



Labour 7 Statement to the G7 Leaders' Summit 2022

Shaping the Global Common Good Peace and Democracy, Climate Action, Health, Fair Digitalisation

"...universal and lasting peace can be established only if it is based upon social justice..."
ILO Constitution, Philadelphia, 10 May 1944

"...social development and social justice are indispensable for the achievement and maintenance of peace and security within and among our nations. In turn, social development and social justice cannot be attained in the absence of peace and security or in the absence of respect for all human rights and fundamental freedoms."
UN Declaration on Social Development, Copenhagen, 14 March 1995

"Peace is not everything, but everything is nothing without peace"
Willy Brandt, Nobel Peace Prize Laureate

We strongly condemn Russia's aggressive war against Ukraine and call upon the Russian Federation to immediately and unconditionally commit to an armistice agreement, withdraw its troops from Ukraine, end the suffering it is inflicting on the people of Ukraine, as well as refrain from any further unlawful threat or use of force against any other sovereign state and take the path of peaceful resolution consistent with the UN Charter and international law.

We call on G7 Leaders to **contribute to a peaceful solution** in line with the United Nations Charter. All states should provide protection to all refugees displaced due to conflict and other asylum seekers fleeing threats to their lives. We are concerned about the conflict's impacts, including on key commodities and supply chains, and we urge the G7 Leaders to do everything it takes to ensure food security, market and financial stability.

We welcome the G7 Presidency's commitment to sustainability, economic transformation, investment in health and infrastructure, and building inclusive democracies.

We share the emphasis on **multilateral cooperation and cohesion in and between countries**. Current multilateral efforts are insufficient to address the seriousness of climate change, injustice, inequality, and geopolitical tensions. Strong global governance would help deliver social justice,

decent work, and social cohesion. To this end, implementing the 2030 Agenda and the Paris Agreement, delivering on prior commitments to full employment, and protecting human rights and international labour law, should be G7 priorities.

Among other goals, we particularly welcome G7 work to scale up **just transition** and sustainable **financing for climate action**; to create **high-quality jobs**; to **invest in care**, and a **global social protection fund** to support the poorest countries; to make progress on an international, binding standard for human rights **due diligence** to guarantee **decent work in supply chains**; to ensure **equal pay**; to protect and strengthen **freedoms, rights and democracy**.

Social and economic recovery and resilience can only be ensured through a **New Social Contract** that guarantees full employment, labour protection, socially acceptable living wages, universal social protection, the creation of high-quality jobs, respect for human rights, and an ambitious Just Transition to a zero-carbon economy.

Financial stability, financing development, tax justice

Global finance should not impede shared prosperity. To this end, the G7 should **re-regulate the financial sector to curb speculation and asset bubbles**, and protect people's savings from potential risks. Surging corporate debts have fuelled share buy-backs and skyrocketing stock markets, while the level of job-creating, productive investment remains low. These imbalances need to be rectified. Further to these, monetary policy tightening and the Ukraine crisis are exposing financial vulnerabilities that must be addressed urgently.

We welcome the establishment of a **global minimum corporate tax rate** and the Presidency's focus on increasing developing countries' capacity to implement it. The recent G20/OECD Inclusive Framework on Base Erosion and Profit Shifting is a step in the right direction; however, the agreed minimum corporate tax rate of 15% is too low and needs to be increased to avoid a race to the bottom in corporate taxation. The G7 work to eliminate tax avoidance and evasion is crucial and must be scaled up, and tools need to become available to developing countries to recover illicit financial flows. In addition, we call for the introduction of new forms of taxation to reduce wealth inequality and curb speculation, particularly wealth taxes and a Financial Transactions Tax, and fair and progressive taxation.

Many low-income and developing countries' financial stability is under threat. The G7 should avert a debt crisis, including by **scaling up the Common Framework for Debt Treatment** and **establishing a global debt restructuring mechanism**. All countries need public investment to stitch the scarring effects of the pandemic, support quality public services, and ensure just transitions. These priorities should not compete with the repayment of high debt levels. In addition, insolvent corporations should be treated in a manner that reduces wealth inequality, while affected workers' income should be guaranteed.

Among other actions to **finance development**, the G7 should re-channel high levels of their Special Drawing Rights to support jobs, health, and recovery in developing countries.

Labour standards conditions and requirements in public investment and public procurement have great potential to raise standards and transform economies. We call for labour performance requirements in all G7 public spending, including in infrastructure projects, COVID recovery plans, and just transition plans.

Just Transition and climate action

Without delay, the G7 countries should lead by example and **include just transition criteria in their Nationally Determined Contributions (NDCs)**, including job plans and the commitment of public investment, quality public skills development, social protection, supportive measures such as training and income support schemes, and trade union representation. **The Global Climate Club** could add value to existing efforts by, among other goals, increasing knowledge transfer and furthering joint research and development of new and emerging technologies.

We welcome the intention to support countries that implement ambitious climate protection. The G7 leaders should deliver on the long-overdue Copenhagen commitment to raise **USD 100 billion each year supporting developing countries' mitigation** efforts. Further, establishing a financial mechanism for Loss and Damage is needed in 2022.

A Global Social Protection Fund

Progress in financing the extension and expansion of social protection globally is vital for millions of people in low-income countries. Countries with better levels of social protection cushioned the crisis and have recovered faster. **A Global Social Protection Fund** would assist the world's poorest countries in establishing social protection systems that, with capacity building, become sustainably financed.

Occupational safety and health

The pandemic foregrounded **massive occupational safety and health gaps** and their linkage to the loss of workers' lives and incomes. Every year, at least three million people worldwide die from work-related injuries and diseases – in addition to those dying from the pandemic. In 2020 and 2021, inadequate OHS and prevention measures further contributed to the loss of 1.5 billion work hours and disruptions to supply chains that, to date, are yet to be redressed. The G7 should support the inclusion of **OHS in the ILO's Fundamental Principles and Rights at Work** in 2022 and the universal ratification and implementation of core OHS conventions.

Global trade

We welcome the Presidency's goal to seek common grounds on **internationally accepted, binding human rights due diligence standards**. The G7 should cooperate toward an ILO Convention on Decent Work in Global Supply Chains, support the UN negotiations on the Binding Treaty on Transnational Corporations and Other Business Enterprises, and incorporate the UN Guiding Principles into national law and operationalise them.

All possible WTO initiatives, including the tabled TRIPS Waiver, need to be considered to **achieve universal and equal access to vaccines to end the pandemic** everywhere in the world. The G7 needs to scale up support for the COVAX initiative and accelerate technology transfer to scale up the production of vaccines and COVID-related medical equipment in the Global South.

In the WTO Reform process, the G7 should promote **a trade agenda that puts development, sustainability, and human rights first**. So far, the G7 countries have not ensured respect for human rights as a pre-condition for trade deals, and a race to the bottom has ensued. Policies of trade liberalisation and footloose capital have increased job insecurity and the risk of exploitation—the G7 need to turn around on these policies.

Digitalisation

The current **digital order supported by the G7** in the WTO e-commerce negotiations has led to unprecedented market power concentration and contributes to wealth inequality. It undermines democracies and exacerbates political violence and social fractures. It is heavy on surveillance, unprotected work, and algorithmic injustice. The unregulated flow of data impedes the effective implementation of data protection rights and appropriate controls on the widespread use of surveillance and algorithmic decision making. Given the actual and potential impacts of algorithmic systems on

workers, workers must have the right to challenge actions and decisions based solely or partially on these systems.

A G7 agreement to reinforce the current digital order would prevent developing countries from participating meaningfully in its negotiation and benefiting from digitalisation in the long term. We urge the G7 to **put people first and pursue a digitalisation agenda that benefits all**, as well as contributes to bridging the digital divide. To deliver on the Presidency's focus on democratic and human rights, the G7 should abstain from promoting an exclusive digital order and engage in global negotiations on regulating the digital space in appropriate institutions. The G7 work on digitalisation should be guided by the OECD General Principles on Artificial Intelligence and the UNESCO AI Principles and ensure that digital transformations promote human rights, respect the rule of law, and democratic values.

Democratic rights

We welcome and support the intention to **upgrade the Employment Task Force into a permanent G7 process** with the continuous involvement of social partners, including its G20 OSH Network.

We share the concerns regarding increasing social and economic inequalities that fundamentally undermine confidence in democracy. Dark money and the overpowering dominance of corporate money in national elections also undermine citizens' trust and the resilience of our democracies. We welcome the Presidency's emphasis on **human and democratic rights**, social and cultural participation, gender equality, and freedom of assembly, and we support strengthening work to increase the inclusion of disenfranchised groups.

Unions are ready to stand in defence of democracy. However, law and practice in G7 countries often undermines and impedes union growth, including by allowing and tolerating union-busting. **To guarantee democracy in the coming years and decades, the G7 countries should remove obstacles to, protect, and actively promote organising and collective bargaining, including the right to strike.**

In the ILO Constitution, the world recognised social justice as a foundation for peace. The G7 should do their part in guaranteeing social justice, equality and prosperity for all, including for those in non-G7 countries and support the ILO to fulfil its mission. It is fundamental to ensuring shared prosperity and enduring peace.