

INTERNATIONAL TRADE UNION CONFEDERATION (ITUC)

SUMMARY REPORT: Trade Union Summit, October 1, 2010

Asia Europe People's Forum, 2-5 October, 2010

ASEM 8 Summit, 4-5 October, 2010

Introduction

The Trade Union Summit was organised by ITUC, ETUC and their Belgian affiliates, CSC-ACV, FGTB-ABVV, and CGSLB- ACLVB. It took place in the International Trade Union House in Brussels on October 1 with a view to preparing the input of the trade unions to the ASEM8 Summit and the 8th Asia Europe People's Forum (AEPF8). The People's Forum was held in various locations in Brussels from the 2nd to the 5th of October. Moreover, on the morning of Monday 4 a limited delegation of trade union leaders and representatives met with the Belgian Prime Minister and host of the 2010 Asia Europe Meeting, Yves Leterme.

1. The Trade Union Summit, October 1, Brussels

Trade Union session

The Summit was attended by almost 30 Asian unionists and 40 Europeans, including Belgian unionists. In his welcoming speech Jaap Wienen (Deputy General Secretary of ITUC) stressed the importance of the Asia – Europe dialogues for building international cooperation and underlined the union priority to include the labour element in the discussions. He also spoke of the difficult circumstances created in both Europe and Asia by the effects of the financial and jobs crisis. In his speech, Joel Decaillon (Deputy Secretary General of ETUC) highlighted the pan-European demonstration day of September 29 and the gradual erosion of the European welfare state. He also argued that the core labour standards and decent work should be promoted through trade agreements, as well as in the context of the WTO and that adaptation and mitigation measures should be adopted in order to stop climate change. Govindasamy Rajasekaran (President of ITUC-AP) explained that the financial and jobs crisis had a different impact on Europe and Asia. While in Europe it created an unemployment crisis, the impact in Asia was on the quality of jobs, as more and more jobs become more precarious. The trade unions have been trying to establish an official body of their own to secure access to Ministers' and Leaders' meetings and counter-balance the ASEM Business Forum (AEBF). However, unions have not gotten much access all these years.

Yorgos Altintzis (Policy Assistant, ITUC) then presented the ITUC's background document on ASEM, explaining the structure of ASEM, the latest political developments and the history of trade unions' engagement.

James Howard (Director of ESP, ITUC) then took the floor to introduce the themes of ASEM dialogue in 2010. He stressed that ASEM does not have a trade union equivalent to the AEBF, however, the trade unions have achieved advances regarding labour issues in the ASEM agenda. Two results of the trade unions' pressure were the establishment of the ASEM Social Partners' Forum, a meeting which aims to provide the social partners' insights into ASEM employment and social dialogue, and the Labour and Employment Ministers Conferences (LEMC) held every two years. Mr Howard also spoke on the workshops that the

LEMC II mandated and Germany and France organised. The German government hosted a workshop on Corporate Social Responsibility in Potsdam in March 2009 and the French government organised a workshop on social protection and the informal sector in September 2010. The ITUC was invited as a speaker in both workshops. He said that the LEMC III which is to be held in Leiden, the Netherlands, on 13-14 December 2010 will be more interactive and he encouraged the trade unions to urge their Labour Ministers to attend it and meet with the trade union delegation that will be participating in social partner consultations before the LEMC III.

Workshop 1: Decent Work (chaired by Naoto Ohmi, Deputy Secretary General, JTUC-RENGO, Japan, Rapporteur Ben Moxham, TUC UK)

The purpose of the workshop was to gather intelligence on country-level situations regarding decent work challenges and to share examples of good practice, such as India's rural employment guarantee scheme. The workshop was also to encourage delegates to lobbying their governments to secure support for trade union priorities at ASEM, and promote union views throughout the AEPF.

Unions described the rise of precarious work as a result of the crisis. The ILO predicts that at least 50 per cent of the global workforce are now in some form of precarious work. What limited recovery we have seen in employment levels masks this rise. In Indonesia it is now 50 to 60 per cent of the workforce. Japan has five per cent precarious workers. Even Germany, praised for its social model, has seen a rise in temporary jobs. The garment sectors in Cambodia and India continue to see workers earning poverty wages. Migrant workers in India are often in conditions of bonded labour – and this is why the debate around the ILO convention on domestic workers is so important.

Korean colleagues stated that not only are these vulnerable workers suffering the most under the crisis, but it was the rise in income inequality, underpinned by precarious work, that drove the crisis in the first place.

Many governments are saying the right thing on Decent Work, but are not following through, either because they lack the will, or the means to do so. Trade unions are not always taken seriously as social partners.

The unions have made a powerful critique of the policies that led to the crisis – based on union experiences and developed strong solutions based around an employment-led recovery, supported by fairer taxation. One example is Vietnam's ambitious programme to create one million new jobs.

The workshop recognised the Belgian colleagues' contribution in obtaining the space to make these arguments in the AEPF, especially through securing union priorities in the AEPF statement, and through a range of workshops and seminars.

The workshop also understood that many Asian governments are nervous about social protection, but that some European countries are supportive. The workshop called on delegates to get in touch with their governments over the next day to lobby on union priorities.

The flood situation in Pakistan was also discussed and the participants addressed their solidarity to the Pakistani unions and people.

Workshop 2: Trade (chaired by G. Rajasekaran, Secretary-General, MTUC Malaysia, Rapporteur: Annie van Wezel, FNV Netherlands)

The working group discussed the issues of asymmetric trade and certain trends in employment that the participants connected with trade. There was broad understanding that the current trade system was part of the causes of the increasing precarisation of work and informalisation of the economy. The workshop elaborated on different aspects of bilateral and multilateral agreements trade and negotiations.

The working group discussed issues of competitiveness and value creation, as well as the need for policy space for the developing countries to develop their industries, diversify their productive basis and build up the resilience of their economies. The increased mobility of companies and the race to the bottom in terms of environmental and labour standards caused huge problems of poverty and exploitation in Asia, impeded inclusive growth in Latin America and had driven Europe into austerity frenzy. On the liberalisation of the services sector, the working group discussed the issue of public services and the way to guarantee access to such services in the event of opening up to international competition. The participants also discussed the handling of mode IV issues in Europe and in Asia, the issue of mergers and acquisitions of smaller companies of the developing countries by transnational enterprises, usually from the industrialised world, and issues related to intellectual rights protection.

One of the group's deliberations was also the issue of mechanisms of dispute settlement and the inclusion of labour rights, in particular in the EU-S.Korea agreement. Some participants were optimistic because the EU-S.Korea mechanism is inclusive, but reservations were also reported on the enforceability of the FTA's social provisions by this mechanism. The working group recognised this mechanism as a small progress on the issue of labour and social standards inclusion in the enforceable provisions of trade agreements and called for more coordinated efforts with a view to achieving better results in the future.

The workshop also organised its positions for further follow-up in the AEPF meetings and more specifically in AEPF's trade panel.

Workshop 3: Climate Change (chaired by John DePayva, President, NTUC, Singapore. Rapporteur: Cecilia Brighi, CGIL Italy)

The working group discussed the current situation, future developments and the constraints to getting the ITUC position on climate change implemented. The current setting comprised the failure of Copenhagen Summit and the denial of many countries to conclude to a binding agreement, as well as governmental indifference towards the employment impact of climate change.

The discussion's outcome could be brought both to the UN Meeting on Climate Change in Cancun, which would start at the end of November, and serve as a starting basis towards South Africa in 2012.

The participants concluded on three lobby positions:

1. Reach a binding agreement on the basis of common but differentiated responsibilities in order to create the framework of investment on adaptation with concrete commitments towards developing countries
2. Convince governments to accept the scientific targets and an ambitious mitigation target to be defined with the participation of trade unions
3. Achieve a Just Transition to the low-carbon economy, by transforming the world of work appropriately in order to reduce green house gas emissions. This target cannot be left to the market alone, but ASEM governments together with the ILO and social partners should foster investment programmes in labour intensive and environmentally targeted sectors such as energy efficiency, research and sustainable industrial policies.

The working group also analysed the way in which the practical proposal of the initiation of an ASEM Project establishing a tripartite social dialogue to assess and address the employment impact of climate change would be created. They also discussed a project to facilitate the exchange of best workplace practices on green house gas reduction. The workshop then deliberated on the appropriate forum to bring up the issue of climate change, and in this direction, the potential of the existing ASEM social partners' forum was analysed. The outcome of this discussion was that, since environment would be on the agenda of LEMC III, the ITUC could make a proposal during the social partners' consultations with the Ministerial Meeting.

The participants also underlined the need to have an organised trade union active representation to the AEPF, with panellists, questions and other forms of participation in the climate change panel. Thanks to the work of the Belgian unions, social and environmental justice, as well as Just Transition have been included in the preparatory draft final declaration, but unions needed to further include a more specific and clear wording on what is Just Transition. The workshop also underlined the need to illustrate in the AEPF the long-standing commitment of the ITUC on climate change also in practical terms, including examples to show the real work on the ground, and the problems caused by climate change to the workers e.g. in the logging sector.

AEPF's statement on climate change highlights:

- A fair ambitious and binding agreement on climate change
- A link between the Rio 2020 investments and Just Transition
- Financial transfers from north to south on the basis of "the polluter pays" principle
- Rejection of climate change market solutions
- EU's mitigation of emissions by 50% between 2012 and 2017
- Introduction of an International tax on shipping and air emissions

As these positions go beyond agreed international trade union positions, the workshop decided not to endorse the final AEPF proposal as it stood.

The three rapporteurs presented the outcomes of the three workshops in the plenary and James Howard presented an overview of the Asia Europe People's Forum (AEPF) and more particularly of the workshops where the ITUC was invited (see Section Two of report).

Public Conference

In his opening remarks to the open session of the trade union summit, Bernard Noel (National Secretary of CGSLB-ACLVB) stressed that the reform of the UN should be associated with Decent Work and that governments need to do more in order to promote this concept. He also highlighted the important role of training and vocational education in achieving a better status for the workers. He recognised that there is a momentum for the social protection floor and added that new strategies for its implementation have to be developed. On financial markets, Mr Bernard said that capital needs to be redistributed and speculation has to be contained.

The first speaker of the open session was John Monks (General Secretary of ETUC). Mr Monks stressed that in Asia crisis was basically over while in Europe it still went on. The ETUC was trying to convince governments not to cut so much, not so quickly. It is important for the future to build up trade union power in ASEM in order to counter-balance businesses' highly unequal access.

Sharan Burrow (General Secretary of ITUC) argued that in order for the social dialogue to be serious the ASEM Labour Forum needs to get established and the union demands should get the attention they deserve. Sharan Burrow recognised the consensus building capacity of ASEM. On inequality of income, Ms Burrow observed that the world was losing its redistributive mechanisms, for example in the US the bargaining power fell by 7%. She presented a set of ideas that trade unions bring into ASEM: the implementation of the Global Jobs Pact, a minimum wage, the reinforcement of collective bargaining and the promotion of Decent Work are redistributive mechanisms that need to be put in place. Furthermore, in order to achieve sustainable results in alleviating poverty, skilled productive work should be achieved. Trade unions are also committed to promoting social protection and the IFIs promised to further develop their work around it in the future. Ms Burrow underlined that CSR conceptually begins after the application of core labour standards which should be considered basic prerequisites for any CSR action to be meaningful. Ms Burrow called for pressure on Burma to start national dialogue, release political prisoners and start making the transition to democratic political structures. Finally, she stated her support and solidarity for the flood-affected people of Pakistan and called for greater support to the country.

Govindasamy Rajasekaran (President of ITUC-AP) underlined the importance of achieving Decent Work on a world wide scale and noted that the current trends were the opposite, as precariousness had started spreading in Europe too. Mr Rajasekaran also noted that the trade unions had no official voice in ASEM and added that this needs to change.

Steven Vanackere (Foreign Minister of Belgium) started his speech by emphasising that the rescue of the financial institutions and the following stimulus packages put the economies in deep debt. He also observed the danger of overheating economies as inflation and bubbles might get out of control. ASEM and G20, among other international fora, should take action to address these issues. Moreover, the current patterns of production and consumption could not be sustained. Mr Vanackere said that the crisis clearly demonstrated the role of social safety nets as economic stabilisers. He also stressed that the Social Protection Floor is a floor and not a ceiling, but it could help establish access to education, health and nutrition for those who lack it. He said that inclusive labour markets need training for workers so that nobody is left out. In our times, he said, re-employability is a very important element, as it is required from modern workers to shift careers 2-3 times in their working lives. Mr Vanackere supported that environmental protection should be a priority because climate change affects

everyone. In Asia and in EU there are efforts to mitigate emissions, promote clean products and the low carbon economy. However, as with every major transition, the transition to the low carbon economy raised questions of the distribution of costs and benefits.

Michael Morass (Acting Head of Unit of International Affairs, DG Employment, Social Affairs and Equal Opportunities of the European Commission) explained the agenda of the LEMC III. It included the recovery from the jobs crisis, Decent Work and core labour standards, Social Protection Floor, and green jobs. He said that the social partners forum, taking place before LEMCs is important and noted Germany's and France's workshops on CSR and on social protection and the informal economy.

The first discussant, Lauris Beets (Director for International Affairs, Ministry of Social Affairs and Employment, the Netherlands) underlined the important role of the social partners and explained that his government would like them to be included in the LEMC; however, some other governments did not agree with that. For this reason they reserved the Sunday evening (December 11) to hold a meeting between Ministers and social partners before LEMC starts on Monday. He also said that the government prepares a youth summit that will work on issues of youth employment before LEMC. Mr Beets informed that LEMC will take the conclusions of the three workshops in Germany, France and in Indonesia into account for their decisions.

Philippe de Buck (Director General, BusinessEurope) said that his organisation is working with Asian business to make proposals for the stabilisation of the financial sector. He supported Decent Work and he informed the meeting of BusinessEurope policy to implementing it, along with respect for national laws and local rules. One of BusinessEurope's priorities is investments in skills for the future and governments should take measures to enable and facilitate such investments.

Rudi Delarue, (Director of Brussels ILO Office) emphasised the importance of social protection issues, particularly given the rise in the number of short-term contracts. He also highlighted domestic work, an issue that the International Labour Conference was expected to finalise an instrument on at its 2011 session. He stressed the ILO's interest in making a positive contribution to the social dimension of the ASEM agenda.

Mr. Rudy De Leeuw (President of FGTB/ABVV) said that the change is going too fast and not to the direction we would like it. Mr De Leeuw also stressed the importance of income equality and social protection in achieving sustainable development. He supported the initiation of a financial transactions tax.

In this point the floor was opened to the participants and one asked a question on flexicurity. Sharan Burrow explained that 60% of the world's workforce has no security at all. Mr de Buck said that the restructuration of industry is a constant phenomenon and that the aim is to make the process as smooth as possible for everyone. For example, the unemployment caused by the crisis was smaller than the contraction of the economy because of "soft work" and other short term measures.

In his closing remarks, Luc Cortebeek (President of CSC-ACV) summarised the trade union views and demands.

After the end of the Trade Union Summit the participants were hosted by CSC, FGTB and CGSLB at the Parliament of the Brussels-Capital Region for a dinner.

2. Eighth Asia Europe People's Forum and trade union engagement

A series of civil society events were held in Brussels on 2-5 October 2010. Events focused on the relation of corporate power to: trade and investment, food sovereignty, climate change, decent work (including social protection) and peace and security. The AEPF was a series of interlinked dialogues, workshops and actions with the European Commission and Members of the European Parliament. The AEPF8 discussed the impact of the crisis in Asia and Europe, with focus on corporate power, the consequences and impacts of the consolidation of corporate power on the people of Asia and Europe. Analysts and commentators from both continents discussed with AEPF participants the crises and alternatives to the current development models on Decent Work, trade and investment, climate change and food sovereignty.

The ITUC participated in the Decent Work workshop with two speakers and the ITGLWF with one speaker in the trade and investment workshop. On October 3, the ITUC organised an open space event on trade unions and development effectiveness and on October 5 colleagues from the Korean Confederation of Trade Unions (KCTU) and the New Trade Union Initiative (NTUI) from India were among the CSOs' delegation to the European Parliament discussing with Members of the European Parliament and Asian Parliaments in a dialogue under the title "Beyond Free Trade: Alternatives for EU-Asia relations".

3. Meeting with the Belgian Prime Minister and host of this year's Asia Europe Meeting, Yves Leterme, October 4

Luc Cortebeek thanked the Prime Minister for the Belgian government's financial support to the Trade Unions' Summit that gave space to many unions to discuss and formulate their intervention to ASEM. Unions had also joined civil society in the AEPF and would hope for exchange of views with the Leaders during the ASEM8 Summit. Mr Cortebeek expressed the demand for an ASEM Labour Forum in order for unions to be able to contribute to the Leaders' Summit and the Labour Ministerials, like the upcoming meeting in Leiden.

Ms Burrow congratulated the Prime Minister on the Belgian EU Presidency and welcomed the accession of Australia, New Zealand and Russia in ASEM. In light of the ASEM8 meeting and the G20 meeting in Korea, Sharan Burrow raised the issue of the crisis and the need for an employment-centred agenda. People were angry and had been mobilising, their demonstrations all over Europe peaking on September 29. Ms Burrow also called for a binding agreement in Cancun on climate change and stressed the urgent need for green jobs. Another issue raised was the need for Decent Work and social protection, and she asked the Prime Minister to give a strong mandate to the Labour Ministers in order to promote social security. CSR activities should be more focused on Decent Work. The Labour Ministerial should adopt the trade union project proposals and continue its practice to hold consultations with the social partners before each meeting. The trade unions' role should be recognised and unions should not be involved only when it is in the governments' interest. Sharan Burrow compared the unequal level of access to decision-making of business and unions and called for an ASEM Labour Forum. Trade unions should have their space to express their views and convey them and Leaders should respect them. Another issue she brought up was the implementation of the Global Jobs Pact. She also called the Prime Minister's attention to Burma and the vast abuses of human and trade union rights and supported the UN call for a reform in the country.

Govindasamy Rajasekaran said that Asia experiences high growth rates but social protection is missing. The focus of ASEM should be on creating Decent Work especially in a period when precarious and informal forms of work are on the rise in Asia and elsewhere. Job security is under attack and many people do not know if they will be employed in the future. Mr Rajasekaran echoed the calls for the establishment of an ASEM Labour Forum.

In response to the trade unions, Prime Minister Leterme said that his meeting with Prime Minister Gillard of Australia would be the first “real” meeting of the ASEM8 Summit. ASEM is a vibrant dialogue process and in order to create practical results it has to focus on issues that can make a difference. The government of Belgium understands that these issues are:

1. Social model and financial crisis: ASEM needs to define which exit strategies are the best and examine how to implement social security and promote social dialogue. As social protection is stronger in Europe than in Asia the Leaders should give a strong mandate to the ILO and the UN on the creation of the social protection floor.
2. Financial reform: the world needs to reform the financial sector, including by the introduction of a Financial Transactions Tax (FTT).
3. Development aid: the donor countries need to find a better policy for Asia and ASEM should play a role in defining it. Increasingly, there is a dangerous shift from skills creation towards infrastructure and extraction. However, attention should be on human resources development and education for girls and boys that would create societies that empower people.
4. Better technological dissemination

In her response, Sharan Burrow emphasised that the establishment of a social protection floor and the implementation of the Global Jobs Pact would be steps in the right direction. She also advocated the need for skills development. On technological dissemination, Ms Burrow said that the current situation of pushing for stronger protection of intellectual property rights (IPRs) is unfortunate and that new ways for disseminating technology more broadly should be examined. The General Secretary underlined again the need for an ambitious and binding agreement on climate and in her closing comment highlighted that unions stand in opposition to premature fiscal consolidation policies. She also recognised the lack of institutional capacity hindering progress in COPs.

Rudy De Leeuw presented cases of human and trade union rights from Iran and elsewhere and referred to Steven Vanackere’s support for trade union rights.

Luc Cortebecq said that the Toronto G20 Summit did not put employment in the heart of recovery and that a stronger EU position on this matter is required. He also urged the EU Presidency to meet with the unions at the Seoul Summit.

Joel Decaillon praised the Belgian role as an important one and stated that the Belgian government will play a key role.

In the light of the November elections in Burma, Naoto Ohmi drew the Prime Minister’s attention on the violation of human and labour rights that include certain forms of forced labour. His preoccupation centred on the fact that the regime would remain in power even after the elections and he called on ASEM to exert further pressure on the military junta.

Prime Minister Leterme answered that reaching an ambitious and binding agreement on climate is important and that COP 16 would take stock of the progress made previously and pave the way to specific measures at COP17. He also regretted the fact that an international organisation on Sustainable Development is missing. The EU is ready to agree emission cuts of 20 to 30 per cent and Belgium is open to debate its levels of commitment. Mr Leterme disagreed with the unions on the need for fiscal consolidation since there are countries running on 10 or 12 per cent deficit and this is not sustainable. EU wants to avoid volatility and Herman Van Rompuy (the President of the EU) was setting up a task force to deal with the issue. The Prime Minister agreed with the importance of social protection systems. He recognised that trade union leaders are imprisoned in Burma and said the ASEM Foreign Ministers have been putting pressure on Burma in an effort to help Burmese people.

In her concluding remarks Sharan Burrow stated the need for global action on climate. Finally, she stressed that growth measures are needed, especially in a fiscal consolidation period, and that an FTT could deliver positive outcomes.