

Labour and the OECD: the Role of TUAC

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Introduction

The OECD represents the governments of its 30 member countries, but it does not work for them in a vacuum. The major stakeholders of democratic societies – business, trade unions and other members of civil society – also have an important role in OECD work.

The Trade Union Advisory Committee to the OECD (TUAC) is a key element of this co-operation, as the official voice of the labour movement at the Organisation. TUAC has played an important role in OECD work for more than 40 years, bringing the voice of more than 60 million workers in 30 countries to the international policy debate.

TUAC's origins go back to 1948, when it was founded as a trade union advisory committee for the European Recovery Programme – the Marshall Plan. When the OECD was created in 1961 as an intergovernmental policy making body, TUAC continued its work of representing organised labour's views to the new organisation.

As the OECD's role has changed to take in new members and become a leading forum for policy making to shape globalisation, TUAC has worked with the Organisation to help ensure that global markets are balanced by an effective social dimension.

Through regular consultations with OECD experts and member governments, TUAC co-ordinates and represents the views of the trade union movement in the industrialised countries. It is also responsible for co-ordinating the trade union input to the annual G8 economic summits and employment conferences.

TUAC's affiliates consist of 56 national trade union centres in the 30 OECD countries. They finance TUAC activities, decide priorities and policy and elect the TUAC officers.

This Policy Brief looks at the work of TUAC and its role in intergovernmental policy making at the OECD. ■

What does TUAC do?

The main areas of TUAC work at the OECD are:

- economic policies in general (including preparation of the trade union statement for the G8 Economic Summits and Employment Conferences);
- structural adjustment and labour market policies;
- education and training policy;
- pension and retirement security;
- the impact of globalisation on employment;
- governance for global markets, including implementation of the OECD Guidelines for Multinational Enterprises;
- OECD relations with non-member countries notably in Central and Eastern Europe and in Asia and;
- sustainable development.

TUAC's day-to-day work involves meeting with experts in the OECD Secretariat, or with officials from member governments in OECD committees to apprise them of the views of the trade union movement on the issues on the OECD's agenda.

At the same time, TUAC regularly briefs its affiliates on the work under way in the OECD, co-ordinates policy statements on major areas of interest and evaluates the outcome of OECD meetings and publications. The TUAC secretariat is frequently called on to make presentations to meetings or Congresses of affiliates and other international trade union organisations. This process gives the trade union movement access to the intergovernmental policy debate and at the same time allows policy makers to dialogue with the social partners. Given the growing impact of globalisation on working people and their families and the realisation of the need for participatory strategies by governments for all the stakeholders in market-based economies, this dialogue is more important than ever.

The formal decision-making body within TUAC is the Plenary Session, which meets twice a year (April/May and November/December). All TUAC affiliates and the representatives of the international trade union organisations are invited to attend, and normally around 50 union Presidents or General Secretaries, International Secretaries and Economic or Research heads attend. The Plenary Session discusses and approves major policy statements, as well as discussing the work programme and priorities. It also sets a budget and affiliation fees and elects TUAC officers. The Plenary also elects an Administrative Committee which is in charge of overseeing the administration of TUAC. The officers are elected for four-year renewable terms. Currently the President of TUAC is John Sweeney, President of the AFL-CIO (USA). The Vice-Presidents are Luc Cortebeek, President of the Belgian Confederation of Christian Trade Unions (CSC-Belgium) and Tine Aurvig Huggenberger of LO-Denmark. The General Secretary is John Evans. ■

How does labour contribute to OECD work?

TUAC is involved in OECD work at several levels throughout the policy making process, from input into consultations as OECD policy recommendations are developed through to helping to ensure that they are implemented and, when necessary, updated.

The nuts and bolts of OECD policy making work take place in specialised committees where experts from the secretariat and member governments discuss policy issues in, for example, education, health, employment, economic policy or international investment.

TUAC has regular consultations with OECD committees or working groups dealing with topics of interest to it, such as education, public and private governance, anti-corruption, trade and investment, or economic policy. In some cases, TUAC attends committees as an observer; in others, there are regular consultations with the committee.

TUAC Working Groups on Economic Policy, on Global Trade and Investment, and on Education, Training and Labour Market Policy prepare TUAC positions for consultations with the OECD, as well as for the TUAC plenary sessions. These working groups are open to all affiliates, the international organisations and TUAC “partner” organisations in Central and Eastern Europe. On average, some 400 trade union representatives take part each year in different TUAC and OECD meetings mostly at OECD headquarters in Paris.

These consultations enable TUAC to be in on the ground floor of policy discussions, but its involvement does not stop there. When the OECD holds a meeting at ministerial level on a particular policy topic, such as employment, education or the environment, consultations with TUAC and other stakeholders are built into the process.

TUAC generally prepares a statement to the ministers, and is invited to discuss with them the issues on the ministerial agenda. This sometimes takes place jointly with the Business and Industry Advisory Committee to the OECD (BIAC), and sometimes the consultations are separate.

When the OECD member governments gather once a year to discuss the overall outlook for their economies, TUAC is again invited to the table to give their views to ministers on the topics on the agenda, before the ministerial talks begin.

In its statement to the 2005 annual ministerial meeting, TUAC stressed the need for quality employment to help cut global poverty and reduce economic insecurity for workers whose jobs are threatened by globalisation. It called for more effective international rules to shape globalisation. The chair’s summary from the ministerial meeting, whose theme was “Enabling Globalisation”, recognised the need for further work on globalisation and structural adjustment.

Many ministerial meetings have Forums associated with them, to enable civil society to debate the topics on the agenda, and again TUAC plays an active part in these events. It is a regular participant and partner in the annual OECD Forum coinciding with the annual ministerial meeting, a

“civil society summit” where ministers, business leaders, trades unions, NGOs and academics come together in a public forum to debate key policy issues on the ministerial agenda. TUAC president John Sweeney is a regular participant at the Forum, where he has debated issues such as globalisation and structural adjustment with OECD ministers, businessmen and leading academics.

After any ministerial meeting, TUAC will issue an evaluation of the outcome, another public method of making labour views of policy known. It also has a chance once a year to meet with OECD member governments’ permanent representatives or ambassadors to the Organisation, midway between the annual ministerial sessions. This meeting is generally timed to coincide with a TUAC plenary session, so that a large number of TUAC representatives from around the world are in Paris and able to attend.

Recent meetings with ambassadors and ministers have covered a wide range of topics, including the future role of the OECD, how to meet the world’s future energy needs and how to ensure that globalisation is managed in a way that minimises the adjustment costs to workers and families both inside and outside the OECD.

TUAC also pays increasing attention to OECD work on the environment and sustainable development as well as education policy and the global information society.

Box 1.
TUAC AFFILIATES

TUAC has 56 national trade union affiliates in the 30 OECD member countries. Most of these have traditionally also been affiliated to the main international trade union, the International Confederation of Free Trade Unions (ICFTU), and some to the World Confederation of Labour (WCL). Most European affiliates also belong to the European Trade Union Confederation (ETUC). TUAC therefore works closely with these international organisations, as well as with the International Labour Organization (ILO). The international trade union movement is undergoing unification and a new organisation is being formed in 2006 grouping ICFTU, WCL and other trade unions. TUAC is looking forward to playing an important role with the new organisation given its unique institutional engagement with governments at international level through the OECD.

The TUAC national affiliates are: **Australia:** Australian Trade Union Federation (ATUF); **Austria:** Federation of Austrian Trade Unions (ÖGB); **Belgium:** Centrale générale des syndicats libéraux de Belgique (CGSLB), Confédération des syndicats chrétiens de Belgique (CSC), Fédération générale de travail de Belgique (FGTB); **Canada:** Canadian Labour Congress (CLC), Confédération des syndicats nationaux (CSN); **Czech Republic:** Czech-Moravian Confederation of Trade Unions (CMKOS); **Denmark:** Danish Confederation of Professional Associations (AC), Salaried Employees’ and Civil Servants’ Confederation (FTF), Danish Confederation of Trade Unions (LO i Danmark); **Finland:** Finland Confederation of Unions for Academic Professionals in Finland (AKAVA), Central Organisation of Finnish Trade Unions (SAK), Finnish Confederation of Salaried Employees (STTK); **France:** Confédération française démocratique du travail (CFDT), Confédération française des travailleurs chrétiens (CFTC), Confédération française de l’encadrement (CFE-CGC), Force ouvrière (Cgt-FO), Union nationale des syndicats autonomes (UNSA), Confédération générale du travail (CGT);

The interaction of TUAC members with OECD member states and stakeholders on these issues has contributed to the development of trade union policy and action within the OECD and in other international processes, for example climate change at the UN Framework Convention on Climate Change (UNFCCC), sustainable development at the UN Commission on Sustainable Development (UNCSD), public health at the World Health Organization (WHO) and the environment with the UN Environment Programme (UNEP).

A World Trade Union Assembly on the Environment in January 2006 co-hosted by TUAC/ICFTU-UNEP reflects the centrality of the TUAC work at the OECD. As a result TUAC now manages a significant database of information about these topics for all countries and for the largest multinational companies.

TUAC takes part, often alongside business in consultations with OECD experts on “hot” policy issues, under the OECD Labour/Management Programme. Topics discussed recently or planned include issues around mobility of higher education and research personnel, the fight against corruption and climate change. This programme also includes consultations on issues such as the revision of the OECD Principles of Corporate Governance and the development of the OECD Policy Framework for Investment. ■

Box 1.
TUAC AFFILIATES (cont.)

Germany: Confederation of German Trade Unions (CGTU); **Greece:** Greek General Confederation of Labor (GSEE); **Hungary:** Democratic Confederation of Independent Trade Unions (LIGA), National Confederation of Hungarian Trade Unions (MSZOSZ); **Iceland:** Icelandic Federation of Labour (ASI), Federation of State and Municipal Employees of Iceland (BSRB); **Ireland:** Irish Congress of Trade Unions (ICTU); **Italy:** Confédération générale italienne du travail (CGIL), Confédération italienne des syndicats des travailleurs (CISL), Union italienne du travail (UIL); **Japan:** Japanese Trade Union Confederation (RENGO); **Korea:** Federation of Korean Trade Unions (FKTU), Korean Confederation of Trade Unions (KCTU); **Luxembourg:** Confédération générale du travail du Luxembourg (CGT-LG), Confédération luxembourgeoise des syndicats chrétiens (LCGB); **Mexico:** Confederation of Mexican Workers (CTM), Federation of Trade Unions in Goods and Services (FESEBES); **Netherlands:** Christian National Trade Union Federation (CNV), Federation of Dutch Trade Unions (FNV); **New Zealand:** New Zealand Council of Trade Unions (NZCTU); **Norway:** Norwegian Confederation of Trade Unions (LO i Norge), Confederation of Vocational Unions (YS); **Poland:** NSZZ “Solidarnosc”; **Portugal:** Union générale des travailleurs (UGT-P); **Slovak Republic:** Confederation of Trade Unions of the Slovak Republic (KOZ SR); **Spain:** Solidarité des travailleurs basques (ELA-STV), Union générale des travailleurs (UGT), Confédération syndicale des commissions ouvrières (CC.OO); **Sweden:** The Swedish Trade Union Confederation (LO i Sverige); Swedish Confederation of Professional Associations (SACO); Swedish Confederation of Professional Employees (TCO); **Switzerland:** Travail suisse, Union syndicale suisse (USS); **Turkey:** Confederation of Turkish Trade Unions (TURK-IS); **United Kingdom:** Trades Union Congress (TUC); **United States of America:** American Federation of Labor & Congress of Industrial Organizations (AFL-CIO).

How does TUAC take part in policy making?

OECD instruments such as the Guidelines for Multinational Enterprises are not legally binding, but they can be effective with the support of all stakeholders, not just governments, that play a role in their implementation. An important reason for this is that organisations such as TUAC are given the possibility to take part in, and to influence, the process from the start.

TUAC was actively involved in the 1998-2000 revision of the OECD Guidelines for Multinational Enterprises (MNE) from the beginning. The revision added new guidelines (*e.g.* on human rights and anti-corruption) and strengthened others (*e.g.* the environment). The revision also enhanced the implementation mechanisms of the Guidelines and extended their reach to business operations worldwide.

During the revision process, TUAC proposed the addition of new clauses on child and forced labour, which were included in the final text, and stressed the need for more emphasis to be placed on implementation, to make the Guidelines a more efficient tool for encouraging the positive contribution multinational enterprises can make to economic, social and environmental goals.

TUAC was also involved from the start in the 2003-2004 revision of the OECD Principles of Corporate Governance in the wake of corporate scandals, taking part alongside BIAC in the Steering Group that developed the revised text.

These are just two examples of how TUAC can be integrated into the policy making process at the OECD as a participating partner, but they are duplicated in many areas of OECD work. ■

How does it benefit the OECD?

TUAC's relationship with the OECD is by no means a one-way street, where labour simply feeds its views into the policy-making process at various stages. TUAC also contributes to the work of the OECD, playing a key role in publicising and monitoring implementation of many of its policies and instruments.

The Guidelines for Multinational Enterprises are perhaps the most visible example. The instrument's distinctive implementation mechanisms include the operation of National Contact Points (NCP), which are government offices charged with promoting the Guidelines and handling enquiries in the national context.

The NCPs meet annually to share their experiences and to report on activities associated with the implementation of the Guidelines. TUAC provides input to that meeting, in the form of its own review of implementation of the Guidelines over the previous year, as well as the operation of NCPs. This review by TUAC is then published as part of the OECD Annual Report on the Guidelines for Multinational Enterprises. But its involvement goes far beyond that. TUAC has undertaken a major campaign to publicise the MNE Guidelines to trade unions and others in adhering as well as non-adhering countries. This has included producing a "User's Guide" to the Guidelines,

now available in more than 20 languages including English, French, German, Spanish, Portuguese and Chinese. TUAC also holds workshops and other events to publicise and encourage use of the Guidelines.

Trade unions are also working to ensure that the OECD Convention against Bribery of Foreign Public Officials in International Business Transactions is applied in practice. Trade unions meet with OECD evaluation teams in the context of on-site visits for the in-depth “Phase 2” reviews of whether individual countries are enforcing the Convention. TUAC, the ICFTU and Public Services International have created an international trade union network to fight corruption, UNICORN, which is working on a set of initiatives, including the protection of “whistleblowers” that expose corporate and public sector corruption.

In some cases, TUAC and BIAC work together with the OECD to resolve challenges facing governments, such as ongoing work on making lifelong learning a reality for all and on the employment consequences of climate change. ■

For further information

For more information about TUAC, please contact John Evans, tel.: (33) 1 55 37 37 37, e-mail: tuac@tuac.org.



For further reading

OECD Guidelines for Multinational Enterprises,
available at www.oecd.org/daf/investment/guidelines

OECD Principles of Corporate Governance,
available at www.oecd.org/daf/corporate/principles

OECD Convention against Bribery of Foreign Public Officials in International Business Transactions,
available at www.oecd.org/daf/nocorruption/convention

The following are available from the TUAC office or from the TUAC Web site:
www.tuac.org

- **Trade Union Users' Guide to the OECD Guidelines for Multinational Enterprises**
- **Global Unions' discussion paper on the Worker Voice in Corporate Governance**
- **TUAC statement to the 2005 OECD Council meeting at Ministerial level**
- **Trade Union statement to the 2005 Gleneagles G8 Summit**
- **Trade Offshoring of Jobs and Structural Adjustment: the Need for a Policy Response**

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The OECD Policy Briefs are prepared by the Public Affairs Division, Public Affairs and Communications Directorate. They are published under the responsibility of the Secretary-General.