

**REPORT ON G8 TRADE UNION LEADERS' MEETING
WITH PRESIDENT JACQUES CHIRAC
HOST OF THE EVIAN G8 SUMMIT**

Paris, 25 April 2003

Leaders of the G8 trade union national centres, ICFTU, WCL, ETUC and TUAC met with the French President Jacques Chirac, Host of the Evian Summit, at a meeting in Paris on 25 April 2003. President Chirac was accompanied by the Minister of Labour and Social Affairs, Mr. François Fillon, his special representative for Africa, Mr. Michel Camdessus, the French “Sherpa”, Mr. Maurice Gourdault-Montagne and other officials. The list of the trade union participants is attached (Annex I).

President Chirac opened the meeting and outlined the objectives of the French Presidency with regard to the Evian Summit (copy of his introductory remarks is attached as Annex II). He felt it essential that the social partners were involved in preparing G8 Summits because of their role in developing the social dimension of globalisation. He welcomed the trade union statement which, he said, contained very good proposals. He then outlined what he hoped the Evian Summit would achieve with regard to five issues on the agenda: growth, responsibility, solidarity, security and democracy. Notably on growth he said that the G8 must take coordinated and concerted action to stimulate recovery and create jobs.

John Sweeney (President of TUAC and AFL-CIO) thanked the President for the opportunity to meet and said that the priorities that had been set were ones of urgent concern to the global community. He explained the crisis facing working families in the U.S. with two million job losses since the recovery had been announced, stagnant wages and rising poverty and inequality. This had been a result of the stock market collapse itself sparked by the breakdown of corporate accountability. There was now a real risk of synchronised recession also in Europe and Japan. He called on the G8 to take concerted action to reflate the global economy and to move forward reforms on corporate governance and accountability. He also called on governments to honour commitments to meet development assistance targets and ensure the rights of workers in trade and investment regimes.

The meeting then discussed the issue of *employment and growth*. John Monks (TUC) welcomed the President’s call for a co-ordinated response to what was a synchronised recession but raised concern at some of the talk of labour market reform including the joint letter to the EU that he had signed with Tony Blair and Gerhard Schröder. Trade unions could support a reform agenda based on investment in the workforce, the dissemination of new technology and social partnership. They were concerned however at a deregulation agenda based on the US mode. The real dangers of deregulation had been shown by the ENRON crisis.

President Chirac responded that he did not believe that the aim of European policy should be deregulation. What was needed was modernisation of labour markets and that was being reflected in the policies of the French administration. He also pointed out that US growth had been higher than that in Europe over the last decade.

Michael Sommer (DGB) emphasized that growth was necessary to produce satisfactory labour market outcomes and in Germany there had been a collapse in growth. The Maastricht rules meant that Brussels bureaucracy was restraining expansive policy and as a result unemployment rising to above five million. His plea was that Evian would give a strong message for co-ordinated monetary policy and support for public investment to restimulate growth. Kiyoshi Sasamori (RENGO) added that in Japan the flexibilisation of the labour force and growth in part-time employment was itself a depressive influence on consumption as it contributed to social instability.

The discussion then moved to the theme of *responsibility*. Ken Georgetti (CLC) said that the key issue was trust that had to be restored through concrete actions. Governments had to have in place good basic national laws and go beyond this to establish effective forms of regulation at the international level, for example in the area of transparency of ownership in maritime transport and effective enforcement of the OECD Guidelines for Multinational Enterprises. He said that in the field of responsibility, governments had to put a floor in the market in terms of corporate behaviour and warned that up to now the G8 record was not impressive. President Chirac said that he was very conscious of the issues raised.

Kiyoshi Sasamori emphasized that international regulations had to be based upon core ILO labour rights. Specific action was needed at Evian to regulate tax havens, maritime transport, financial markets and corporate governance. The implementation of the OECD Guidelines for Multinational Enterprises had been unsatisfactory and insufficient and the G8 should give a clear message for more effective action by governments.

On the issue of *solidarity and development*, Guy Ryder (ICFTU) said that the 0.7% United Nations target for development assistance needed to be taken seriously by the G8. He drew attention to the problems of African development and said that the NEPAD had to succeed but that at the moment it remained a “top-down” process. On the trade agenda progress had to be made at Cancun on the issue of core labour standards and the proposition of a joint ILO/WTO committee was a practical one that was still on the table.

President Chirac responded that the question of resources for development needed to be addressed in a way that also gave access for the South to capital markets. He felt that there was a willingness of some of the G8 governments to increase key resources as indicated by the agreement of Germany to write off its debt. There was a need to mobilise private investment particularly in Africa if the 7 per cent growth target in the Millennium Development Goals was to be met. It was also in this spirit that Mr. Camdessus had consulted African trade unions on the initiatives being taken.

Mikhail Shmakov (FNPR) pointed out that the financial crisis in Russia had relegated sustainable development to being a pipe dream. In reality social issues were being ignored. The ILO was not taken account of by the International Financial Institutions. The need was to raise labour standards in the transition and developing countries to the industrialised-country levels, not the reverse.

On the issue of *governance* Guglielmo Epifani (CGIL) asked whether the G8 governments at Evian would have the political will to address this issue. The trade unions requested the G8 to establish an Economic and Social Security Council to co-ordinate action between different agencies and to move the issues forward with the support of the ILO and OECD. Luc Cortebееck (CSC and CMT) emphasized the need for the WTO to take into account the social dimension of globalisation. He also pointed to the dangers of investment and investors' rights being negotiated in the WTO on the basis of a narrow agenda. In response, President Chirac said that France had been one of the instigators of the idea of creating an Economic and Social Security Council and supported it still. It was working to create a climate of acceptance for this.

In drawing some conclusions from the meeting John Evans (TUAC) said that there had been significant areas of agreement between the Presidency and the trade unions on the priorities for Evian and yet in practice the issue of the social dimension had been slipping off the agenda at the recent summit meetings. In this regard we seemed to be moving backwards not forwards. He asked what concrete signs could be given by the G8 leadership at Evian that the trade unions calls for growth, for proper regulation and for follow-up on development were being taken seriously, that would give some hope to working families that these events were worthwhile.

President Chirac in reply said that not all the G8 leaders shared the same view of the world at the moment, but progress had been made. The Genoa G8 Summit had supported the initiatives on Africa although the news coverage only dealt with the demonstrations against the Summit. This showed that progress could be made on initiatives and that was why he was inviting 12 developing country Heads of State to Evian as well as the G8. Action had to be taken to meet the millennium goals for example on water and on health. The difficulty of progressing NEPAD was due to the fact that this had to be done on the basis of agreement by the African countries themselves. Behind the various discussions however there was one fundamental issue – whether it was better to have a multipolar world working together through multilateral institutions or else whether the future was a unipolar world.

Marc Blondel (FO) said that he appreciated the opportunity to be consulted, but this was not enough, the positive propositions in the trade union paper had to be put on the table and heard at Evian itself. President Chirac said that he had read the trade union statement and said that he would be its voice at the G8 at Evian.

The meeting then ended.

TRADE UNION PARTICIPANTS

Mr. John SWEENEY	TUAC President President American Federation of Labor & Congres of Industrial Organizations – AFL-CIO	UNITED STATES
Mr. Ken GEORGETTI	President Canadian Labour Congress – CLC	CANADA
Mr. François CHÉRÈQUE	General Secretary Confédération Française Démocratique du Travail – CFDT	FRANCE
Mr. Claude CAMBUS	Vice President Confédération Française de l'Encadrement – CFE-CGC	FRANCE
Mr. Jacques VOISIN	President Confédération Française des Travailleurs Chrétiens – CFTC	FRANCE
Mr. Bernard THIBAUT	General Secretary Confédération Générale du Travail – CGT	FRANCE
Mr. Marc BLONDEL	General Secretary Force Ouvrière – Cgt-FO	FRANCE
Mr. Bernard POIX	National Counsellor Union Nationale des Syndicats Autonomes – UNSA	FRANCE
Mr. Michael SOMMER	President German Confederation of Trade Unions – DGB	GERMANY
Mr. Guglielmo EPIFANI	General Secretary Confédération Générale Italienne du Travail – CGIL	ITALY
Mr. Luigi CAL	Confederal Secretary Confédération Italienne des Syndicats deTravailleurs – CISL	ITALY

Mr. Luigi ANGELETTI	General Secretary Union Italienne du Travail – UIL	ITALY
Mr. Kiyoshi SASAMORI	TUAC Vice President President Japanese Trade Union Confederation – JTUC-RENGO	JAPAN
Mr. Mikhail SHMAKOV	President Federation of Independent Trade Unions of Russia – FNPR	RUSSIA
Mr. John MONKS	General Secretary Trades Union Congress – TUC	UNITED KINGDOM
Mr. John EVANS	General Secretary Trade Union Advisory Committee to the OECD	
Mr. Guy RYDER	General Secretary International Confederation of Free Trade Unions – ICFTU	
Mr. Luc CORTEBEECK	TUAC Vice-President Vice-President World Confederation of Labour – WCL	
Mr. Emilio GABAGLIO	General Secretary European Trade Union Confederation – ETUC	
Ms. Barbara SHAILOR	Head International Department American Federation of Labor & Congress of Industrial Organizations - AFL-CIO	UNITED STATES
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Mr. René VALLADON	Confederal Secretary Force Ouvrière – Cgt-FO	FRANCE
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