



ALREI Policy Brief

October 2025

Hod Anyigba, Ph.D. is the Chief Economist at ITUC-Africa and the Executive Director of the Africa Labour Research and Education institute (ALREI) of the Africa Regional Organization of the International Trade Union Confederation (ITUC-Africa)

Decent Work, Fair Trade and Inclusive Growth *An African Trade Union Policy Paper to the G20*

By Hod Anyigba

Africa faces a mounting social and economic crisis, shaped by global shocks, weak job creation, and rising debt. By 2025, governments owe over \$2.1 trillion, and in many cases debt service consumes more than 40% of revenues, leaving little for schools, health systems, or job-creating infrastructure. Meanwhile, 8–11 million young Africans enter the labour market each year, but only about 3 million formal jobs are created. This mismatch, combined with chronic informality, skills gaps, and climate vulnerability, risks undermining Africa's demographic dividend.

Yet opportunities exist. The African Continental Free Trade Area (AfCFTA), green industrialisation, and investment in skills and social protection could transform growth into decent work. Trade unions emphasise that these strategies must be pro-worker, with enforceable labour standards and inclusion of youth and women at the centre.

Unions therefore urge the G20 to: set ambitious job-creation targets; invest in climate-friendly, labour-intensive sectors; strengthen labour rights and universal social protection; embed labour standards in trade agreements; expand youth employment through training and fair wages; promote migration and mobility rights; cancel illegitimate debt and curb illicit flows; ensure climate finance creates jobs; and affirm African agency in global governance. Expansionary fiscal space must be treated not as charity, but as investment in development justice and inclusive prosperity.

Key Points

1. Africa is burdened by rising debt, shrinking fiscal space, and a widening youth employment gap, leaving most workers in informal and insecure jobs.
2. AfCFTA and green industrialisation offer transformative potential, but only if tied to labour rights, inclusion, and just transition policies.
3. Harnessing Africa's demographic dividend requires investing in skills, fair wages, and meaningful participation of young people and women.
4. Trade unions call on the G20 to back debt relief, job creation, climate-friendly investments, stronger labour protections, and African-led economic governance.

5. **A Deepening Crisis** – Africa faces mounting debt, shrinking fiscal space, and a severe jobs gap, with most youth stuck in informal, precarious work.
6. **Trade & Opportunity** – AfCFTA and green industrialisation could deliver jobs, but only if anchored in labour rights, inclusion, and just transition policies.
7. **Union Demands** – Trade unions urge the G20 to prioritise job creation, debt relief, climate-friendly investment, stronger labour protections, and African-led solutions.

Africa is Facing a Deepening Social and Economic Crisis

Africa today faces a deepening social and economic crisis. After the COVID-19 pandemic, global inflationary shocks and tightening international finance have slowed growth. Trade union analyses warn that inequality is rising, and decent work is under threat worldwide, especially in the Global South. Africa's young workforce is swelling even as opportunities stagnate. According to many sources, Sub-Saharan Africa's population will account for over half of global growth by 2050, meaning that by mid-century one-quarter of the world's people and more than a third of its youth will be African¹. The ILO projects that between now and 2050 the youth labour force in Africa will grow by 73 million people². Yet only about 3 million formal wage jobs are created annually in Africa, while 8-11 million young people enter the job market each year³. This mismatch makes the African job challenge uniquely urgent. The African Union (AU) now holds a seat at the G20, elevating Africa's voice in global economic governance. This is an opportunity and a demand. African workers and unions must influence the G20 agenda on jobs, trade and productivity. Trade Unions insist that *decent work, inclusive productivity, and development justice* be at the heart of G20 policies. In this paper, prepared by ITUC-Africa's Labour Research and Education Institute (ALREI), Trade Unions outline Africa's labour market realities in 2025, highlight strategic opportunities through trade and integration, and set forth concrete policy demands to G20 leaders. Our approach is rights-based and centred on progressive socio-economic policies for Africa's economic transformation.

Structural Labour Market Challenges in Africa

Africa's labour markets are characterized by chronic informality and precarious work. According to the ILO, roughly 85% of Sub-Saharan African workers are in the informal economy, lacking contracts or social protection⁴. National statistics understate this. Officially youth unemployment may be only approximately 8–9%, but that ignores the

¹ United Nations, Department of Economic and Social Affairs. (2024, June). *Development prospects for Africa in the context of the global south*. UN DESA Voice. <https://desapublications.un.org/un-desa-voice/sdg-blog/february-2024/development-prospects-africa-context-global-south>

² International Labour Organization. (2024). *Global Employment Trends for Youth 2024*. <https://www.ilo.org/publications/major-publications/global-employment-trends-youth-2024>

³ African Development Bank. (n.d.). *Jobs for Youth (African Development Bank Group)*. <https://www.afdb.org/en/topics-and-sectors-sectors-human-capital-development/jobs-youth>

⁴ International Labour Organization. (2018). *Women and men in the informal economy: A statistical picture* (3rd ed.). International Labour Office. https://www.ilo.org/global/publications/books/WCMS_626831/lang-en/index.htm

fact that three-quarters of young Africans toil in insecure, low-paid jobs. Millions of youth eke out a living in smallholder farming, street trading, or day labour with no benefits. In cities, many rely on gig platforms or casual contracts. As one Ghanaian delivery driver put it, platform work *“has given employment to the majority of youth; yet those of us ... are being used like slaves, paid barely any salary”*. Union presence is minimal. Young workers in both industry and services often face deliberate exclusion from collective bargaining and safety nets.

Education and skills gaps compound these challenges. African education and training systems remain under-resourced and misaligned to market needs. As a result, many graduates are overqualified or have skills mismatched to available jobs. Digital and technical skills crucial for 21st-century productivity are in short supply, and 44% of African youth still do not complete secondary school (though this has improved from past decades)⁵. Even the World Bank and WEF note that while 8-11 million young Africans enter the labour force each year, only 3 million formal jobs are created⁶. This gap pushes youth into informal income-generation or drives them to try to migrate. Without massive upskilling, Africa will not meet its demographic dividend.

Geography and infrastructure also limit opportunity. Africa’s industrial base remains thin. Decades of reliance on raw exports and conditional reform such as the structural adjustment programs in the 1980s and 1990s have yielded few value-added industries. Just 16% of Africa’s trade is within Africa⁷. The rest depends on volatile global markets. Poor transport, energy and digital infrastructure further suppress productivity and job growth. For example, manufacturing and agro-processing, which could absorb many youth in high-productivity jobs are underdeveloped. Past extractive economic models and structural-adjustment policies have devastated Africa’s industrial potential, turning promising industries into deserts of unemployment and informality⁸. In effect, economic growth has too often occurred without good jobs.

Vulnerabilities worsen these structural deficits. Climate shocks threaten agriculture, fisheries and construction jobs, and African workers (including youth) bear the brunt of floods, droughts and storms. Meanwhile, social protection is extremely limited. Many countries lack universal health, pension or unemployment coverage. As a recent ALREI brief summarizes *“Young workers, especially women, migrants, and informal traders, lack even basic protections. Violence at work (including gender-based violence) goes unaddressed. Trade union density is low among youth, so collective power is weak”*⁹. In short, the majority of African workers operate in insecure, low-productivity jobs with minimal rights or safety nets. This is a recipe for underdevelopment and social instability if unaddressed.

⁵ Munyati, C. (2024, January 9). *Empower Africa’s youth to create jobs, growth and peace*. World Economic Forum. <https://www.weforum.org/stories/2024/01/empower-africa-s-youth-to-create-jobs-growth-and-peace/>

⁶ World Bank. (2023, October 4). *Africa’s pulse: Delivering growth to people through better jobs*. World Bank. <https://live.worldbank.org/en/event/2023/africa-pulse-regional-economic-update-growth-people-better-jobs>

⁷ UNCTAD. (2024). *Economic Development in Africa Report 2024*. <https://unctad.org/publication/economic-development-africa-report-2024>

⁸ ITUC-Africa. (2025). *ITUC-Africa statement for Labour Day 2025: Striving for peace and stability to accelerate just transition and sustainable industrialisation*. <https://www.ituc-africa.org/ITUC-Africa-Statement-for-Labour-Day-2025-Striving-for-Peace-and-Stability-to.html>

⁹ ALREI. (2024, December 13). *Enhancing inclusion and participation of women and youth in Africa* [Policy brief]. African Regional Organisation of the International Trade Union Confederation (ITUC-Africa). https://www.ituc-africa.org/IMG/pdf/policy_brief_afcfta_women_and_children_13dec2024.pdf

Strategic Opportunities through Trade and Regional Integration

Africa's challenge is also an opportunity for transformative trade and industrial strategies. The African Continental Free Trade Area (AfCFTA), launched in 2021, holds promise to boost intra-African trade by over 50% and lift some 30 million people out of poverty by 2035. For the first time, African markets can serve African producers at scale. Strategic use of the AfCFTA could help shift the continent from raw commodity exports to value-added manufacturing and services – raising productivity and creating decent jobs. For example, agro-processing and light manufacturing could absorb many rural youth, if integrated with cross-border markets. However, these opportunities will not materialize automatically.

Trade unions emphasize that AfCFTA and other integration initiatives must be pro-worker. Absent enforceable labour standards, an expanded market risks repeating history and a race to the bottom on wages and rights. Indeed, African unions warn that without enforceable labour and social protections, AfCFTA risks repeating patterns of 'jobless growth' and deepening inequality¹⁰. The risk is that cheap exports flood intra-African markets without creating good jobs or transferring technology. To avoid this, labour provisions must be anchored in trade agreements. As ALREI notes, Africa's immense trade potential is "threatened by systemic labour exploitation, gender inequity, and weak protections for informal workers"¹¹.

Therefore, Trade Unions demand that G20 policymakers work with African partners to shape AfCFTA and related policies in a worker-friendly way. Specifically, AfCFTA protocols should include binding labour and social clauses covering collective bargaining, occupational safety, minimum living wages, and migrant rights. Unions and workers' representatives must be formally included in AfCFTA governance bodies and national implementation. Trade policies should prioritize value-added industries (manufacturing, agro-processing, green energy, digital services) rather than raw exports. Doing so will create the higher-productivity jobs Africa needs. Trade Unions call on the G20 to back Africa's industrial development, for example, through financing AfCFTA infrastructure (roads, rail, power grids, ports) and technology, and by supporting African industrial policies that incentivize local production and apprenticeships.

Importantly, these trade and industry strategies must be climate conscious. African trade unions advocate a just transition. New industrial ventures must be green and labour-intensive. Job plans in sectors like renewable energy, rail, digital infrastructure and the care economy can simultaneously raise productivity and shield communities from fossil-fuel shocks. For example, the L20 (Labour 20) coalition urges G20 governments to invest in *job-rich climate-friendly sectors*, including green infrastructure and care services – with clear time-bound targets. Trade Unions call on G20 to prioritize climate finance that has an employment dimension: grants and concessional loans to build solar and wind farms, to plant trees (with unionized forestry crews), and to retrofit buildings with energy efficiency, all tied to training and

¹⁰ ITUC-Africa. (2025, August). *Africa Rises: Pan-African Rally for Debt Cancellation and Trade Justice to Take Place in Accra, Ghana on the 29th of August 2025*. <https://ituc-africa.org/Africa-Rises-Pan-African-Rally-for-Debt-Cancellation-and-Trade-Justice-to-Take.html>

¹¹ ALREI. (2024, December 13). *Enhancing inclusion and participation of women and youth in Africa* [Policy brief]. African Regional Organisation of the International Trade Union Confederation (ITUC-Africa). https://www.ituc-africa.org/IMG/pdf/policy_brief_afcfta_women_and_children_13dec2024.pdf

fair wages. In sum, Africa can only “trade more and better with itself” if that trade is built on strong labour protections, inclusive policies and shared prosperity.

Investing in Youth for Economic Justice

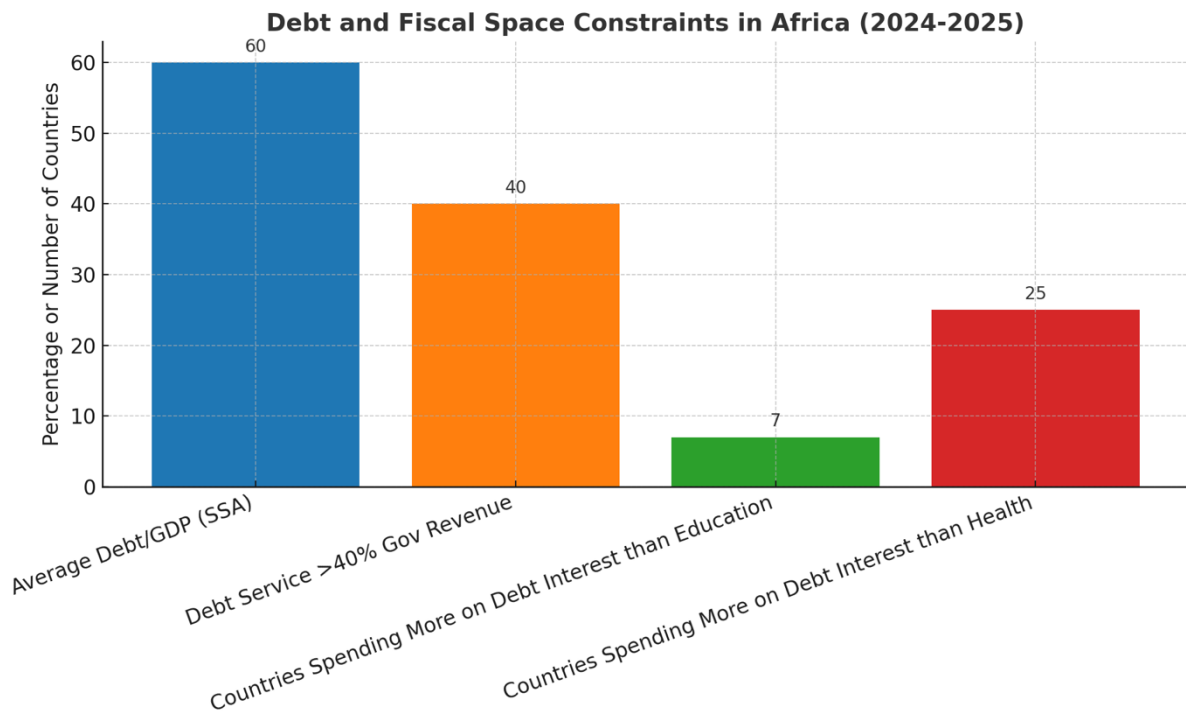
African youth must be at the centre of any jobs-and-productivity strategy. By 2050, Africa’s median age will still be the world’s youngest. Harnessing this demographic can accelerate growth; failing to do so risks social crisis. Already today, many young people are underemployed or discouraged. Afrobarometer surveys find youth list unemployment as a top concern. Formal education is improving (44% secondary completion in 2020), but many youth still lack marketable skills. Technical and vocational training (TVET), digital-literacy programs and entrepreneurship support are sorely needed.

Trade unions have developed a the ITUC-Africa Youth Engagement Plan (2025-28) to mobilize and empower African young workers. It underscores that young workers, especially in the informal and platform economy are key to renewing the labour movement. The strategy includes campaigns to get youth into unions (#YouthInUnions), skills fairs, innovation labs, and just transition youth schools to teach green jobs. For example, unions will conduct #OrganiseInformalNow drives and pilots of collective bargaining for gig workers. On debt and trade, young activists spearhead the #CancelDebt4Jobs campaign and train youth to monitor resource governance.

Trade Unions urge G20 leaders to support these efforts. In particular, G20 policies must explicitly invest in youth development. For instance, the L20 calls on G20 Ministers to set youth employment targets and ensure “smooth school-to-work transitions”. Trade Unions echo this: G20 governments (through MDBs, OECD development agencies, etc.) should expand vocational training in emerging sectors (ICT, agritech, renewable energy), fund apprenticeship programs, and encourage youth entrepreneurship with seed grants and incubation networks. Trade Unions especially insist that basic wages apply equally to young workers. In essence, no sub-minimum youth rates. The L20 notes that eliminating lower statutory wages for youth is necessary so young workers *earn a decent living*.

Moreover, G20 policies on migration and mobility should reflect Africa’s interests. Youth in West Africa, East Africa and the SADC region are frustrated by artificial barriers to free movement of labour and goods. Trade Unions demand that G20 endorse AU efforts (and AfCFTA protocols) to ease movement of people for work. International development programs should support safe, legal migration corridors and ensure migrants’ labour rights. The G20 should also fund dialogue platforms bringing youth delegates into climate and trade negotiations, so that African youth voices help shape the policies that affect them.

Debt and Fiscal Space for Decent Work



Source: Data from UNCTAD (2024), African Union (2025), IMF (2024)

Africa’s economic constraints are starkly visible in public finances. Sub-Saharan debt has surged, as of early 2025 total public debt exceeds 60% of GDP on average. Crucially, servicing this debt is crowding out essential spending. In many African countries debt service now consumes over 40% of government revenue, meaning there is little left for schools, clinics or job-creating infrastructure¹². ITUC-Africa reports that by 2024 African governments owed \$2.14 trillion, and seven countries were spending more on debt interest than on education, and 25 more on debt interest than on health¹³. These figures underline a brutal fact: millions of African lives and jobs are sacrificed to pay external creditors.

This untenable situation has sparked a movement. In August 2025, African unions led a Continental Debt Rally in Accra calling for debt cancellation and trade justice, Dignitaries including Ghana’s Finance Minister addressed workers and demanded an end to “neo-colonial” debt burdens. The AU’s May 2025 Debt Summit in Lome called debt a “stumbling block” to development and demanded cancellation of *odious debt*. African trade unions and civil society have thus explicitly linked debt relief to jobs and inclusion.

Trade Unions echo these demands and press the G20 to take them seriously. G20 governments, as shareholders of the IMF and World Bank and major bilateral lenders, have the power to reform the debt system. Any new “fiscal consolidation” prescriptions must exempt social and climate spending, as the AU has called for. Trade Unions urge the G20 to support a UN-backed Sovereign Debt Workout Mechanism that automatically halts debt servicing in crises and forces all creditors (public and private) to negotiate shared relief. The L20 Labour Ministers’ Statement similarly insists that

¹² UNDP. (2025, May). *Sub-Saharan Africa’s economic outlook 2025: Navigating uncertainty and aligning policy for sustainable recovery* [Policy Brief]. https://www.undp.org/sites/g/files/zskgke326/files/2025-05/implication_of_imf_ssa_outlook_april_2025_insights_2-1.pdf

¹³ ITUC-Africa. (2025, August 28). *ITUC-Africa Position Paper on Debt*. https://ituc-africa.org/IMG/pdf/ituc-africa_position_paper_on_debt_august_2025.pdf ITUC-AFRICA / CSI-AFRIQUE

G20 recognize “debt and employment [are] inextricably linked” and that austerity-driven cutbacks “*undermine job creation, erode labour rights, and deteriorate working conditions*”. In line with that, Trade Unions demand that debt sustainability frameworks exempt spending on education, health, social protection and climate resilience.

On the revenue side, African governments need room to maneuver. Informal economies shrink the tax base, limiting revenue (the average SSA tax/GDP is still below 16%). Unions support reforms that broaden taxation fairly, for example, tax on excess profits of multinationals, digital services and financial flows. Yet tax measures must be equitable. The UNDP emphasize progressive tax systems with transparency. Meanwhile, G20 financial institutions should provide grants and concessional finance to invest in Africa’s infrastructure and human capital without forcing austerity. International partners must also crack down on illicit financial outflows. Africa loses more in profit-shifting and capital flight (\$203 billion/year) than it receives in aid or remittances. Reforming global finance (tax cooperation, fair lending practices) is as vital as unilateral debt write-downs.

Expansionary fiscal space is the foundation of inclusive productivity and jobs. G20 policymakers must accept that debt relief and sound public finances are not giveaways to elites. They are investments in development justice. Trade Unions join the AU and L20 in demanding that the world’s economic leaders treat Africa’s budget lines for schools, clinics, energy and public jobs as sacrosanct, not optional.

Recommendations to the G20

Drawing on the above analysis, African trade unions propose the following key policy actions and demands for G20 leaders:

1. **Adopt Ambitious Job-creation Targets.** Trade Unions call on G20 governments to set clear decent job creation goals, especially for youth and women, and to integrate them into the G20 employment framework. These should include targets for formal-sector jobs (net of automation losses) in each country. Decent jobs must mean work that pays a living wage and respects rights. The L20 has insisted that living-wage targets and collective bargaining be part of employment plans. Governments should develop national jobs plans with full union input and align MDB investments and trade agreements to these plans.
2. **Invest in Productive, Climate-friendly Sectors.** G20 policy and development finance must prioritize labour-intensive green industries, infrastructure, renewable energy, sustainable agriculture, health and care services that offer both jobs and climate resilience. African industrialisation demands a switch from extractive exports to value-added manufacturing and a digital economy. Trade Unions urge G20 to support such public industrial strategies (grants, technology transfer, fair market access), as recommended on Africa Industrialisation Day and by ALREI briefs.
3. **Strengthen Labour Rights and Social Protection.** Trade unions demand that G20 endorses a new social contract for work. This means ratifying and enforcing core ILO conventions across G20 member countries (freedom of association, minimum wages, maternity protection, etc.). It means expanding

collective bargaining through extension mechanisms and better labour inspection. And it means establishing or scaling up universal social protection floors, especially in Africa, so that every worker (formal or informal) has at least health care, pension and unemployment safety nets. In practice, G20 should fund technical assistance and seed money for African social insurance schemes, as part of Covid/recovery finance or climate adaptation aid.

4. Embed Labour Standards in Trade Deals. Trade Unions insist that G20 backs enforceable labour provisions in all trade agreements affecting Africa. Specifically, Africa's trade liberalization (via AfCFTA or other deals) must integrate workers' rights clauses just as trade agreements include environmental clauses in the global north countries G20 should encourage the African Union to adopt a binding framework for labour in trade, and it should commit development aid to help implement compliance (for example, funding union capacity in trade hubs, or labour-market impact assessments for new deals). Additionally, the rest of the world should not deal with individual African countries in trade transactions but rather work through the AfCFTA for its effectiveness.
5. Support Youth Employment and Inclusion. The G20 must help fill the jobs gap for young people. Trade Unions call for a Global Youth Guarantee modelled on best practices, ensuring that every young person has access to training or a decent job within months of leaving school. Funding for this should be part of G20 concessional funding to Africa. Grants should not be loans of any form. G20 governments should also expand funds for TVET and digital-skills training, targeting sectors with growth potential (ICT, renewable energy, agritech). Moreover, Trade Unions urge G20 to uphold youth labour rights thus eliminate exploitative youth wage rates, fund apprenticeships with living stipends, and encourage unionization of young workers (e.g. in the gig economy). The L20 calls explicitly for public employment programmes and youth guarantees as key tools, and G20 endorsement would catalyse donor support.
6. Promote Migration and Mobility Rights. In line with African priorities, Trade Unions ask G20 to support the AU's *free movement protocols*. This includes pressuring donors to help harmonize skills recognition and border policies, so African youth can move to where jobs are while retaining labour rights. Trade Unions also urge G20 to oppose xenophobic migration policies in the Global North and to fund labour mobility programs that benefit sending countries.
7. Cancel Illegitimate Debt and Expand Financing for Africa. Above all, the G20 must act on debt justice. Unions demand that G20 endorse a one-time suspension and restructuring of African sovereign debt, especially for countries spending most of their budgets on interest. This should include debt service standstills in climate and health emergencies. Trade Unions support the AU's call to cancel *odious debt* that was contracted under corrupt or repressive regimes. Practically, Trade Unions call on G20 heads of state to mandate IMF/World Bank to speed up and simplify debt relief (through the Debt Service Suspension Initiative or a new mechanism), and to align all loans with the Sustainable Development Goals. On the revenue side, G20 members should provide technical support for African tax administrations, help curb illicit financial flows, and reorient IMF fiscal advice away from austerity and toward investment in jobs.
8. Ensure Climate Finance Includes Jobs: As climate change strikes Africa hardest, G20 climate funds (Green Climate Fund, Adaptation Fund, etc.) must

explicitly support the employment dimension of green policies. For example, Trade Unions ask G20 to create targeted financing windows for just-transition plans in Africa: money earmarked for retraining coal or oil workers, for expanding rural green enterprises, and for formalizing informal green jobs (e.g. waste collection, reforestation). These actions should be negotiated with African unions and community groups to maximize impact.

9. Affirm African Agency and Development Justice. Trade Unions stress that all G20 actions must respect African leadership. Decisions on trade, industrial strategy and fiscal policy should be African led. The G20 should collaborate with the AU and African civil society on rulemaking, rather than dictating from outside. In particular, Trade Unions welcome the AU's vision of a "New Social Contract" and call on G20 to align its economic agenda with Africa's development priorities (peace, job-rich growth, climate resilience). The L20 labour statement rightly notes the South African G20 Presidency (2025) must advance a "*more equal and just world of work*". Africa's unions stand ready to work with G20 to make that happen but it will require real shifts in power, not more conditionalities.

About ALREI

The Africa Labour Research and Education Institute (ALREI) is a semiautonomous Research and Education Institute of the African Regional Organization of the International Trade Union Confederation (ITUC-Africa). We support, stimulate and reinforce the Africa Trade Union movement. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the African Regional Organization of the International Trade Union Confederation or the ALREI. Neither the ITUC-Africa nor the ALREI can be held responsible for them.