

Business at OECD (BIAC) statement on the Global Deal—February 2020

As *Business at OECD* (BIAC), representing small, medium and large employers from all OECD member states and beyond, we reaffirm our strong commitment to social dialogue and robust employee relations as well as to the national and international institutions that have been established to this end. At international level, we are committed to promoting the relevant and universally accepted multilateral instruments such as the UN Guiding Principles on Business and Human Rights, the ILO Tripartite Declaration on Multinational Enterprises and Social Policy, and the OECD MNE Guidelines. These approaches reflect and align with the variety of national traditions, cultures, and regulatory frameworks in which employers operate.

The Global Deal is structured very differently from the aforementioned institutions and instruments. It is neither Global, nor is it a Deal. Its very failure to attract broad based support is instructive. The fundamental flaws of the Global Deal are its promotion of a very narrow and specific model of social dialogue, and its lack of acknowledgement and recognition of the broad variety of workers relations around the world and within the OECD.

The Global Deal's singular focus on international framework agreements and collective bargaining ignores social dialogue's many shapes and forms, and its place as but one element of the wide palette of models of industrial relations.

No one-size-fits-all model of social dialogue or industrial relations exists. Nor should any model be promoted as best of breed. Instead, it is our firm view that social dialogue and employee relations should be shaped and tailored respecting the diversity of national cultures and firm-level circumstances.

It is exactly the diversity and flexibility of industrial relations that are key to ensuring longevity and the ability to deal with disruptive change and new opportunities that characterize our contemporary economies and labour markets.

Constraining or undermining this diversity will only exacerbate existing challenges to social dialogue and will limit the ability of employers and workers to find solutions for the challenges in the world of work.

We appreciate that there are companies that have joined the Global Deal for different reasons. However, from the perspective of international governance, the role and integrity of the existing multilateral and universally agreed institutions and frameworks that support international labour relations make the Global Deal counterproductive and redundant, as it unnecessarily diverts political and policy focus from these universally agreed international instruments.

For these reasons, rather than devoting energy or resources to enabling the Global Deal, the OECD should look at the many active ways in which employee relations and social dialogue are taking place in the 21st century. We look forward to deepening dialogue with OECD on this and to showcasing models that are constructive, inclusive, and forward-looking and that illustrate the rich and diverse traditions and practices of employee relations and social dialogue.