

TUAC
117th Plenary Session
Paris, 4-5 December 2006

Item 6 of the revised agenda:

Assessment of G8 outcomes and next steps

(a) Outcome of 2006 G8 Meetings

1. The Saint-Petersburg G8 summit held in July 2006 focussed on the issues of energy security, education and health although it was also heavily dominated by the Middle East crisis. Important as these issues were, it was difficult to move the central, trade union concerns of decent work and core labour rights onto the agenda. TUAC worked closely with the ICFTU, EI and the Russian trade unions through the FNPR to prepare the trade union statement to the Summit and to prepare the trade union leaders meeting with President Putin held in Moscow on the eve of the summit, which was hosted by the FNPR. In the summit conclusions on economic issues, G8 leaders did not diverge from the optimistic conclusions of earlier IMF and OECD ministerial meetings. They concluded that, despite existing risks brought about by high and volatile energy prices, global imbalances and growing protectionism, the world's growth remained strong and had become more broadly based.

2. At the trade union leaders' meeting with President Putin the trade unions proposed that the "creation of decent work, workers' rights and the delivery of past commitments" be included as three transversal issues under each of the agenda items at the summit. President Putin gave a high-profile response and the G8 website published the trade union statement together with his commitment "to submit all of their proposals to the presidents and prime ministers at the forthcoming summit in Saint-Petersburg". From the organisational point of view the meeting with President Putin was a step forward – sufficient time was devoted to a serious discussion. However on substance, the reports and statements adopted by the G8 did not address the social dimension of globalisation or the problems and pressures it puts on the workers and the need for the creation of decent work. A link to the world of work exists in the conclusions on *Education for Innovative Societies in the 21st century* where the G8 leaders stated that "Our governments will promote dialogue and synergies with business, higher education and labour to develop sound higher education and human resource policies". The issue remained however of how this dialogue was to be implemented in a G8 framework.

3. The summit also adopted an update on Africa setting out the G8 commitments. These were in response to trade union and civil society pressure on the G8 to deliver on Gleneagles commitments. The TUAC evaluation of the summit outcome is available on the TUAC website.

4. G8 Ministers of Labour & Employment met on October 9 and 10, 2006, in Moscow on the theme “productive employment as key factor of economic growth and social integration”. They focused on how to create more and better jobs by improving the synergy between labour markets and social policy and strengthening lifelong learning. Consultations were held with international and Russian representatives of trade unions and employer associations on the first day of the meeting at which a trade union statement prepared by the TUAC was presented and discussed. Ministers emphasised the need to create more training and skills development programmes. They stated that “public policy should facilitate the development of partnerships among government, business, labour unions and non-profit sectors” and that “by stimulating investments in human resources, these social partnerships can facilitate more productive employment and sustained economic growth”.

5. After considerable negotiations the conclusions of the meeting drew attention to the importance of the social dimension of globalisation and the ILO decent work agenda as a component of a socially sustainable international development. They also reaffirmed their commitment to the core labour standards as defined in the 1998 ILO Declaration of Fundamental Principles and Rights at Work. This was welcome but TUAC commented that in order to assure credibility of the G8 process, decisive and concrete action had to follow.

(b) Preparation of trade union input to the G8 Labour and Employment Ministers’ Meeting (Dresden, 6-8 May 2007) and G8 German Economic Summit (Heiligendamm, 6-8 June 2007)

6. Discussions have already started on the agenda of Germany’s presidency of the G8 in 2007. A paper was presented to the German cabinet on 18th October, 2006 which set out the Presidency’s proposed agenda for Heiligendamm Summit on 6-8 June 2007. It is understood that this proposed two main themes:- “Investment, innovation, sustainability” and “African Development”. On the first item there would be a series of sub-themes:- 1) reducing global imbalances; 2) stability and transparency of financial markets (hedge fund regulation); 3) investment freedom and investment condition – including the social dimensions of globalisation; 4) innovation and intellectual property rights; 5) sustainable resource use, climate change and energy (also as a means of building a bridge to 2008 G8 in Japan that will focus on climate change). On African development the meeting would provide an element of continuity with the 2005 Gleneagles Summit and discuss:- good governance, development, peace and security, and strengthening health care systems and the fight against HIV-AIDS. Germany is expected to propose that each G8 country should sign a partnership agreement with an African country. It is expected that in addition to the G8 countries China, Brazil, India, Mexico and South Africa will be invited to parts of the summit discussions. The German Sherpa – State Secretary Pfaffenbach has been meeting with other G8 Sherpas and the first Sherpa’s meeting under the German Presidency will take place in early January 2007.

7. TUAC is working closely with the DGB to prepare the trade union input to the 2007 G8 Summit. The host of the Summit, Chancellor Merkel, has provisionally agreed with the DGB to meet with G8 and international trade union leaders the week before the summit (28 May-1 June) in Berlin. TUAC will be preparing the trade union statement for the meeting in close cooperation with the ITUC for adoption at the TUAC Plenary Session (provisionally scheduled for 14 May). With the DGB and the ITUC we will also be taking part in and preparing a statement for the Dresden Labour Ministerial meeting. Preliminary drafts of the statements will be available in April for advance advocacy work with the different G8 country

Sherpas. The DGB will be holding a series of briefing meetings in the coming months for its own affiliates to draw attention to the summit issues. The DGB will be organising in the weeks ahead a meeting with the German Sherpa. The DGB will also be organising a youth camp near Rostock for some 1500 trade unionists at the end of May - this will dovetail with the ITUC conference on decent work for youth that will be held shortly before the summit. Many affiliates and the ITUC will also be taking part in activities with NGOs under the banner of the Global Campaign against Poverty GCAP. Some NGOs will be taking part in an “alternative G8” in Rostock on 5-6 June.

8. The DGB President Michael Sommer has issued a joint statement with the President of the German SPD on their expectations regarding German Presidencies of both the EU and G8. It states: “In the context of the G8-Presidency we aim at progressing a socially fair and just globalization: A particular emphasis must be given to an intensified dialogue on the agenda of decent work as proposed by the International Labour Organization (ILO) in particular concerning ILO core labour standards. In order to achieve globalisation with a human face, global governance must be improved, in particular through implementation of a new set of rules regarding the functioning of international financial markets aiming to increase their stability and transparency.” Affiliates from other G8 countries have also been meeting with Sherpas to discuss G8 priorities for next year.

9. The Summit meeting will be preceded on 6-8 May 2007 by a meeting of G8 Labour and Employment Ministers in Dresden. This will be chaired by the German Vice-Chancellor and Labour and Economics Minister – Franz Münterfering. It is worth noting that the last G8 Labour Ministers meeting in Germany held in Stuttgart in December 2003 adopted positive language on employment and labour issues. The conclusions emphasised the need to take the social dimension of globalisation more seriously at the multilateral level. The G8 proposed creating “an inter-institutional dialogue forum consisting of ILO, UNCTAD, WTO, World Bank and IMF”. This was in addition to inter alia the enforcement of core labour standards, respect for the OECD Guidelines for Multinational Enterprises, the “internationalisation of labour relations” and encouragement of the OECD and ILO to work together on growth and employment. The German Labour Minister is organising a conference on “Globalisation with a human face – coherent policy for more decent work” in Berlin on 22-23 November 2006. However, the link between the Labour Ministers’ meeting and the G8 Summit remains at the moment unclear.

10. The German Presidency therefore may give an opportunity to return to these issues and advance central trade union objectives concerning the social dimension of globalisation. The Plenary Session is invited to discuss trade union objectives. Building on the past meetings the following would seem to be both significant and obtainable:-

- Mainstreaming the creation of decent work and implementation of core labour standards in the discussion of global growth and in the treatment of African development;
- Introducing employment creation into the discussion of economic imbalances;
- Operationalising the commitments to the involvement of labour that came out of the Russian summit meetings;
- Ensuring delivery of the Gleneagles commitments on Africa, Aids and climate change;
- Moving forward the agenda for financial market regulation and control of hedge funds;
- Strengthening instruments to control MNEs such as the OECD Guidelines.

c) *Linkage with OECD Ministerial Council (Paris 15-16 May 2007)*

11. The OECD Ministerial Council meeting to be chaired by the Spanish Minister for Economy and Finance, Pedro Solbes, will take place in Paris on 15-16 May 2007 and the associated OECD Forum on 14-15 May. The tentative theme is “OECD’s new agenda: innovation, growth, equity” and is designed to provide policy back up to the G8 discussions. It is understood that the provisional agenda covers:-

- 1) Presentation of Economic Outlook
- 2) a) “Innovation and Growth”
 - Economic security and “patriotism”
 - Intellectual property rights (IPR)
 - Business environment
- b) “Distributing the benefits”
 - Labour adjustment
 - Education and training
- 3) Closed session – enlargement of OECD
- 4) Trade Ministers session
- 5) Conclusions by the Chair

12. TUAC and BIAC are to have consultations with Ministers on the evening of the 14th May and have both asked to have the opportunity to address the meeting directly under agenda item 2. The OECD meeting also therefore provides an opportunity to advance the social agenda of globalisation and it is envisaged that the TUAC statement will be directed at both the Ministerial meeting and G8 Summit.

d) *Conclusions*

13. The Plenary Session is invited to discuss the above and in particular the trade union objectives for the G8 meetings set out in paragraph 10. Affiliates from G8 countries are also invited to give information on contacts that they may already have with their government Sherpas.