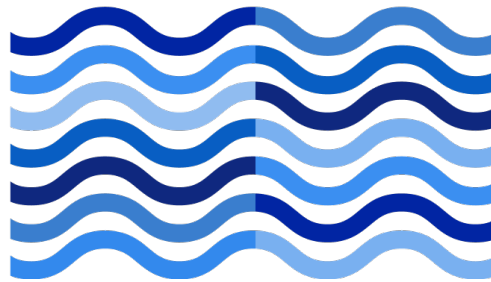


L7

United Kingdom 2021



LABOUR 7 (L7) Key Priorities for the G7 Presidency in 2021

26 February 2021

In April 2020, the Labour 7 had called on the G7 to lead on a coordinated response to the rapid and wide spread of the SARS-CoV-2 virus and support international cooperation and coordination together with the G20. The G7 failed to meet expectations and was largely absent in the global fight against the pandemic and the ensuing economic crisis around us. Under the British presidency, the G7 can resume its responsibilities to devise action plans and tackle the root causes of the economic downturn – together with social partners. It should do so also in anticipation of the COP26.

The crisis, our societies are facing today, is multi-layered and unprecedented. Many governments have been quick to respond and deploy emergency measures to protect workers, families and the economy in the short term. All workers continue to be exposed to enormous risks, not only in the frontlines of healthcare, but in protecting our food security and providing other vital services. The G7 must be a moment for leaders to express not only their gratitude, but to recognize the value of these jobs, by committing to improve working conditions, increase pay, and increase public investment into health care, education, broader public services and research. Higher wages would contribute to aggregate demand, hence growth and ultimately resilience.

The challenges for the international community are immense. It needs to redouble efforts to fight against the pandemic, while working collectively to pave the way towards a sustainable recovery and resilience firmly based on democratic values, social justice and a New Social Contract. It is about rebuilding economies and societies with the ambition to fight inequalities and climate change. Multilateral coordination and a collective move towards a new model of growth has never been more important. It is about global value

chains governed by labour rights and mandated due diligence. The International Labour Organisation (ILO) standards on decent work and the UN Guiding Principles on Business and Human Rights should serve as foundations.

The UK has set out an ambitious agenda for the G7 Presidency this year:

- Protecting people's health and strengthening our resilience
- Tackling climate change, and protecting our planet
- Promoting our future prosperity and championing free and fair trade
- Championing global action and supporting our democratic values

We welcome this agenda but believe that it can go further than that. It has to build on past G7 achievements including the G7 tripartite declaration (2019) and work on global supply chains. The L7 calls on G7 governments to involve social partners in their discussions and to raise the ambition of what this year's presidency can deliver along its four goals:

“Championing global action and supporting our democratic values”

The G7 must stand firm on rule of law principles and human rights, within its societies and by making a strong call on labour rights worldwide, including along global value chains. In particular:

- The G7 should recognise that social dialogue and collective bargaining are at the heart of democratic values, underpinned by ILO conventions 87 and 98 that in itself should be promoted, and recognise that without workplace democracy we will continue to see a decline in democratic participation.
- Anti-racist and anti-discrimination policies must become part of the G7 agenda in light of long-term discrimination, recent scandals and the mass protests that have swept across G7 societies and beyond. Workplace democracy and collective bargaining in particular are fundamental tools in the fight against racial injustice in the economy and in tackling discriminations on the grounds of gender, race, against LGBTQ+ communities, migrants and refugees, and people with disabilities.

“Protecting people's health and strengthening our resilience”

The G7 should step up international cooperation on the pandemic including on scientific cooperation, on manufacturing and distribution of vaccines and testing, medical supplies and assistance – to ensure they are available to all. The G7 should support the WHO and WTO leaderships, reject vaccine nationalism, and work with other forums, including the G20, the OECD and UN organisations. Exiting the crisis has to go hand in hand with rebuilding public health systems and not going back to austerity. The G7 should in particular:

- Formally recognise Covid-19 as an occupational disease and take all necessary steps to safeguard the health of all workers including a safe return to the workplace and to provide adequate personal protective equipment and training.

- Recognise Occupational Health and Safety (OHS) as a fundamental right at work and the implementation of core ILO occupational health and safety conventions as a key element of just trade agreements and ethical global supply chains.
- Extend or maintain decently paid sick and care leave to all workers as we fight the pandemic.
- Commit to public investments into the health sector to improve its resilience and working conditions, and support developing countries in the same endeavour through international cooperation.
- Ensure free, transparent and universal access to vaccines, testing, and treatment (globally through WHO leadership and through WTO suspension of TRIPS and the prevention of trade barriers) and in doing so, prevent a north-south divide. The public good must prevail over the interests of big pharmaceutical corporations or of financial speculation – corporate accountability will be essential and vaccine contracts must be published.
- Support international efforts for debt suspension and reduction, and the creation of new sources of finance for developing countries. This must include donating proceeds from a new allocation of IMF Special Drawing Rights to IMF trust funds supporting developing countries and ODA (sustained at or above 0.7 per cent) with a specific focus on food security without obligations to pursue structural reforms.
- Work with the G20 on building universal social protection systems, including towards the establishment of a Global Social Protection Fund that would allow free and universal access to public medical and health services.
- Guarantee that migrants have universal and free access to treatment and vaccines regardless of their migratory status.

“Promoting our future prosperity”

To safeguard jobs and incomes in the short-term and create the conditions for a gradual recovery and more resilient economies, G7 governments should:

- Prolong or extend crisis support measures, including short-term work schemes, job retention schemes and income support as long as needed, and target social groups hit hardest by the crisis with direct income support and measures that reduce household costs (low-income, non-standard workers, self-employed, women, youth, migrants and refugees).
- Move to coordinated stimulus recovery plans that create quality jobs (incl. in the public sector and in climate friendly occupations) and invest in active labour market policies (incl. expanded public employment and career guidance services and universally accessible training, and apprenticeships).
- Work towards a G20 Inclusive Framework on Base Erosion and Profit Shifting agreement on the tax challenges of digitalisation in 2021, including a robust minimum tax floor to halt the mutually destructive tax race to the bottom and promote a better redistribution of wealth and more public investments via fairer and more progressive taxation systems including with a tax on excessive profits.

- Tackle income and wealth inequalities through fair labour market outcomes by strengthening labour market institutions (incl. minimum wages and collective bargaining) and, reverse structural reforms that allowed for the proliferation of precarious work, including of platform work.
- Address gender inequalities, including pay and pension gaps, women’s segregation and exclusion from the labour market, the lack of valorisation of informal care work and of work-life balance. To this end, invite the L7 to the G7 Gender Council. The G7 must continue efforts for the empowerment, including economic empowerment, of women and girls.
- Support young people, touched heavily by the crisis, in the transition from education to the labour market through additional training and job creation programmes.
- Set out plans for tackling racial injustice, including better measures to monitor racial disparities in the work place including via mandatory ethnicity pay gap reporting.
- Put the fair trade and responsible business conduct (RBC) agenda back on the G7 radar and strengthen existing international instruments that promote labour rights and mandated due diligence with enforceable labour and environmental standards in trade and investment treaties and agreements.
- Follow on the G7 declaration with international institutions, including the ILO, the OECD and the IMF and encourage collaboration, policy coherence and multilateral responses to the crisis. Specifically, empower the ILO as the standard setter on employment matters.

“Tackling climate change, and protecting our planet”

The G7 should provide leadership to move towards a longer-term vision, re-think the current model of growth and base it on social justice. It should strive to implement the Paris Climate Agreement with a view to the COP26 and:

- Create quality jobs via climate friendly employment plans and just transition strategies designed with social partners that ensure protection and training for those working in high carbon industries;
- Include quality job creation objectives and Just Transition policies and measures in the enhanced NDCs (Nationally Determined Contributions) of G7 members.
- Enhance green infrastructure spending – and thereby apply a regional and community lens;
- Foster G7 coordination on industrial policies that lead to more inclusive and green economies, and that close digital divides through targeted public investments and procurement;
- Support developing countries affected by climate change/ climate migration.

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| <p>The L7 represents national trade union centres from G7 countries. This year, it is coordinated by the Trades Union Congress (TUC), the International Trade Union Confederation (ITUC) and the Trade Union Advisory Committee to the OECD (TUAC).</p> |
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