



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 partner, as the official voice of the labour movement at the Organisation, representing more than 60 million workers in 30 countries in the work of the OECD.

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, and marked its 60th anniversary in 2008.

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 represents the views of trade unions from industrialised countries. It is also responsible for co-ordinating the trade union input to the annual G8 economic summits, employment conferences and, together with the International Trade Union Confederation (ITUC), the G20 summits.

Faced with the most serious financial crisis since the Great Depression, TUAC has played a central role, alongside the ITUC, in co-ordinating the global labour movement's response. It is working to ensure that measures are put in place to stimulate the real economy, bring the voices of working families to the table in international negotiations, and ensure that such a crisis never happens again.

TUAC's affiliates consist of 58 national trade union centres. They finance TUAC's activities, decide priorities and policies, and elect TUAC's officers.

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

What does TUAC do?

TUAC's day-to-day work consists of meeting with experts in the OECD Secretariat and with officials from member governments in OECD Committees to carry out policy advocacy on behalf of trade unions on the one hand, and briefing TUAC's affiliates on the work of the OECD, co-ordinating policy statements and evaluating the outcomes of OECD document and meetings, on the other.

Around 400 trade union representatives take part in different TUAC and OECD meetings each year. At the same time, the TUAC secretariat is frequently called upon to make presentations on OECD policy issues to meetings and Congresses of affiliates, or other international trade union organisations.

This two-way process gives the trade union movement access to the intergovernmental policy debate, whilst providing OECD policy-makers with the opportunity to engage in dialogue with social partners.

TUAC's work focuses mainly on the following areas:

- economic policy;
- employment;
- labour market policy;
- trade and investment;
- education and training policy;
- pension and retirement security policy;
- the impact of globalisation;
- financial regulation and governance for global markets, including implementation of the OECD Guidelines for Multinational Enterprises and the OECD Anti-Bribery Convention;
- OECD relations with non-member countries, notably those in accession talks and enhanced engagement with the OECD;
- sustainable development and climate change. ■

How does TUAC contribute to policy-making?

At the OECD

The nuts and bolts of OECD policy-making work take place in specialised committees or working groups, in which experts from the secretariat and member governments discuss policy issues.

TUAC works with those committees or working groups dealing with issues that are relevant to trade unions: economic policy; employment; pensions; trade and investment; education; public and private governance; and anti-corruption. TUAC either participates directly as an observer, or alternatively provides inputs through regular consultations.

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 ministerial level meetings on specific policy topics, such as employment, education or the environment, consultations with TUAC and other stakeholders are built into the process. TUAC submits a statement to the ministers and is invited to discuss issues on the ministerial agenda. These discussions can take place either jointly, with the Business and Industry Advisory Committee to the OECD (BIAC), or separately.

Similarly, when OECD member governments gather once a year to discuss the overall outlook for their economies, TUAC is again invited to the table for discussions, before the ministerial talks begin.

In its statement to the 2008 OECD annual ministerial meeting, TUAC stressed the need for the OECD to facilitate an effective response by global governance institutions to the crises facing the world economy. It called for more effective international rules to shape globalisation and urged that the OECD should work to bring about a synergy between employment creation and action to combat climate change.

Many ministerial meetings have Forums associated with them to enable civil society to debate the topics on the agenda. The annual OECD Forum,

Box 1.

TUAC'S GOVERNANCE AND POLICY DEVELOPMENT

Governance

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 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 participate. 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 Session 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 Cortebееck, President of the Belgian Confederation of Christian Trade Unions (CSC-Belgium), Tsuyoshi Takagi, President of RENGO Japan, and Marie-Louise Knuppert, Secretary of LO-Denmark. The General Secretary is John Evans, formerly from the TUC in the United Kingdom.

Policy development

TUAC develops its policy positions through the work of its various Working Groups: Economic Policy; Global Trade and Investment; and Education, Training and Labour Market Policy. These Working Groups are open to all TUAC's affiliates, as well as to representatives of international trade union organisations and TUAC partner organisations in Central and Eastern Europe.

for example, is organised in conjunction with the annual ministerial meeting and is effectively a “civil society summit”, where ministers, business leaders, trade unions, NGOs and academics come together to debate the issues on the ministerial agenda. TUAC’s President, John Sweeney, is a regular participant who has debated with OECD ministers, businessmen and leading academics on a wide range of issues including globalisation and climate change. After any ministerial meeting, TUAC publishes an evaluation of the outcome – another means of disseminating trade union views on OECD policy.

TUAC also has the opportunity to hold an annual meeting with the permanent representatives to the OECD (the ambassadors), 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 are able to attend. Recent meetings with ambassadors and ministers have covered a wide range of topics, including: the future role of the OECD; meeting the world’s future energy needs; managing the adjustment costs of globalisation for workers and families, both inside and outside the OECD; and the OECD’s response to the financial and economic crisis.

Finally, TUAC has the opportunity to bring together trade union and OECD experts to discuss “hot” policy issues in meetings organised within the framework of the OECD Labour/Management Programme. These can also be organised jointly with business. Topics that have been addressed in the past include: mobility of higher education and research personnel; the fight against international bribery; climate change; gender and development; tax cooperation; and financialisation.

International policy coherence

TUAC also works to build links between the policy work of the OECD and other international organisations, working through its affiliates and with other international trade union organisations.

In the areas of sustainable development and climate change, for example, the interaction of TUAC members with OECD member states and stakeholders has contributed to the development of trade union policy and action both within the OECD, as well as in other international processes: 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 environmental programmes of the UN Environment Programme (UNEP).

TUAC is also active in pressing for greater collaboration between the OECD and the International Labour Organisation (ILO). ■

What are the results?

The following provide concrete examples of how TUAC is influencing policy-making at the OECD: work that is replicated across many other areas of the OECD.

OECD MNE Guidelines

TUAC was from the outset actively involved in the 1998-2000 revision of the OECD Guidelines for Multinational Enterprises (MNE). TUAC successfully argued for the inclusion of new clauses on child and forced labour and for greater emphasis to be placed on implementation through strengthening the National Contact Points (NCPs), so as to make the Guidelines more effective in securing responsible business conduct.

OECD Principles on Corporate Governance

TUAC was also involved in the 2003-2004 revision of the OECD Principles of Corporate Governance, which took place in the wake of a number of corporate scandals. TUAC was a member of the Steering Group and the revision resulted in a revised chapter on stakeholders, which recognises the role of employees in corporate governance.

OECD Guidelines for Pension Fund Governance

In its work with the OECD Working Party on Private Pensions, TUAC has focused on providing inputs to the OECD's "risk-based" regulation for pensions, as well as striving to ensure that environmental, social and governance (ESG) criteria are integrated into the forthcoming OECD Guidelines for Pension Fund Governance, together with securing proper accountability of pensions for workers.

Box 2. TUAC AS PART OF A GLOBAL NETWORK

TUAC has 58 national trade union affiliates in the 30 OECD member countries. Most of these are also affiliated to the main international trade union, the International Trade Union Confederation (ITUC) and most European affiliates additionally belong to the European Trade Union Confederation (ETUC). TUAC therefore works closely with these international trade union organisations, as well as with the International Labour Organisation (ILO). The international trade union movement has also created a Council of Global Unions, which includes TUAC, the ITUC and the Global Union Federations (GUFs) – GUFs represent workers by sector at the international level.

- For the full list of TUAC affiliates see the website, www.tuac.org.
- For the ITUC see www.ituc-csi.org.
- For Global Unions see www.global-unions.org.

OECD Education Policy

TUAC has also used the opportunity presented by the creation of a new Education Directorate at the OECD, to strengthen the dialogue with trade unions on education and lifelong learning, working in partnership with Education International (EI). TUAC and EI have together secured a strong trade union input to the OECD work on measuring educational output (PISA), and have produced a trade union guide to PISA.

OECD Accession and Enhanced Engagement and Core Labour Standards

TUAC is strongly engaged in on-going advocacy with the OECD Employment Labour and Social Affairs Committee (ELSAC), on the need for core labour standards to be part of the package of “core values” to be included in the negotiations for expansion of OECD membership and enhanced engagement with key non-members. ■

How does TUAC turn policy into practice?

TUAC’s relationship with the OECD is not restricted to policy-making. TUAC also actively promotes policies on corporate accountability and responsibility and monitors their implementation, in OECD countries and beyond.

Promoting Global Use of the OECD MNE Guidelines

The National Contact Points (NCPs), which are responsible for the OECD MNE Guidelines, meet annually at the OECD to share their experiences and report on implementation. TUAC contributes by providing its own review of the operational performance of the NCPs, with a view to identifying factors of success and failure. This review is published as part of the OECD’s Annual Report on the Guidelines for Multinational Enterprises. TUAC also manages a major campaign to promote the MNE Guidelines to trade unionists, and others, in both adhering and non-adhering countries. This has included publishing a User’s Guide in over 20 languages, including Chinese, English, French, German, Portuguese and Spanish. TUAC also organises promotional events to publicise and encourage the use of the Guidelines. As a result, trade unions have raised almost one hundred cases with NCPs, of which sixty are now closed. Of these (as of November 2008), TUAC assesses that 60% have resulted in a positive outcome, with the intervention of NCPs judged to have been helpful in approximately 65% of these cases.

Supporting the OECD Anti-Bribery Convention

Trade unions are also working to ensure that the OECD Convention against Bribery of Foreign Public Officials in International Business Transactions (OECD Anti-Bribery Convention) is effectively enforced by all parties. Trade unions meet with OECD evaluation teams in the context of the country visits for the in-depth reviews, which assess individual countries’ enforcement. In support of the Anti-Bribery Convention, TUAC, together with the ITUC and Public Services International (PSI), created an international Trade Union

Anti-corruption Network, UNICORN, which monitors international bribery cases, and campaigns for the legal protection of whistleblowers who expose corporate and public sector corruption. ■

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 website: www.tuac.org.

Guides and Reports

- TUAC a Short History, Peter Gaskell, in TUAC 1948-1998: Proceedings of the 50th Anniversary Symposium (1998).

Box 3.

TUAC'S IMPACT IN A CHANGING WORLD

TUAC has made a significant contribution to the OECD's work throughout its history, and has seen its role evolve as the global economic and social landscape has changed.

Without a doubt the OECD looks different because of TUAC's campaigns: labour standards are discussed as part of the accession negotiations for proposed new members and enhanced engagement countries; the OECD Guidelines for Multinational Enterprises have led to some positive changes on-the-ground for workers across the world; OECD corporate governance standards include the rights of stakeholders including employees, not just shareholders; the Restated OECD Jobs Strategy recognises the place of labour market institutions, including unions, in producing positive labour market outcomes; and the OECD report "Growing Unequal" is a significant response by the OECD to TUAC's longstanding concerns over increasing levels of income inequality.

A short history of TUAC published at the time of its 50th Anniversary in 1998, traced its changing roles, from its foundations in 1948 to the very different climate of the 1980's and 1990's and concluded: "The international trade union movement as a whole stands at a crossroads. Globalisation is pushing trade unions towards more international cohesion. ... TUAC has built up a unique role in having access to and influence on governments when they meet at the OECD or G7. ... The quality of the relations between TUAC and its affiliates, the sustained intensity of their interest in the issues facing policy makers, and the worth of the dialogue with OECD, are to my mind, at least, proof that this work is making a valuable contribution to mankind's social and economic progress."

Ten years on, it is appropriate to reflect, not only on these successes, but also future challenges. Against the background of a truly global economic crisis, the role of TUAC as the voice of working people in the intergovernmental debates of the OECD and G8 is needed now, perhaps, more than at any time since 1948.



For further reading (cont.)

- Trade Union Users' Guide to the OECD Guidelines for Multinational Enterprises.
- Workers' Voice in Corporate Governance: A Trade Union Perspective, Global Unions' Discussion Paper, September 2005.
- The OECD Guidelines for Multinational Enterprises: Analysis of Cases Raised with National Contact Points (NCPs), February 2001-November 2008.
- Re-regulation in the Aftermath of the Global Financial Crisis, TUAC Position Paper, November 2008.

Policy Statements

- Restoring Social Cohesion in a Global Economy: Trade Union Statement to G8 Labour and Employment Ministers Meeting, May 2008.
- Outreach, Reform and the Economics of Climate Change: Trade Union Statement to the OECD Ministerial Council Meeting, June 2008.
- Responding to the Global Crisis: The Role of G8 Leadership: Trade Union Statement to G8 Hokkaido Toyako Summit, July 2008.
- The Global Unions' "Washington Declaration": Trade Union Statement to the "G20 Crisis Summit", November 2008.

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www.SourceOECD.org

Where to contact us?

OECD HEADQUARTERS

2, rue André-Pascal
75775 PARIS Cedex 16
Tel.: (33) 01 45 24 81 67
Fax: (33) 01 45 24 19 50
E-mail: sales@oecd.org
Internet: www.oecd.org

GERMANY

OECD Berlin Centre
Schumannstrasse 10
D-10117 BERLIN
Tel.: (49-30) 288 8353
Fax: (49-30) 288 83545
E-mail:
berlin.contact@oecd.org
Internet:
www.oecd.org/berlin

JAPAN

OECD Tokyo Centre
Nippon Press Center Bldg
2-2-1 Uchisaiwaicho,
Chiyoda-ku
TOKYO 100-0011
Tel.: (81-3) 5532 0021
Fax: (81-3) 5532 0035
E-mail: center@oecdtokyo.org
Internet: www.oecdtokyo.org

MEXICO

OECD Mexico Centre
Av. Presidente Mazaryk 526
Colonia: Polanco
C.P. 11560 MEXICO, D.F.
Tel.: (00.52.55) 9138 6233
Fax: (00.52.55) 5280 0480
E-mail:
mexico.contact@oecd.org
Internet:
www.oecd.org/centrodemexico

UNITED STATES

OECD Washington Center
2001 L Street N.W., Suite 650
WASHINGTON DC. 20036-4922
Tel.: (1-202) 785 6323
Fax: (1-202) 785 0350
E-mail:
washington.contact@oecd.org
Internet: www.oecdwash.org
Toll free: (1-800) 456 6323

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