L7 Key Demands for the French G7 Presidency

Paris, 6 June 2019

The G7 under French Presidency in 2019 is set out to address different dimensions of inequalities. In doing so, it can bring a collective vision to help reframe global governance and develop a policy agenda to effectively address them. The Labour 7 calls on the G7 to commit to a new social contract founded on social dialogue and tripartite agreements and beyond, towards a more inclusive and sustainable economic growth model.

To reverse the long-term increase in inequalities, collective bargaining needs to be strengthened

In a context of high economic and social inequalities, shrinking middle classes and concomitantly the rise of precarious jobs and non-standard forms of work, the strengthening of bargaining power of the working people should be at the centre of G7 priorities.

The G7 should stand against the systematic reduction in scope and coverage of collective bargaining and take firm commitments to promote social dialogue, human rights and labour standards, social protection floors and endorse the principle of a Universal Labour Guarantee as advocated by the recent ILO Commission on the Future of Work.

A coordinated fiscal policy package is urgently needed

The G7 should urgently propose and call for other international forums, including the G20, the OECD and the IMF, to coordinate towards a robust fiscal-policy package to prevent the current slowdown from turning into a full-fledged crisis. This package should help gear up public investment and public services, into low-carbon, more digitalised economies, the care economy and public education and training systems, and towards less pronounced regional divides and the inclusion of vulnerable groups and migrants into our societies.

Tackling gender equality with concrete measures

The G7 needs to agree on an ambitious set of policies towards gender equality and women's empowerment, including effective measures to: end violence and harassment against women, close the gender pay gap, increase labour force participation and job security, while decreasing labour market segregation for women. This needs to be done with the right mix of transparency measures, work-life balance and leave arrangements, and training incentives and in particular to enter studies focussed on STEM (Science, Technology, Engineering and Maths).

The L7 supports the ambition to create a Partnership for Gender Equality and encourages to involve trade unions and workers representatives on the G7 Gender Equality Advisory Council.

Devise Just Transition plans to low-carbon and digitalised economies.

The "Just Transition" framework is an internationally recognised mechanism in climate change agreements. It should extend to digital change and include universal social-protection systems, active labour market policies, strong labour market institutions, training systems for adult learning, industrial policies and investment plans.

The G7 should endorse "Just Transition" as a policy goal to ensure that workers are not paying the cost of the adjustment to decarbonisation, digitalisation and the shifts in production and services technologies.

New rules for the digital economy

Digitalisation offers many opportunities for growth and well-being, but also a number of downside risks. Regulatory gaps created by the disruptive business models of the digital economy are multiple and need to be addressed regarding employment legislation, taxation, competition, privacy and citizen's rights.

The spread of atypical jobs in the platform economy necessitates adapted legislation to enforce the correct classification of workers, while tackling employee misclassification, as well as more inclusive collective bargaining rights that can ensure the same rights for all forms of work. This includes employment tests to bring workers out of false self-employment and of informal work.

Competition rules are unfit to address the alarming levels of corporate concentration in the digital economy and the associated impact on workers' bargaining power. Revised corporate tax rules are needed to better account for new business models and the rise of intangible assets and to protect governments' taxing rights. More broadly, the same level of transparency and accountability should apply to all businesses and employment relationships.

The G7 should helm a human-centric approach to the digital transformation and to Artificial Intelligence (AI) specifically, building on the recent OECD Recommendation on AI. The International Group of Experts in AI should involve trade unions on the effects of digitalisation on the world of work.

Restore trust with a progressive trade and investment agenda

To build public trust in a trade and investment system that works for all, the G7 should promote enforceable treaty clauses on ILO core labour rights, the right to regulate and the right to quality public services as well as the strengthening of past G7 agreements with respect to responsible business conduct and due diligence in global value chains. The G7 should call for effective coherence between the ILO standards, the WTO rules, the International Financial Institutions' policies and the OECD, including its Responsible Business Conduct instruments.