



## Political Resolution IndustriALL Global Union's 2<sup>nd</sup> Congress Rio de Janeiro, Brazil, 5-7 October 2016

### Introduction

It is the firm conviction of IndustriALL that all working women and men have the right to a fair distribution of the fruits of their labour. We must strive to build a global community in which power and opportunity are shared. We demand human rights for everyone, and the right to live in dignity, safety, peace and solidarity, free from prejudice and injustice.

In the face of sustained attacks on the right to freedom of association from capital and governments, increasing union membership and bargaining coverage continues to be a major challenge for the global trade union movement.

IndustriALL is the global union representing industrial workers, and as such is a major force in global solidarity, taking up the fight for better working conditions and trade union rights around the world. We are an organizing and campaigning organization that commits to stand with and lead workers in the fight for rights, fairness, dignity and justice everywhere.

Meeting in Rio de Janeiro on 5-7 October 2016, the second congress of IndustriALL Global Union resolves to adopt this political resolution as a complement to the Action Plan 2016-2020 that sets out IndustriALL's five key strategic goals.

### Inequality

The world's richest 1 per cent of people have more wealth today than the remaining 99 per cent. This global inequality is a social and economic crisis. Inequality is growing within and between countries. Workers are losing wages, conditions and social protections. Increasing inequality hurts already disadvantaged groups in society the most.

Both the Organization for Economic Cooperation and Development (OECD) in its recent report "In It Together: Why Less Inequality Benefits All" and the International Labour Organization (ILO) in their "2015 World Employment Social Outlook" call on governments to take measures to fight increasing inequalities.

Income inequality has increased since 2000, and this trend has been aggravated by the expansion of precarious work. It is widely accepted that rising inequality hinders economic growth. Poverty rates are higher among temporary and self-employed workers.

**IndustriALL resolves to continue fighting for an economic model based on rights, fairness and dignity, and supported by strong trade unions.**

### Supply chain impunity

An unsustainable and deeply abusive business model prevails across the industrial sectors. Multinational corporations outsource their production to suppliers that often do not guarantee living wages, trade union rights or safe workplaces. This business model, facilitated by unfair trade and investment agreements, creates a global race to the bottom in working conditions as governments compete to attract investment at the expense of workers and society as a whole, for example through tax exemptions or the extraction of raw materials without leaving value-added in the country.

“Corporate Social Responsibility” and its main instrument, supply chain audits, have failed to detect and prevent violations and abuses of worker rights. Many examples have shown that CSR and its tools are ineffective in detecting, reporting and correcting problems in supply chains. It has not been able to meaningfully improve wages and working conditions, nor to ensure respect for workers’ right to join a union.

Respect for workers’ rights in supply chains is declining. In the garment industry, there was a 73 per cent drop in the workers’ rights score of the top 20 apparel exporters to the US between 1989 and 2010. At the same time there was a 42 per cent reduction in the price paid for the clothes they produced.

The 2016 Scandal report by the International Trade Union Confederation (ITUC) reveals a hidden workforce of 116 million people working in the global supply chains of only 50 companies. The ITUC research showed that cash holdings of 25 companies of US\$387 billion could increase the wages of each of their 71.3 million workers, only 6 per cent of whom are employed directly, by more than US\$5000 a year. Workers at all stages of global supply chains are making products or contributing services for companies that rake in massive profits and could well afford to guarantee all workers in their supply chains a decent standard of living.

The global economy currently suffers from an accountability gap. Many companies claim to uphold workers’ rights in their supply chains, but fail to take measures necessary to ensure those rights are respected. Governments take little responsibility for workers’ rights at their companies’ suppliers abroad. The countries where those suppliers are located often have laws to protect workers’ rights but are not able or willing to enforce them.

This is why we need traceability in supply chains, and increased supply chain responsibility for companies and governments. Mandatory and binding rules are vital for enhancing supply chain transparency and accountability. Trade unions together with their NGO allies must demand binding and enforceable agreements with the corporations that dominate global supply chains, building on the model established by the Bangladesh Accord, to require supplier compliance with core labour standards and measurable improvements in wages and working conditions.

**IndustriALL resolves to campaign to hold multinational corporations to account for working conditions throughout their supply chains and to demand binding regulation, including an ILO Convention on supply chains.**

### **Fighting for democracy and peace, standing against terror**

Complex political problems can only be solved by multilateral political initiatives. The only alternative to irresponsible wars is a fair and sustainable diplomacy. Our Tunisian sisters and brothers were awarded the Nobel peace prize in 2015. They have shown how trade unions can play a key role in building democratic and peaceful societies.

This includes the demand and implementation of human rights, freedom, justice, democracy and growing prosperity for everyone everywhere in the world. Only when these standards are applied everywhere in the same way and a just world order is being created, the breeding ground for terrorists of all kinds will be eliminated.

IndustriALL takes a strong stand against terror. We refuse to be diverted to the road of radicalism and xenophobia. We will not be intimidated and driven into hatred. We fight terror with the strongest weapons of human dignity, mutual respect and tolerance.

The “war on terror” kills thousands, but the war on unions pushes millions into poverty. We will not allow the continued violation of trade union rights and stand firm against attacks on union membership around the world.

### **Solidarity with refugees**

IndustriALL rejects attempts to stigmatize refugees, who are victims of political and economic violence in their countries of origin. Today, at least 60 million people throughout the world are fleeing from poverty, hunger, war and persecution. They need our help.

Asylum is a fundamental human right and requires a response based on humanity, solidarity and inclusion. The union movement must work together to establish the emotional, cultural, statutory and institutional preconditions to take in refugees and integrate them as quickly and effectively as possible. We have to continue our engagement to overcome divisions and nationalism and come up with a joint response to this humanitarian emergency. The international community must also support developing countries in the resolution of conflicts which it contributed to creating, and support their economic development in order to improve the quality of life of populations and their ability to sustain themselves. This means that the international institutions and the great geopolitical powers must finally remove the reasons for the exodus of refugees including unfair trade agreements.

Trade unions must play a role with regards to the integration of refugees in society and must condemn any and all acts of violence towards refugees in the strongest possible terms. Right-wing radicals and right-wing populists are taking advantage of the dire situation of refugees and the weak response of governments for their own aims. Unions have a special responsibility to ensure that refugees obtain fair conditions in the labour market. Access to language learning, education and training, medical care, employment and proper assistance and support is indispensable for a fair integration into their adopted society.

IndustriALL opposes the use of refugees and migrants as cheap labour under precarious working conditions, including the use of irregular, forced and child labour. Scaling down and eliminating existing standards is also unacceptable.

**IndustriALL resolves that freedom, solidarity and justice are values that apply to all and have to translate into an attitude of respect, recognition and dignity towards foreigners. We continue to wage our efforts to prevent exploitation of refugees and all migrant workers in supply chains using our global leverage through governmental, intergovernmental and multi-stakeholder initiatives.**

### **Trade**

International trade can bring benefits to working people around the world, but it must have public oversight that ensures strict respect for labour rights. So far, however, the WTO has failed to deliver a global trading framework that puts the needs of the world’s people above those of global capital. Instead we have seen a series of bi-lateral and regional trade agreements that have done nothing to support decent work or sustainable development.

We have entered a new era with negotiations taking place, or recently concluded, on a new generation of trade agreements that go far beyond those we have seen before in promoting corporate interests. In fact, many of these agreements focus less on trade and more on rewriting the rules that regulate key aspects of the global economy, including financial flows, access to information, intellectual property, and protection of

public health and the environment. The Transatlantic Trade and Investment Partnership (TTIP), the Trans Pacific Partnership (TPP), the Trade in Services Agreement (TISA), the EU-Canada Comprehensive Economic and Trade Agreement (CETA), and a number of others, are all attempting to dramatically change the way in which the global economy is regulated, but instead are on course for repeating the results of failed policies of the past.

One of the major problems with these agreements is the investor-state dispute settlement mechanism (ISDS), which gives multinational corporations the right to sue sovereign states and take them to non-transparent arbitration. The proposed investment court system (ICS) does not fix the fundamental flaws of ISDS.

IndustriALL demands a fundamental reassessment of the way in which global trade and investment flows are regulated to ensure that they work for the benefit of workers and the societies they live in. Trade and investment must ensure a more equitable redistribution of wealth between and within countries and must reject a failed neo-liberal economic ideology based on deregulation, liberalisation and privatisation that this new generation of trade agreements still supports. We call for a new global debate on a fair trading framework that safeguards democratic standards and the public interest, and has the scope for social policy that puts people first.

IndustriALL calls on all its affiliates, especially those in TPP countries, to initiate and join public protests against the TPP ahead of this vote. TPP must not be ratified.

IndustriALL demands that

- a. All trade agreements must include binding and enforceable labour, union and social rights. Violations of core labour standards must be subject to the same dispute mechanisms as commercial violations. Parties to trade agreements must establish and fund effective domestic procedures for the timely investigation and resolution of labour rights complaints, with full participation of civil society. All signatories to any trade agreement must ratify and fully implement the ILO's Fundamental Conventions and other essential norms and standards.
- b. Trade agreements must be negotiated openly and transparently to prevent corporate lobbies from advancing their agendas behind closed doors without being subject to authentic and rigorous democratic procedures.
- c. The inclusion of any form of Investor State Dispute Settlement Mechanisms that undermine national sovereignty by empowering secret legal panels to challenge the social and environmental legislation of member states, is rejected. In the absence of a fair and effective multilateral system, national courts should make these decisions.
- d. Trade agreements must not include public services, public health, services of general interest, or rules on public procurement within their scope.
- e. Trade agreements must fully recognize the right of countries to act to respond to unfair trade practices including dumping- and illegal subsidies. Trade agreements must also support efforts to deal with rampant overcapacity in steel, aluminium and other industrial sectors.
- f. No moves be made to grant China Market Economy Status without a public debate on all social, economic and legal implications, a strengthening of existing trade defence instruments and improvement of social, labour and environmental conditions in China.

As the voice of industrial workers who are severely affected by trade agreements, IndustriALL must play a leading role within the global trade union movement and wider

society to advocate our vision of fair global trade that works for all and not just the top 1%.

**IndustriALL resolves to continue to oppose and campaign against trade and investment agreements that do not meet our minimum standards, but we are ready and willing to play our role in an open and democratic debate to develop an alternative, transparent global trade policy that has the interests of our members at its heart.**

### **Tax justice and quality public services**

Taxes are not a burden. They are a subscription to live in a civilized society. IndustriALL is an active member of the campaign to close tax loopholes and tax havens that allow rich corporations and individuals to avoid paying their fair share.

Ending tax avoidance and adopting initiatives such as the Financial Transaction Tax would provide necessary public funds at the national level to provide everybody with the education, healthcare, sanitation, housing and food to which they are entitled.

The trade union anti-corruption campaign argues that focusing on ending corporate and governmental corruption would provide billions of dollars in taxes.

Communities ought to be judged by how they treat the vulnerable and disadvantaged. Quality public services are vital in this regard.

**IndustriALL resolves to campaign for tax justice, opposes austerity, and advocates economic strategies based on manufacturing and investment.**

### **Energy policy**

IndustriALL recognizes that countries will take different decisions regarding their overall energy mix largely based on indigenous national resources, available technologies, security of supply and national circumstances.

The core principle of IndustriALL in this debate is that the transition to a cleaner, sustainable economy must be economically and socially just and fair for workers and their communities.

**IndustriALL resolves to support the development of a balanced energy mix through democratic discussions in the countries concerned and accept that the energy mix will vary greatly country by country.**

### **Digitization and Industry 4.0**

Industrial manufacturing is experiencing and will experience the revolution of technology and further digitization of production even more in the future. The risks of workforce downsizing due to advanced robotics and workers' replacements is obvious, even more so poor countries that have not yet benefited from the development of industrial jobs. While these fundamental changes can have big benefits for workers, communities and societies and better living standards, IndustriALL will not accept a transformation without the necessary Just Transition programs for the affected workers.

Industry 4.0 has the potential to transform the world as we know it and we need a fact-based discussion on how we can use this opportunity to transform it for the better without aggravating systematic inequalities and injustices.

**IndustriALL resolves to develop a sustainable industrial policy on Digitization and Industry 4.0, campaign against the transformation without the much needed social justice and for a Just Transition for the affected workers.**

Trade unions have always been at the forefront of social progress. IndustriALL Global Union stands proudly as part of our global movement of worker power as we confront together the forces of capital that seek to undermine worker rights and well-being.