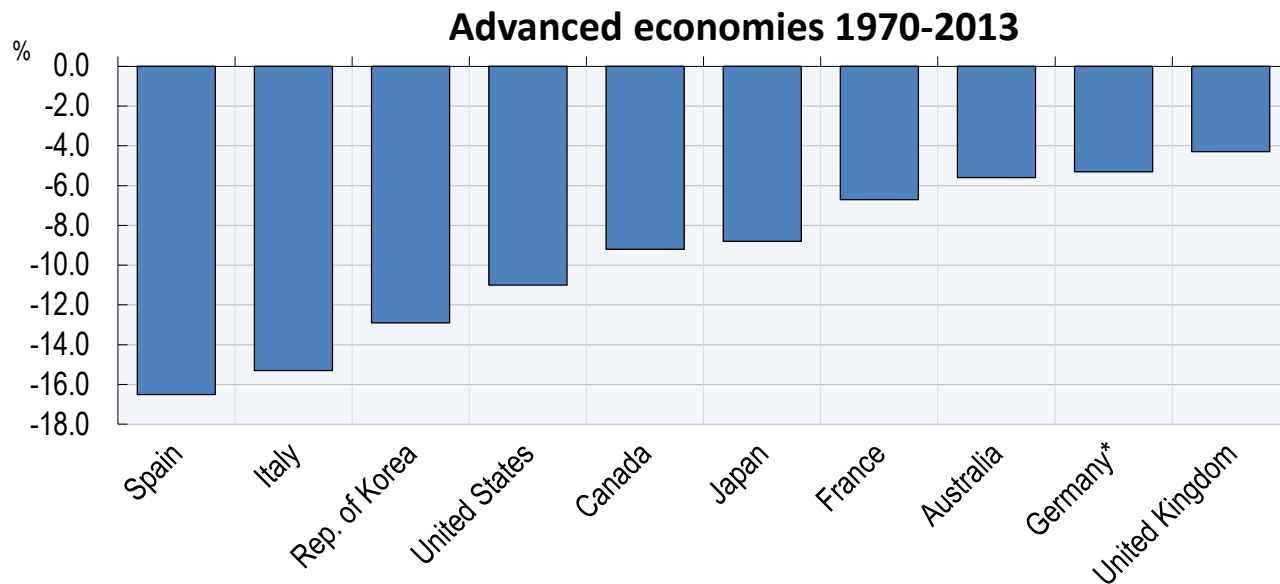


# Global wage growth remains below pre-crisis rates



Note: Global wage growth is calculated as a weighted average of year-on-year growth in average monthly real wages in 130 countries, covering 95.8% of all employees in the world (for a description of the methodology, see Appendix I). Source: ILO Global Wage Report 2014/15

# Declining labour shares in most G20



Source: ILO,  
*Global  
Wage  
Report  
2014/5*

# Proposed Sustainable Development Goals

Goal 1. End poverty in all its forms everywhere

Goal 5. Achieve gender quality and empower all women and girls

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10. Reduce inequality within and among countries

Goal 12. Ensure sustainable consumption and production patterns

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

# Trade issues are reflected in SDG 17

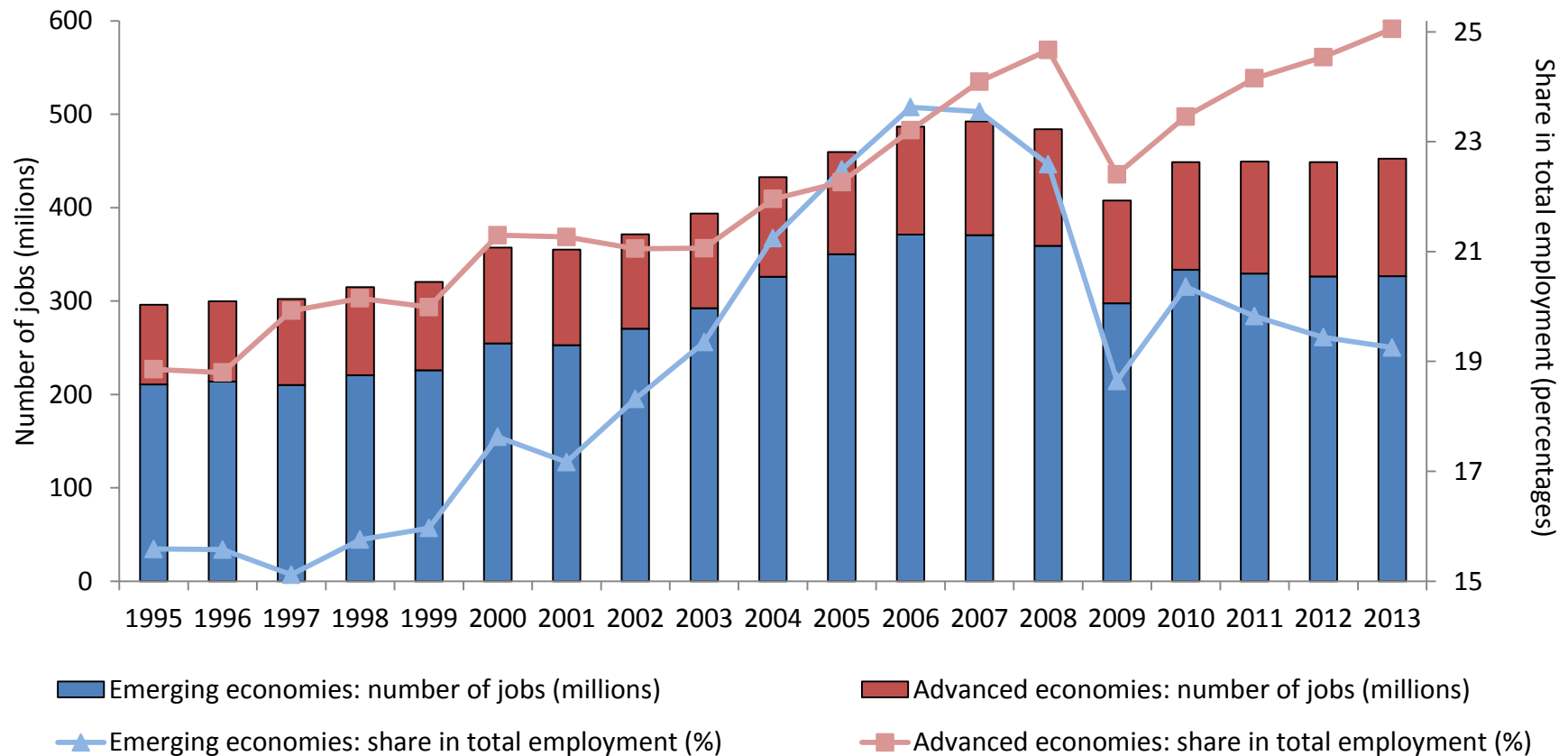
Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

- 17.10 Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda
- 17.11 Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020
- 17.12 Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with World Trade Organization decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access



# More workers in Global Supply Chains, but some decline in developing countries since crisis

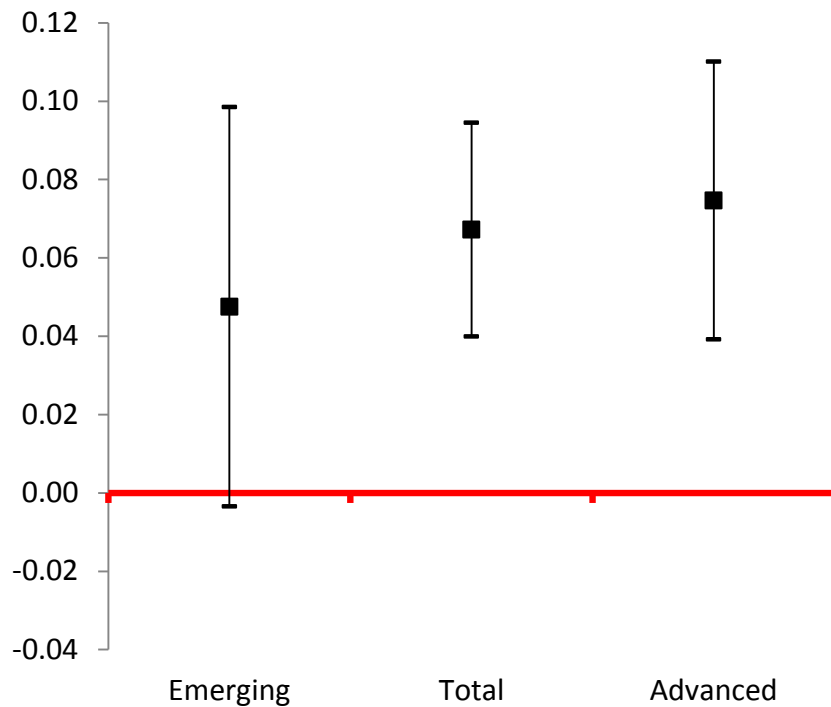
Number and share of jobs associated with GSCs



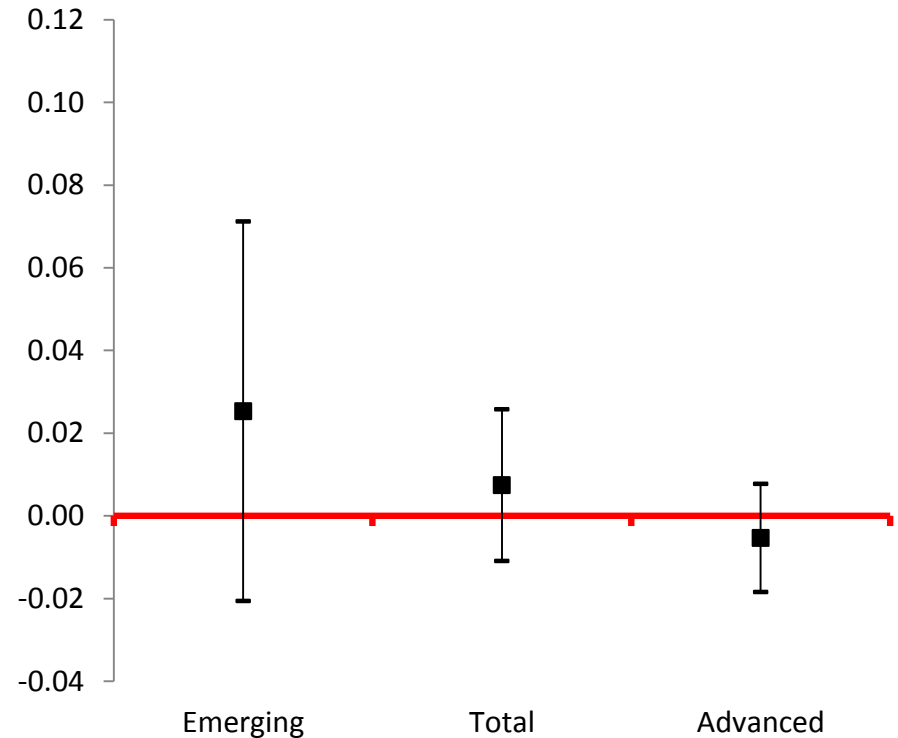
Source: ILO Research Department based on WIOD.

# Estimated impact of GSCs on productivity and wages in supplier firms

Panel A: Productivity

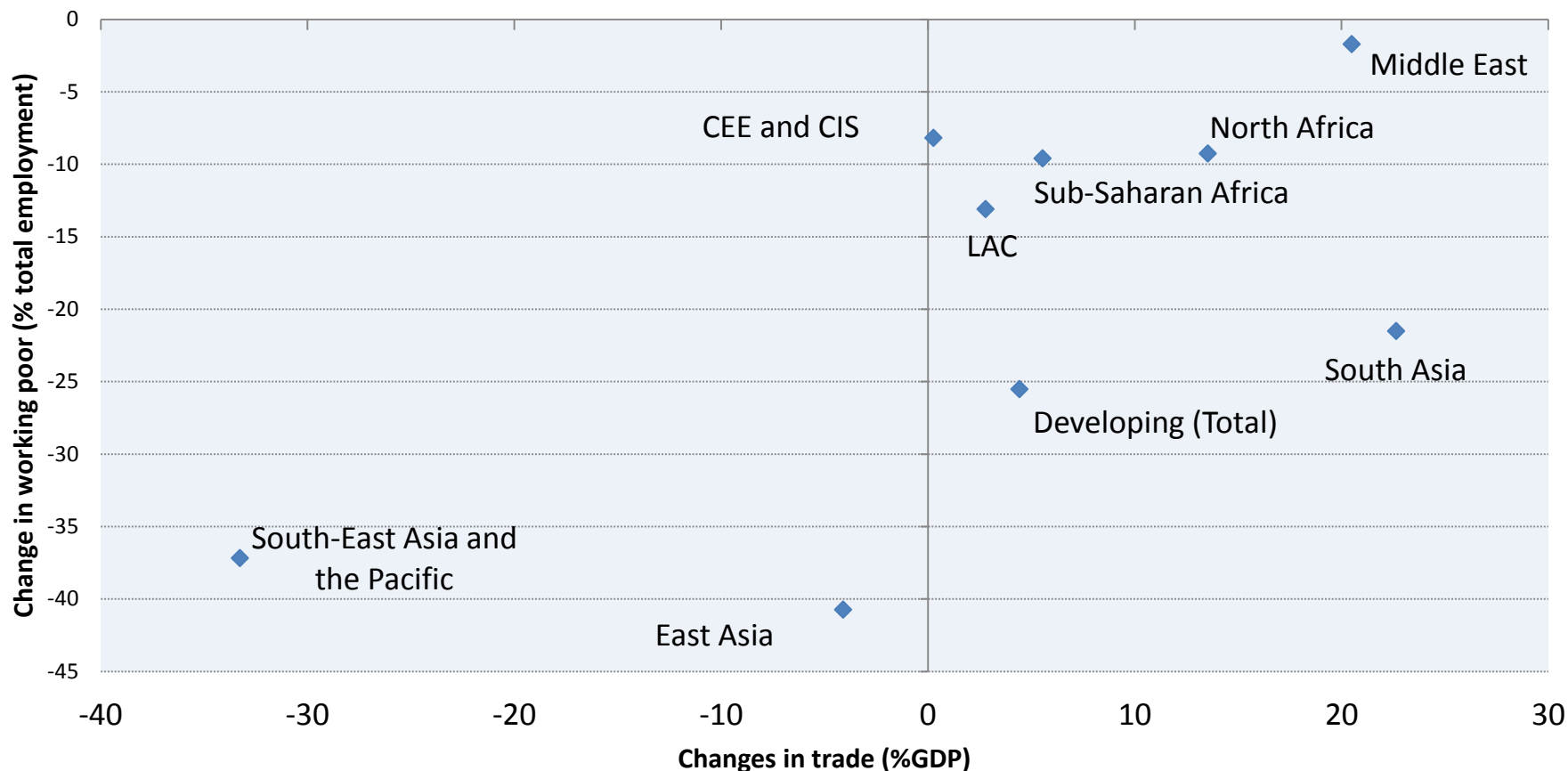


Panel B: Wages



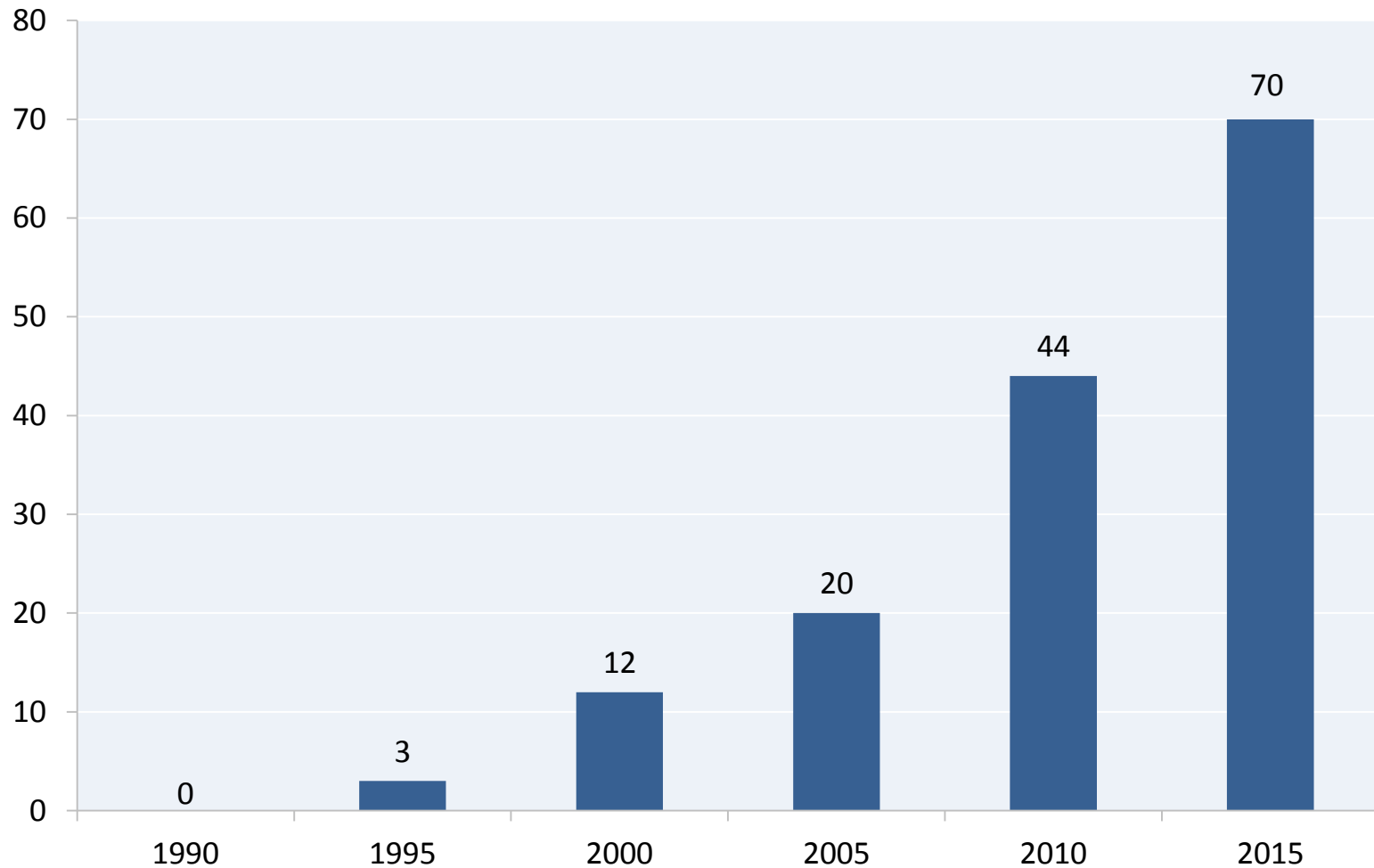
# Trade does not *automatically* lead to lower working poverty

Changes in trade & working poor (2\$ a day threshold), 2000-2012 (percentage points)



Source: UNCTADStat and ILO, Trends Econometric Models, October 2014.

# Number of trade agreements with labour provisions



Note: 2015 data is as of the end of January.

Source: ILO Research Department based on WTO RTA Database

# Concluding remarks

- Policies to promote the **quality** as well as **quantity** of jobs are essential to make trade and investment a driver of development .
- Decent work—that is, jobs with adequate pay, rights, voice at work and social protection—is a key factor in making development inclusive and sustainable, so it is rightly a key part of the post-2015 agenda.

# Concluding remarks

- There is much scope for improving complementarity between the decent work agenda and trade and investment policies. A few suggestions:
  - Provisions in trade agreements and preference programs to guarantee core labour rights and acceptable working conditions can be helpful
  - Right to regulate in the public interest should be protected to allow pro-development and pro-equity policies
  - Active programs to link trade and better working conditions: e.g., ILO Better Work Programme, Bangladesh Accord on Fire and Building Safety