

# OUTCOME OF G8 LABOUR AND EMPLOYMENT MINISTERS MEETING NIIGATA, 11-13 May 2008

#### **TUAC EVALUATION**

### Overview

- 1. Trade union concerns did eventually force their way on to the agenda of the G8 Labour Ministers meeting in Niigata on 11-13 May through the consultations with the social partners and are in part reflected in the Chair's conclusions. The impact on jobs of the growing economic crisis, rising inequality and the growth in precarious jobs were eventually discussed by G8 Labour Ministers although these issues were not originally on their agenda.
- 2. The conclusions of the Ministers often point in the right direction but are couched in general terms and weak language that sounds aspirational rather than concrete. This leaves doubt about the follow-up and implementation of commitments. The new issue addressed by ministers is the interrelation between the environment and climate change here issues of "green job creation" and workplace action are raised and the Niigata "global balance principle" that reflects them is to be presented to the G8 leaders meeting at Hokkaido in July. The Chair of the meeting Minister Masuzoe of Japan said "Our societies are faced with negative aspects of globalisation, and [...] we need to closely cooperate to ensure our labour market systems operate in a smooth and orderly manner." He went on to say "I hope to show our determination to tackle climate change forum a labour perspective from here in Niigata to the world."
- 3. Behind the calm language however divergence of view did appear between the "Anglo-Saxon" countries the US, UK and Canada, often supported by Russia who promoted markets as the solution to most issues and Germany, France, Italy and the European Commission who urged greater government action for creating decent work and linking environment and labour strategies. The outcome is clearly a compromise.
- 4. The official theme of the meeting was "Seeking the Best Balance for a Resilient and Sustainable Society". The Conference was part of this year's cycle of G8 meetings chaired by Japan leading up to the G8 Hokkaido Toyako Summit in July. Trade union and business delegations coordinated by TUAC (on behalf of global unions) and BIAC took part in the first afternoon session of the conference and submitted written statements.
- 5. Moving forward on these issues will require unions in the G8 countries and the Global Unions to follow up the key points both with regard to green jobs and workplace and on rising global inequality in the run up to the G8 Hokkaido Summit and beyond.

# **Trade union objectives**

- 6. The G8 Ministers' official agenda covered three themes:
- Work-life balance in the context of longer life expectancy;
- The contribution of labour market and employment policies to assisting vulnerable groups of workers and addressing regional inequality and underdevelopment;
- The contribution of the G8 members to the challenges to global sustainability
- 7. The trade union statement and interventions at the Conference covered these issues but in addition sought to raise the union concerns at the deteriorating economic situation and its impact on employment and to mainstream the issue of growing inequality as a concern in the Ministers' discussions. A central issue for unions was also ensuring follow-up to the advances made at the 2007 G8 Dresden Labour Ministers' meeting and Heiligendamm Summit.
- 8. The trade union interventions at social partners' consultation session held on 10 May emphasised six priorities in particular:
- The need for clear message on the importance of social issues to come from Labour Ministers to the G8 Hokkaido Summit which would be reinforced by the trade unions who would be meeting the Chair of the G8 Summit Prime Minister Fukuda in Tokyo immediately after the Ministers' meeting;
- Ensuring that Labour Ministers acted as a voice in governments advocating coordinated action to counter the economic crises and ensuring future better regulation of capital markets that sparked the current financial crisis;
- Taking action to counter growing inequality throughout the G8 countries, including the decline in the share of wages in national income and the rise in irregular and unprotected work as seen so clearly in Japan in part through the promotion of "equity audits" in all areas of government policy;
- The need for individual workers to be protected and given choice on work-life balance and flexible forms of working through collective rights and labour protection;
- The need to turn the challenges of countering climate change into an opportunity for job creation and sustainable development through the creation of green jobs and engagement of mechanisms for consultation and joint action with the social partners on national climate change strategies;
- Building on the progress that was made at the Dresden Labour Ministers meeting on 2007 particularly with regard to the social dimension of globalisation and defining a more effective approach to corporate responsibility and accountability through an effective reporting back mechanism to the 2009 G8 meetings in Italy.

# The Chair's conclusions

9. The Chair's conclusions fall short of realising these objectives, but did take on board some points as a result of the consultation session and union statements. In their discussions Ministers agreed that "the reduction of wages' participation in national income in some countries needs to be addressed" as well as action "addressing income disparities". They refer to the Dresden meeting's conclusions at various points and hope that their work "will strengthen the social dimension of globalisation". They also agreed that "the current economic slowdown and financial instability are matters of concern with regard to the possible negative

impact on employment" and that governments have "the responsibility of working together" to combat this.

- 10. With regard to an increasing life expectancy and in order to enable people to enjoy fulfilling lives and achieve their full human potential, Ministers agreed that employment and labour market policies should:
- Promote a better work-life balance;
- Improve compliance with occupational safety and health laws and regulations, and improve awareness and knowledge of job-related stress and other occupational health and safety issues;
- Facilitate effective lifelong employability and adaptability to change, including through career counselling opportunities, career development, skills upgrading and lifelong learning;
- Reduce gender-related barriers and provide equal opportunities for all workers;
- Support vulnerable workers and economic development in depressed areas.
- 11. Ministers also highlighted that governments should work with the social partners and other stakeholders in order to create an environment and conditions that contribute to regional economic growth, high employment, and broadly-shared prosperity. In order to promote participation in the labour market, Ministers noted that active labour market policies, well-designed unemployment benefits systems and public employment services, as well as effective lifelong learning policies are indispensable prerequisites.
- 12 The "new" issue treated in the conclusions compared with previous meetings is the focus on the link between environmental issues and climate change and employment and workplace issues. This represents the core of the "global balance principle" that the ministers addressed to the Hokkaido Summit. Moreover, Ministers declared their intent to contribute to addressing employment and social challenges arising from environmental concerns and issues in order to realise a resilient and sustainable society.
- 13. In order to address the employment and social challenges related to environmental concerns, in particular climate change, Ministers considered the following policies as necessary:
- Assessing possible impacts of environmental change and policy responses on labour markets;
- Helping displaced workers from affected industries make a transition to new jobs;
- Encouraging skills development that responds to environmentally-friendly innovations and industrial changes;
- Promoting environmentally-friendly ways of working by adjusting to new patterns of natural resource use and conservation in workplaces.
- 14. With regard to climate change, Ministers also noted "the interesting and potentially valuable work of the ILO in its Green Jobs Initiative; it's an initiative which proposes a coherent, tripartite way of addressing these challenges". The language from Dresden on the importance of creating decent work was reintroduced into the conclusions having been removed from earlier versions. Likewise, they also recalled the importance of social protection in combating poverty and promoting economic and social development. It was in

this context that they took note of the ILO initiatives to promote basic social security systems in developing countries and emerging economies.

15 While Ministers welcomed the offer of the Italian government to host the next G8 Labour and Employment Ministers Meeting in 2009, they failed to agree on a proposal endorsed by the Italian government and trade unions to have reporting back at the next G8 on the implementation of previously made commitments. Instead they welcomed the Italian "offer to consider possible follow-up".