



committee
on workers'
capital

press release

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Labour Unions Call on Investors to Support Decent Work on World Day for Health and Safety

On 28 April 2012, thousands of representatives of governments, employers and workers will celebrate the ILO's World Day for Safety and Health at Work. To mark the occasion and in an effort to bring investors into this important conversation, the Global Unions Committee on Workers' Capital (CWC) announces its latest briefing paper: *Investing in Decent Work: Leveraging workers' capital for healthy and safe workplaces.*

Companies often claim that their workers are their most valuable asset. The CWC puts this claim to the test as part of its Investing in Decent Work project, and provides an evidence-based reflection on what poor corporate performance on worker health and safety means for investors.

This paper places the challenge of ensuring workers enjoy safe and healthy workplaces in the context of a responsible approach to investing that is geared towards long-term sustainability. In particular, three issues are highlighted:

First, employee perspectives reveal that negligent health and safety cultures have lasting negative impacts for companies and society. This long-term temporal horizon is important, particularly for institutional investors who are concerned with the appropriate management of the workforce as a vital risk-management strategy.

Second, a systematic review of relevant policy and academic research points to a positive relationship between health and safety performance and financial performance at the firm level. Failures to ensure high occupational health and safety (OHS) standards are associated with clear regulatory, financial and reputational risks for companies. This finding is significant for investors that are committed to integrating social factors within their investment decision-making frameworks.

Third, while some institutional investors are convinced of the merits of addressing OHS-related investment risks, much more can be done to maximise the impacts of shareholder engagement with companies on OHS issues through stronger and more broad-based investor coalitions that work within a systematic framework to advance core labour rights.

Ken Georgetti, Chair of the CWC and President of the Canadian Labour Congress said: "It is shameful work-related accidents or diseases claim the life of one worker every fifteen seconds. Trade unions in Canada and beyond want governments to enact and enforce regulations that address workplace violence and harassment, exposure to toxics, repetitive stress injuries and emotional strains. But, as this report shows, investors can act to hold companies accountable for poor performance on worker health and safety. Innovative partnerships between labour rights advocates and investors can deliver the promise of decent work for all."

“Investors need to start asking their asset managers, and the companies whose shares they own, the hard questions about how companies treat their employees and how they ensure the health and safety of their workforce. They should not cave in to false arguments about reducing health and safety regulation and protection to cut costs, and they should accept the evidence which shows that unions save lives,” said ITUC General Secretary Sharan Burrow.

The paper issues a clarion call to institutional investors, and trade union pension trustees in particular, to work at the global level with the UN-PRI, ILO and ITUC to advance the decent work agenda. In addition, the Shareholder Association for Research and Education (SHARE) provides a concise overview of corporate best practices on OHS in their new report: Investor Guidance on Occupational Health and Safety in Canada: An Overview of Corporate Best Practice, available online at: www.share.ca.

Download the paper at: www.workerscapital.org

About the CWC

The Global Unions’ Committee on Workers’ Capital (CWC) is an international labour union network for dialogue and action on the responsible investment of workers’ capital. It is a joint initiative of the International Trade Union Confederation (ITUC), the Global Unions’ Federations (GUFs) and the Trade Union Advisory Committee to the OECD (TUAC). The CWC works to build the capacity of union pension trustees on responsible investment issues, monitor global trends and policies related to corporate and financial market governance and examine ways in which the responsible investment of workers’ capital can yield economic and social value in our communities.

Project Partners

This project was implemented in collaboration with the Shareholder Association for Research and Education (SHARE – Canada), Building and Wood Workers International, United Steel Workers, International Textile, Garment and Leather Workers Federation, National Union of Mine Workers South Africa and the International Federation of Chemical, Energy, Mine and General Workers’ Unions.

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about the CWC

The CWC brings together representatives of the international labour movement to share information and develop strategies for joint action in the field of workers’ capital. The CWC works on shareholder activism, corporate and financial market governance, pension trustee education and economically targeted investments.