



Canadian Labour Congress

Congrès du travail du Canada

## **L7 Evaluation of the Outcomes of the G7 Innovation and Employment**

### **Ministerial Meeting**

*Montréal, 27-28 March 2018*

The G7 Innovation and Employment Ministers met in Montréal on 27 and 28 March. The L7 welcomed the cluster approach towards building a joint understanding on how to reconcile the goals of innovation and quality job creation. It is needed and the Canadian presidency set a good precedent for future discussions on these themes.

#### **Trade Union Involvement**

The L7 was invited to parts of the Employment Ministerial and the joint Ministerial session together with the Business7 (B7) and other outreach groups. Amongst other, the L7 had the opportunity to intervene on “Preparing for jobs of the future and the importance of partnerships”, “Women and the future of work” and “How governments can prepare their people for the jobs of the future”. The Chairs’ Summary of the meeting recognises “*the importance of social dialogue, [and] appreciated the input of key stakeholders*”.

The [L7 statement](#) had set out core demands including a Ministerial outcome firmly based on Just Transition principles to ensure that workers are not paying the cost of adjustment to the decarbonisation and digitalisation of economies.

During the joint Ministerial session, participants seemed to agree on challenges. However, it was apparent that several topics – such as AI or industrial strategies – were tackled without labour standards, the quality of jobs and the involvement of trade unions in standard setting and planning in mind. The L7 emphasised the need to design just transition plans that include both standards for a responsible and sustainable deployment and diffusion of new technologies, and active employment policies, labour standards and investments in infrastructure, the care and the

green economy to spur quality job creation. Most Digital and Innovation agendas run in parallel to Industry 4.0 and FoW discussions – and trade unions are rarely involved on the former. Therefore, the L7 called for social dialogue and collective bargaining to be endorsed as key mechanisms in transition frameworks.

Trade unions at the meeting also highlighted the need for regulatory action to prevent the spread of non-standard forms of work in the online platform economy. The L7 welcomed the underlying theme of gender equality and the ongoing discussions in the G7 Gender Equality Advisory Council – which would benefit from consultations and a direct implication of trade union representatives. The L7 statement had called on Ministers to deliver “*a comprehensive agreement on closing the gender pay gap as an extension of the G20 25 by 25 target*”.

## **Main Outcomes**

The Ministerial concluded with a **Chairs’ Summary** (<https://g7.gc.ca/en/g7-presidency/themes/preparing-jobs-future/g7-ministerial-meeting/chairs-summary/>), which commits to fostering dialogue with ‘labour organisations’ and sets out to support “*all segments of their diverse workforce to adapt and transition to the new economy, while meeting industry’s demand for skilled workers*”. The joint outcomes remain general and the Summary is subdivided in the employment and innovation tracks.

The **Employment Ministerial** (see Annex A <https://g7.gc.ca/en/g7-presidency/themes/preparing-jobs-future/g7-ministerial-meeting/chairs-summary/annex-a/>) has several outcomes: a “time-limited” **Employment Task Force**, the launch of the G7 Future of Work Forum (a web platform for exchange of best practices), Canada’s commitment to organise a domestic conference on the Future of Work and further objectives for the Gender Council. Ministers endorsed some of the L7 key issues by agreeing: “*to foster a dialogue among governments, social partners, private sector, and educational institutions to identify proactive measures to support workers through adaptation and transition to the jobs of the future and to foster good quality work environments, including within the digital platform economy.*”

However, upon a closer look the **Task Force** is set to look into “*how governments can adjust labour market programs, modernise labour standards and social protection systems*” and the statement sets out to find ways to support workers in “different” forms of employment. The

main omission here is insufficient acknowledgment of the need to strengthen existing labour market institutions and to apply regulatory and labour standards before reviewing existing systems. While discussing transitions, the text does not refer to “just transitions” in contrast to the outcomes of the Italian G7 presidency. The main proposals for transitions by the G7 focus on reviewing social protection and training systems. The support for “*apprenticeship and training opportunities and adult upskilling programs*” is welcome but is not enough and does not address financing and governance challenges. At the meeting however there were proactive exchanges on best practices. On a positive note, the Ministers call to close data gaps by engaging with the private sector, amongst other on the platform economy and gender pay gaps.

On **Gender**, Ministers committed to take steps to “*to address violence and harassment in the workplace, in order to create safe workspaces*”, boost the labour market participation, equal rights and the work life balance of women and acknowledge the need for pay equity – which are in line with L7 priorities. However, the Summary, while striking the right tone, falls short by focussing on STEM skills and leadership roles. Instead, the L7 called on for the endorsement of more concrete measures such as quotas, minimum wages, investments in the care sector, provisions for maternity and paternity leave, mobile work, and measures against informal work.

The **Innovation Ministers** in their separate meeting focussed on approaches “*to improve firm competitiveness, stimulate innovation and remove barriers to labour force participation*”. They were tackling a diverse set of technologies – which is positive – notably robotics, AI, big data analytics, blockchain and clean technologies. The Summary calls for ‘efficient regulatory environments’ and the statement on Artificial Intelligence (AI) for the “*removal of unjustifiable administrative and regulatory barriers for applied AI*”. Thus the overall tenor seems to go into the direction of enabling diffusion and lifting barriers for businesses paired with enhancing skills. Instead more on the necessity to ‘shape’ the digital transformation, setting new or applying existing standards and regulations and making use of industrial relations would have provided a greater balance. Following the joint meeting and trade union inputs, it would be good to see comprehensive discussions on the transformation of sectors, investment needs and occupational tasks in the near future.

The **Statement on AI** (<https://g7.gc.ca/en/g7-presidency/themes/preparing-jobs-future/g7-ministerial-meeting/chairs-summary/annex-b/>) – the only statement of the meeting – endorses a human-centric approach, which is welcome. It also re-affirms G7 statements from 2017 and

the OECD’s Cancun Declaration from 2016 – that all include the need to consult social partners. This statement despite a strong emphasis on involving stakeholders does not refer to trade unions or social dialogue. The text sets out the right provisions on safety and reliability, bias and misuse, privacy and data protection, and the accountability of AI systems. It is unclear if the endorsement of industry-led processes on safety and design would also apply to technological agreements and organisational change led by social partners. Moreover, it “*supports industry-led voluntary international technical standards, developed in an open, transparent and consensus-based manner and in market-led approaches to promote interoperability.*” This is a departure from considerations to foster public dialogue processes – with the valuable involvement of the technical community – and indirectly lets the very few leading firms steer AI diffusion. As its main outcome, the Ministerial announced a **multi-stakeholder conference** on AI, to be hosted in the fall with a working group supporting its preparations.

### **Follow-up**

Going forward, the L7 will pursue an active participation in the new G7 Employment Task Force, contribute to the G7 FoW Forum and strive to be involved in the Conference on AI. Especially since the Task Force will “*exchange ideas on how forms of collective representation respond to the changing nature of work*”, trade unions need to be involved from the beginning. Trade union inputs to the Gender Equality Advisory Council should also be encouraged as it will look into practices to close the wage gap – as called for by the L7. As Canada takes the lead to organise a domestic conference on the FoW with amongst other trade unions and encourages other G7 governments to follow the same approach, L7 unions will engage if possible.

Based on the outcomes of this meeting and looking forward to the Leaders’ Summit in June as well as to other cluster Ministerials, the L7 is discussing priorities during their meeting with the Canadian Government on 4-5 April in Ottawa.