

**TRADE UNION STATEMENT
TO THE G8 SAINT-PETERSBURG SUMMIT
(July 2006)**

I. EXECUTIVE SUMMARY

1. A year ago at the Gleneagles Summit, G8 leaders promised to act on a range of issues to promote development. Summit leaders must deliver on the commitments they made at Gleneagles so that promises are transformed into concrete action. The specific agenda items for the 2006 Summit (energy security, the fight against infectious diseases, education) are important global public policy issues in their own right. However they cannot be separated from the broader framework of international economic governance, including protecting workers' rights and social development, in which the G8 governments are accountable for the delivery of commitments made.

2. The global labour force has doubled over the past fifteen years with the entry of China, India and Russia into the global economy. Millions of the new entrants work for wages and in conditions inferior to those of workers in OECD countries. Unless appropriate policies to regulate globalisation and provide decent work and sustainable development are adopted by governments and the international institutions, globalisation, rather than bidding up living standards for everyone, will contribute to even greater inequality between rich and poor; between capital and labour. G8 governments meeting in Saint-Petersburg must therefore centralise as priorities: protecting workers' rights, creating employment and promoting development.

3. G8 leaders have failed to galvanise an ethical and human rights dimension in globalisation. This is manifest in many developing countries or when fundamental rights are denied to workers in export-processing zones and companies threaten to shift production to China where free trade unions are banned. Assuring human rights for workers must become at least as important an objective of international policy, including trade and investment agreements, as protecting investors' rights or intellectual property rights.

4. More than a billion men and women are unemployed or underemployed while nearly 1.4 billion – almost half of the world's total workforce – struggle to survive below the US \$2 a day poverty line. In G8 countries themselves growth prospects remain unsustainably out of balance, share of national income has shifted alarmingly from wages to profits and unemployment remains in key countries unacceptably high. Free markets will not rectify these imbalances. Governments need to put in place the right regulations and a framework that helps create jobs and links the creation of decent work in the "North" with the same objective in the "South".

5. Debt cancellation, universal access to AIDS treatment, provision of vaccines for the poorest countries, a doubling of official development assistance as well as the introduction of innovative methods of development finance were among the central, declared commitments of the G8 Summit in Gleneagles a year ago. As G8 leaders meet for the Saint-Petersburg Summit few of these commitments have even been acted upon. Deadlines for meeting the

Millennium Development Goals (MDGs) look ever more unattainable without a fundamental shift in priorities on the part of the G8 nations present here in this forum today. Nearly one and a half billion people still lack access to safe drinking water. The world continues to face the scourge of an AIDS and malaria emergency with 40 million adults and children infected with HIV AIDS. No fewer than 104 million children lack access to primary education and 860 million adults are illiterate. For many individuals and peoples in this world poverty is closer and life is less secure and more violent than it was a year ago.

6. The world has sufficient resources, knowledge and technology to stamp out poverty. Progress depends on creating decent and sustainable jobs and livelihoods throughout the global economy. Building on the campaign work of the Global Call to Action against Poverty (GCAP) since 2005, the international trade union movement will be working with our allies in civil society to pressure governments to get attainment of the MDGs back on track.

7. Achievement of peace and security is a prerequisite for trade union goals of democracy, social justice, employment and development. The fight against terrorism can only succeed if be conducted on the basis civilised human values. While the G8 nations meet, the tragedy of the Middle East is escalating, armed conflicts affecting people worldwide in more than 40 countries are taking place. Apart from, the direct tragedy of the loss of human life, this represents a massive diversion of resources badly needed for development. Many conflicts have their origins in extreme injustice, in poverty, inequality, corruption, and the denial of human rights and democracy by those wielding power, whether governments or those fighting against governments. Trade unionists are often singled out as the targets of terror. Promoting and defending the rights of working people to form and join unions is a key component of the quest for peace and security.

8. We in the global trade movement call specifically upon G8 leaders attending the Saint-Petersburg summit to:

- Respect trade union rights and other core labour standards worldwide, by ratifying and implementing international labour standards and taking action both nationally and in relevant international organisations (§9-11);
- Take urgent action to meet the commitments given in 2005 to accelerate action to meet the Millennium Development Goals, by delivering on promises given to developing countries on debt relief, development assistance and action to reverse the spread of infectious diseases (§12-13);
- Create a permanent high-level G8 working group to report on, track and instigate the G8 country responses to AIDS (§14-17);
- Develop a raft of government policy responses to the impact on employment of globalisation that reinforces core worker rights, reaffirms and strengthens OECD Guidelines on multinational enterprises, guarantees transparent corporate governance and develops best-practice adjustment assistance (§18);
- Ensure that the Doha Development Agenda becomes a genuine development round that supports the creation of decent employment in both industrialised and developing countries (§19-22);

- Put forward long-term energy plans within a sustainable development framework that achieves energy security and environmental protection and that are compatible with full employment (§23-34);
- Set out clear action on education to implement the Gleneagles commitment “to invest more in better education, extra teachers and new schools”. Engage trade unions in a process to raise skill levels and certify qualifications (§35-41).

II. RESPECT FOR FUNDAMENTAL WORKERS’ RIGHTS

9. Core workers’ rights such as the right to freedom of association and of collective bargaining are fundamental human rights and must be respected. Some of the most flagrant cases of repeated violation of union rights in countries such as Colombia, Burma, and Belarus, have been exposed and clearly condemned under ILO procedures. Yet these abuses continue. Respect for trade union rights seems to be weakening worldwide, CIS countries included. The leaders of G8 nations must insist that respect for core workers’ rights in these countries is a universal and priority concern, not something to be tolerated.

10. Globalisation in itself draws dramatic attention to the need to strengthen protection of workers’ rights. Core workers’ rights are under threat in many developing countries as companies threaten to shift production to China where the rights of workers to organise are not respected. Assuring the human rights of workers must become at least as important an objective of international trade and investment agreements as protecting intellectual property rights or rights of foreign investment. This is incontestable.

11. Respect for fundamental workers rights also leads to long term economic gains. Economic development requires institutions that are capable of ensuring social justice, a condition which cannot be dictated solely by market forces. This in turn confirms the importance of democratic institutions, of good governance and dialogue with the whole of civil society and the world of work. Over the past 15 years, particularly in transition economies and in Russia itself, reform processes that have taken place have too often been simplistically based on the idea of “less state” and on preaching the virtues of a market economy that, we are supposed to believe, is supposed automatically to bring us growth and prosperity. Unless there is parallel work by the institutions, unless trade union rights are respected and unless states and governments are able to regulate, support and direct the forces of the market, what results is the explosion of inequality and the surge of an informal economy with its destructive impact on institutions, social protection systems, industrial relations and the “formal” economy itself, as represented by those companies that do strictly adhere to the legal framework and rules.

III. TRANSFORMING PROMISES INTO ACTION – MEETING THE MDGs

Financing development

12. Attainment of the Millennium Development Goals is looking increasingly unlikely unless governments alter their priorities. As a group, donor governments have failed to deliver on their aid and debt relief commitments made in 2005. Unemployment or unprotected employment continue to plague much of the developing world, along with growing informal

employment in those countries suffering from low growth, driving further in-work poverty. Significant parts of the population in CIS transition economies have been progressively thrust into tragic poverty. Rather than developing, sub-Saharan Africa has been regressing economically. It *must* be recognised that economic growth as such does *not* automatically lead to poverty reduction; it has to be accompanied by policies directly targeted at the poor, enabling them to benefit from growth and to move out of poverty. Rather than push ideological strategies of privatisation and liberalisation, governments must focus on forms of growth beneficial to the poor by creating the conditions necessary for creation of decent jobs. This must include: the extension of basic rights and social protection to all workers and citizens in ways that support economic development; the responsibility of the state for “public goods” such as education, health, infrastructure, food security and gender equality; and on industrial development strategies that aim at local and regional development.

13. The challenge for the international community is to deliver on commitments for debt relief, increased financing assistance for development and new sources of development funding as well as a new “development contract” establishing good governance in developing countries and fair trading arrangements. Donor governments and international institutions must provide the major increase in the quality and quantity of resources needed for the eradication of poverty and promotion of social justice, the achievement of the MDGs, and the creation of decent work. This is a matter of the utmost urgency. These resources must also support sustainable development, workers’ rights, migrants’ rights and interests of marginalized groups including indigenous peoples. Resources must serve to rebuild not to undermine governments and the public sector. Rebuilding means enabling them to implement the rights of their citizens. The IFIs should ensure rapid payment to the countries benefiting from additional debt relief following the decisions taken at their 2005 Annual Meetings, extend debt cancellation to a greater number of countries than those deemed eligible under the current Multilateral Debt Relief Initiative (MDRI), and eliminate economic policy conditionality attached to debt relief. We call on donor governments and institutions to:

- Meet and exceed the 0.7% aid target, directed to achieving community- and country-defined poverty eradication and sustainable development priorities that contribute to poverty eradication and sustainable development;
- Implement innovative international taxes and mechanisms to raise funds for development on top of the 0.7% ODA-obligations;
- Implement and improve the Paris Declaration to deliver aid that is secure, predictable, harmonised and effective. Aid should not be tied to contracts with companies of donor countries or linked to economic conditionality that harms people, communities and the environment;
- Ensure gender-sensitive programme planning, progress assessments, performance monitoring and indicators for aid effectiveness;
- Meet international pledges on Education for All, Polio, Malaria, TB and the universal access to HIV/ AIDS prevention, treatment and care, including through funding of the multi-lateral Fast Track Initiative and Global Fund for AIDS, TB and malaria;

- Write off unpayable debts of poor and middle-income countries that respect human rights, through a fair, democratic and transparent process to free up resources for human development.

Action on health

14. Over the past decade, average life expectancy in the world has increased with notable progress made toward the eradication or elimination of various major infectious diseases. However, average life expectancy in the least developed countries remains stuck at 49 years, which compares to 75 years in developed countries. In Russia it has fallen with the transition to a market economy, thus the problem of demographic growth has become a challenge of national dimension. Six major communicable diseases currently cause 90% of avoidable deaths: AIDS, malaria, tuberculosis, pneumonia, diarrhoeal diseases and measles. About 40 million adults and children are now living with HIV/AIDS, 95% of them in developing countries. More than 12 million Africans have died of AIDS (more than two million in a single year), and many millions have been orphaned due to HIV/AIDS. Rising infection rates are manifest in many other parts of the world and it is now together with TB a major problem and potential cause of death worldwide. In developing countries, many deaths could be prevented by the use of low-cost antibiotics and improved access to primary health care. Improving access to water supplies for 1 billion people and improved sanitation for 2.4 billion would have a sizeable impact on health, as would the elimination of malnutrition among 30% of the world's population.

15. Poverty is likely to remain the principal killer world-wide because of lack of access to drugs, vaccinations, water and sanitation, as well as proper ill-health detection and treatment services. The disproportionate burden of disease will continue to be borne by disadvantaged or marginalised sectors of society. Many key determinants of health and disease – as well as solutions to ill-health -- lie beyond the direct control of the health sectors, in areas concerned with environment, water and sanitation, agriculture, education, employment, urban and rural livelihoods, trade, tourism, energy and housing.

16. More than one million workers die each year from work-related diseases and injuries. About 250 million accidents and 160 million cases of work-related diseases occur each year round the globe. The burden is heavier on workers (who include children) in the informal sector, where accurate, comprehensive statistics remain unavailable. Official reports estimate economic costs of occupational injury or diseases and death to be about 4% of global GNP!

17. We call upon the G8 nations to act and build upon specific, proclaimed measures agreed to last year in Gleneagles, when it was decided to take steps to achieve universal access to the treatment of diseases such as HIV and AIDS by 2010 and to boost efforts to develop AIDS vaccines. It is essential to ensure proper follow-up of commitments already made and to instil confidence in the lasting value of G8 decisions on public health issues, generally. Not to do so is both morally wrong and constitutes a step towards the collapse of the G8 system of governance by example. We welcome the steps made at the Paris Conference in February 2006 by a number of countries to move ahead with the introduction of innovative financing methods and to ear-mark funds for international vaccine programmes. The creation of a permanent high-level G8 working group to track, instigate and report on G8- country responses to AIDS is essential. Such a working group would allow the G8 to make AIDS an ongoing, systematic issue in health and development planning, throughout the world. It would

also allow donor and recipient nations to monitor progress on resource and policy commitments. AIDS and many other diseases cannot be addressed on an ad hoc basis.

IV. TRADE

The need for a genuine development round

18. A fair rule-based trading system can make a major contribution to global development. However, not all countries and regions automatically gain from trade and investment liberalisation. The OECD noted at the 2005 Ministerial Council that "... in the short run, job turnover associated with offshoring is not costless and may disproportionately affect certain regions, sectors and firms". The WTO Director General has reiterated this and called for the humanising of globalisation as part of a "Geneva consensus" to replace the "Washington consensus". The ILO's World Commission on the Social Dimension of Globalisation made strong pleas for much more attention to be paid to the social dimension of globalisation. It called for respect for workers' rights by all international institutions including the IMF, World Bank and the WTO.

19. The WTO negotiating process is stalled. If it is succeed the Doha Round will have to be transformed into a genuine development round providing trade justice to developing countries. Governments have to adopt positive policies to ensure that structural change is not a zero-sum game and also that it is possible to manage change in firms, industries, regions and labour markets in socially equitable ways. It falls to OECD countries to restructure on the basis of a set of high labour standards and not on the basis of a low-wage development model and they must ensure that productivity growth is used to raise living standards, reduce poverty and contribute to sustainable development.

20. Many developing countries' concerns at NAMA reflect the need for them to run industrial strategies as did OECD countries during their periods of industrialisation. Furthermore, the concessions being demanded from developing countries would lead to substantial tariff cuts and have serious effects on employment, partly due to the impact of being in open competition with China. This demonstrates the need for an effective floor to support a basic level of labour and living standards. As a minimum, the WTO should work together with the ILO, OECD, World Bank, IMF and relevant UN agencies, to anticipate the social impact and adjustment costs of trade liberalisation and should then link this to aid for trade-funding based on additional not diverted resources. The final WTO Ministerial Statement to be adopted at the end of the Doha Round should mandate the WTO to establish a work programme on Trade and Employment, to be overseen by a WTO committee or working group.

21. China's continuing high rates of growth and the associated increase in foreign direct investment have turned out to be **the** economic phenomenon of the 21st century. Yet the Chinese growth model is threatened by serious imbalances – between regions, as a result of growing inequality, due to capital inefficiency and insolvency of the banking system, as well as resource depletion and environmental pillaging. A generation of migrant workers, young and old, within China constitute an exploited underclass. Meanwhile, the Chinese model of export-led growth has increased competitive pressures on markets in the OECD countries. The net effect of China's conduct is to undermine labour standards in other developing countries while raising demand for commodities. The export orientation of growth is based

upon the suppression of workers' core rights, all in order to obtain labour-cost advantage coupled with an administered foreign exchange rate and a foreign investment regime "à la carte".

22. The priority for China must be to evolve from being an outlier in terms of respect for internationally recognised standards and to shift to better balanced and qualitative growth that is sustainable both socially and environmentally. With the growth of the private sector, state authorities should acknowledge the need to strengthen their capacity to introduce and enforce decent labour-market regulation to protect workers against the extremes of the market system and to manage change in a socially sustainable way. This cannot be done from the "top down" – it needs vibrant civil society, fundamental civil and political liberties plus strong and effective unions operating on ILO standards of freedom of association and the right to strike.

V. ENERGY: SECURITY, ENVIRONMENTAL PROTECTION AND JOBS - THE THREE POLICY OBJECTIVES

23. With the explosion of energy prices over the past two years, issues of energy policy have become a central concern for trade unions. Across the G8 countries and beyond, our membership want secure energy supplies to meet everyday needs at stable and reasonable prices. Members seek a tighter focus on energy conservation and efficiency so as to protect the environment against global warming and pollution, and they aspire to energy policies that will help create more and better jobs. Russia, now in the G8, has plentiful and easily accessible energy reserves. Who will deny that it is therefore appropriate that the Saint-Petersburg summit has energy as one of its central themes? G8 governments must forge a new consensus on energy policy.

24. Countries have the legitimate right to exert control over their energy resources but these must be managed within a broader framework of international governance just as there must be international accountability for energy conservation and efficiency. Energy is too important in the long term to be used for short term political leverage. The working people and their families that trade unions represent need:

- Stable and long-term supplies of energy at accessible prices that reflect full costs and are guided by the "polluter pays" principle;
- Environmental sustainability requiring a more energy-efficient and less carbon-intensive economy;
- The creation of decent jobs in primary energy production, in industries relying on significant energy inputs, and in energy conservation and in alternative energy development.

25. Trade unions and their membership are in the forefront of the challenge of the transition from an era of abundant mainly carbon-based energy sources to an era in which energy production and use must be increasingly efficient. Economic growth must be de-linked from the growth of energy demand and the role of renewable energy must be increased significantly. The OECD Environment Strategy is positioned to ensure that energy policy is consistent with sustainable development. "Cheap energy" is not consistent with conservation and efficiency goals, but workers and their families need greater protection from the

explosion of energy prices through measures that preserve disposable incomes and protect the poorest in society. Windfall profits of the energy sector must be ploughed back into long-term productive investment – not used to finance pointless mergers and acquisitions. These objectives will not be achieved by invoking markets and competition and nothing else.

26. Governments must adopt long-term strategies for energy security, environment and competitiveness. Not to do so is reckless. Not to do so is a recipe for destabilisation. There is need for enhanced research and development funding. Government investment in research and development in the energy sector, particularly for renewable energy sources, has been declining since the mid-1980s, and currently only a minor share of such support is directed towards renewables. At the same time, deregulation and competitive pressures in the energy industry have redirected private sector research and development investment from long-term, basic research towards low-risk, market-driven research. There is a manifest need for stronger, more consistent public support for research and development efforts in this field, together with policy that encourages productive investment. In the long term jobs created in energy conservation and new energy sectors will more than offset potential job losses in traditional energy sectors. Meanwhile policies for **just** transition are absolutely essential.

Security of supply:

27. The global energy economy has entered a period of instability that is likely to persist. This has led to volatile oil and gas prices, although, so far this has not had a knock-on effect on coal prices. Rapidly developing countries (China, India, Brazil) have increased their fossil energy use and will continue to do so. For China and India, a rapid move away from fossil-fuel use is not considered feasible yet, although plans for improved energy-efficiency are essential, particularly in China. Energy analysts expect that oil prices could spike above \$100 per barrel in the event of supply disruption in the Gulf, or through a combination of events elsewhere. Central banks, however, are watching, and starting to take action to pre-empt oil-price-induced inflation. This is of direct concern to trade unions as higher interest rates impact on employment.

28. We call on G8 leaders to formulate *long-term policy plans for energy security*. Liberalisation and increased competition among energy suppliers is far from being a panacea. Close co-ordination is already taking place with the International Energy Agency but this needs to be stepped up. In particular:

- As employment and living standards of workers depend on policies which can deliver secure, clean, environmentally friendly and affordable energy, trade unions favour a policy approach to achieve those three goals. Employment is directly affected by high and volatile prices, as can be seen in their current impact on energy-intensive industries and on the least developed, fuel-importing countries as well. High prices cut into living standards and push more working people into fuel poverty. Policies for employment need to be linked with the strengthening of pollution control through the promotion of renewable energy - a labour –intensive sector.
- Security of supply is best achieved multilaterally. That is a fact. If the G8 is to continue to be meaningful as a supranational and intra-national forum, it should lead the way, aided by EU-Russia, US-Russia and Japan-Russia dialogues. Timescales are short – investment streams need to be established now. Better to do this by agreement, rather than waiting for the Energy Charter Treaty to be signed by all participants. Market

mechanisms are not irrelevant but, as the market does not ‘think strategically’, the market cannot solve those fundamental problems.

- Enforceable agreements must produce for the world investment in new capacity and in infrastructure, with fair rates of return, legal certainty and distributed benefits defined without ambiguity. When it comes to energy, the net effect of the attributes ‘secure’, ‘clean’, ‘affordable’ is a result that can be defined in a single word: ‘sustainable’.

Ensuring jobs competitiveness, and sustainable development

29. Energy price increases and volatility undercut competitiveness. Workers in energy-intensive companies and domestic consumers are suffering considerable hardship as a result. While the volatility originates partly in the global energy market, in some countries it has some home-grown causes, too, namely in the specific character of some of the liberalisations of energy markets in G8 countries. In some cases liberalisation broke up energy industries into corporate fragments and established a regulatory structure too feeble to correct corporate conduct. The regulatory systems even failed to handle contradictions between opening markets to competition and guaranteeing secure energy supplies at prices that could be paid. The results of regulatory inadequacy have been manifest in electricity supply in many liberalised markets from New Zealand to California, from Scandinavia to Italy, with power shut-downs affecting wide geographical areas at huge financial and human cost.

30. In some systems it is difficult to see where the duty to maintain energy security currently resides. Responsibility cannot even be identified with precision. On top of the oil price collapse of 1986, liberalisation has also had the effect of (for better or worse) halting nuclear power station replacement programmes in several countries, stymieing development of renewable energy and slowing down or even stopping development of cleaner coal technologies which, through increased thermal efficiency, consume less energy. The different energy supply sectors act as competing “lobbies”. When development prospects for different energy options are viewed in isolation from each other, opportunities for effective synergies in research and development strategies are missed. Energy efficiency must be addressed as a cross-cutting, strategic issue.

31. Job losses in the energy industries over this period have been massive. One study by European trade unions shows a loss of 300,000 jobs in electricity and gas in the EU. In the UK, ‘Employment Trend’ statistics show that in 1988 employment in mining, quarrying, and supply of electricity, gas and water was 477,000, whereas in June 2005 it had fallen to 160,000. The overwhelming bulk of these job losses were in mining, electricity and gas and the figures do not reflect the huge job losses in the equipment-supplying and other energy-linked industries. TUAC has stressed that all economies should be seen as ‘transition economies’, moving towards an altered energy profile. This will have an impact on employment and there needs to be a ‘just transition’ for workers. Many new jobs are and can be created in alternative and renewable energy industries.

32. These issues must be at the centre of discussion at this summit. In particular:

- For the EU there is one question. What kind of regulatory structure is needed in the emerging, single-market for energy in the 25 member countries? As energy becomes ever more subject to global markets (as gas is now oil was before) we will need

strengthened regulatory processes. Can the IEA fulfil this role? It already has a number of important, strategic roles, for analysis and emergency stocks.

- For energy markets there are other questions. As players in more open markets potentially have access to all facets of the market both upstream and downstream, what are the implications for company restructuring and cross-border mergers and take-overs. Unless underlying security-of-supply issues are dealt with (and are treated as a real, national political priority for governments, just as is food supply) these questions will remain unanswered. Price competition is especially important for energy-intensive industries, as well as for energy consumers. Regulatory models must be re-examined in the light of actual experience since liberalisations started in the 1980s.
- As to the question of **justice** in transition policies, a plethora of governmental and intergovernmental responsibilities are necessary: provision of alternative employment for displaced workers, income protection, support for communities to develop new industries and services, research and development for sustainable production and public investment;

Environment

33. As the Gleneagles G8 participants admitted, progress made to correct the human contribution to global warming has been perilously insufficient. It still is. The need for action is now more than imperative. We in the trade union movement favour a mixed approach which begins with the recognition that developed and developing countries alike are 'economies in transition' in an environmental and energy-related sense. Vast resources, skills and technological knowledge do in fact exist to achieve the goals we all aspire to. Getting these to work demands a strategic approach. We must learn the lessons from our experience to date. Above all public policy must align the three objectives in a coherent manner, getting market mechanisms working to achieve greater energy security and environmental improvement. To this end employment and environmental policies must be streamlined so as to strengthen pollution control, production-consumption analysis, environmental protection and Decent Work.

34. There need be no contradiction between a cleaner-technology approach and the targets and mechanisms set by Kyoto. Liberalised systems need to be re-tuned for quicker introduction of lower-carbon and zero-carbon technologies, including clean coal, carbon-capture and carbon storage. A framework for providing incentives to cleaner technologies is vital. The pricing policy in liberalised systems also needs to encourage energy conservation and efficiency, especially in fossil fuels and to encourage development of renewable energy and biofuels. Adopting a proper mix of solutions requires the widest possible discourse involving working families. As actions are further delayed, the likelihood that nuclear power might need to be brought into the scenario increases. The greater use of nuclear power and new international security arrangements governing enrichment of uranium and recycling of plutonium must be the subject of extensive public consultation and political debate. The security, waste-disposal and terrorist perils of a rapid expansion of nuclear fission appear at the moment insuperable. All actors must address the need to identify alternatives.

VI. EDUCATION: ACHIEVING G8 AIMS AND AMBITIONS

35. Seven years ago the 1999 G8 summit approved the Köln Charter: *Aims and Ambitions for Life Long Learning*. In Okinawa, the following year, the G8 made clear and explicit commitments to fund and sustain education for all in the developing countries; the G8 nations supported the Dakar Framework for Action and stated: “*We reaffirm our commitment that no government seriously committed to achieving education for all will be thwarted in this achievement by lack of resources.*” The Köln communiqué’s commitment to *Investing in People* was re-affirmed in the Gleneagles communiqué of 2005. As Saint-Petersburg completes a full cycle of summits, it is timely to evaluate success in achieving the aims so clearly set out in Köln and Okinawa.

36. On almost all key points there is an unacceptable gap between aims and achievements. The G8 Charter called for “*a renewed commitment for investments in life-long learning*”, stating that “*everyone should have access to learning and training*”. The G8 Köln Charter identified essential elements for each sector of education, from the early years, through primary and secondary to vocational and higher education. Seven years later there is scant evidence of progress in any sector and levels of public investment have stagnated or declined.

37. The G8 Charter set out aims for adult skill-acquisition which both employers and unions representing employees could support. Some progress has been made in articulating that consensus at the national level, but implementation has been slow, mainly because of lack of investment. The skills gap is widening. Those who already have skills and are employed tend to have opportunities for further training, while the unskilled and unemployed do not. Companies must take a long-term rather than a short term approach to investment in human resources. Governments must invest in skills-development for the unemployed, especially for youth and those trapped in long-term unemployment. The skills gap affects women disproportionately. Disadvantaged groups, including ethnic minorities and indigenous people, require special attention. Governments must listen to and work with the social partners to increase mobility in the workplace and innovate for new approaches, in which governments, employers and trade unions all fulfil their responsibilities. Trade unions are already developing an important role in training and education in many G8 and OECD countries. TUAC and our Global Union partners are ready to work with the G8 governments and other institutions to establish compatibility and certification of professional qualifications across frontiers.

38. The G8 Charter stated: “*Teachers are the most vital resource in promoting modernisation and higher standards; their recruitment, training, deployment and appropriate incentives are critical to any successful education system*”. Seven years on, reports from the OECD and the experts who monitor the UNESCO/ILO Recommendation on the Status of Teachers show that the trend is in fact retrograde. Investing in people means investing in quality teachers. But broad consensus on that plain fact has not resulted in change for the better – mainly because of lack of investment. Governments do not take the same approach to investing in the recruitment and development of high-quality educational staff, that successful enterprises use for the recruitment and development of their key knowledge workers.

39. Education is a public good. The commercialisation and privatisation of education is all too often inimical to social-cohesion, while experience shows that it does not lead to economic efficiency. The growth of public-private partnerships in education takes many forms. Such partnerships, if developed with the participation of all stakeholders, may add

value to publicly provided education. But partnerships are no substitute for general public responsibility for the education children and young people of each nation, a responsibility recognised and affirmed by both trade unions and employers.

40. In Okinawa, G8 leaders committed to the goals of gender equality in schooling by 2005 and of universal primary education in all countries by 2015. The Education for All (EFA) monitoring report of the major agencies shows that in most countries the 2005 gender-equality benchmark was not achieved while the distant prospect of achieving the 2015 target is receding.

41. The Gleneagles summit of 2005 reaffirmed the G8 leaders' commitment, (with its focus on Africa), "*to invest more in better education, extra teachers and new schools*". The Gleneagles Commitments to debt relief for the poorest countries were important, as were renewed commitments to meeting the core aims for education and health in the UN Millennium Declaration. Yet funds are still insufficient for the Fast Track Initiative to meet the MDG of universal primary education for all by 2015. It is timely for the Saint-Petersburg summit to place the spotlight again on education. In so doing, it is important that G8 leaders agree not only to reaffirm the steps taken in Gleneagles, but also to take new steps to achieve the G8 Aims and Ambitions articulated so forthrightly seven years ago. The 2007 summit host, Germany, should assume its special responsibility to follow up on the Köln Charter. Likewise Britain should continue to act to fill the gap between affirmations and achievements regarding Gleneagles.

Migration and international mobility of labour

42. The mobility of people constitutes an aspect of the reality of a global economy. But that reality takes multiple forms – some desirable, some not – and induces social and political consequences. The issues are broader than education, requiring an approach of "joined-up government", together with trade unions and employer organisations. Education and training policy has an important role to play, together with labour and social policies. In OECD countries special attention must be given to the education of migrant children and young people, and to their prospects of finding decent work. In terms of threats to social cohesion and security in all our communities, the implications of failing to act are dramatic. The brain drain from developing to industrialised countries deprives the former of vital human potential while undermining national efforts in areas such as health and education services. Just as life-long learning has been recognised as a key element of sustainable development in G8/OECD economies, so life-long learning can be an element in tackling the problem of brain drain from developing countries. This is not the only migration issue. The appalling problems of human trafficking between Eastern Europe and the CIS and Western Europe must be confronted and tackled. Sending and receiving countries must cooperate on co-development strategies that remove the economic pressures for involuntary migration, while establishing effective and enforceable legal provisions to prevent violations of human rights, especially for women and children.

43. Mobility of researchers and students is clearly desirable. 'Education International', TUAC's Global Union partner for education and research, is closely associated with the Bologna process aimed at facilitating mobility of academic staff and students, and fostering inter-university cooperation, among 40 European countries including five among the G8. Involvement of stakeholders is a necessary condition for practical implementation of the worthwhile goals set by participating countries.

44. Inter-university cooperation is most desirable. But such cooperation should be driven by educational rather than commercial considerations. The UNESCO/OECD guidelines for Quality Provision in Cross-Border Higher Education adopted last year should help. However, commercial pressures tend to prevail when cross-border education services are dealt with only from a commercial perspective, particularly when the rules and practices of trade are arcane and non-transparent, as is the case with the GATS, or with other bilateral or pluri-lateral trade arrangements. Education is a public good, not a commodity.

45. At the other end of the scale, illegal and clandestine migration is a growing source of human exploitation in many societies. It is clear that a growing gap between rich and poor will aggravate such problems. While legal frameworks for migration based on ILO Conventions 97 and 143 and fully equal rights for migrant workers are necessary, and should be respected, it is clear that illegal migration cannot be addressed by legislative means alone. In a global economy, it is a contradiction in terms for countries to erect barriers to block the movement of people. Within countries, the wealthy cannot long sustain their existence behind barricades. Ultimately, their own security is dependent on greater equity in society. True equity is a vital element in social cohesion, along with job security and the engagement of civil society in the management of change.

46. This case for social cohesion applies with even greater force for millions of families who have moved legally into G8 and other OECD countries to build better futures. If the second or third generations of such migrant families perceive no worthwhile prospects for their future, have no hope, disillusionment emerging from their midst will and already does pose social and security risks. The potential for large-scale breakdowns in social cohesion will attain proportions as perplexing as they are perturbing.

VII CONCLUSION

47. Governments cannot resolve such questions alone. They must involve the institutions of their societies. They must engage with stakeholders. It is critical for G8 leaders to provide fresh impetus towards achievement of the aims and ambitions which already have been declared and re-affirmed through the current cycle of summits. Let Saint-Petersburg be the occasion, not just for reaffirming previous commitments, but for doing something. Without manifest progress, the G8 system will have atrophied into a symbolic talking-shop. The challenge of the Summit is to confound that view.

48. Investing in people requires involving citizens in the determination of policies affecting their own futures. The development of strong civil societies is part of the development of vibrant and resilient democracies. The role of civil society is central to tackling tough political issues arising out of the globalisation of the economy and the impact of human activity on the environment. Free, independent and representative trade unions are among the key actors of civil society in democracies. They help to manage change and smooth out volatility through the participation of their members. Trade unions give people a chance, not only to defend their welfare and that of their families, but also to have a say in their own futures.