



June 2010
AK Position Paper

Trade and Child Labour

About us

The Federal Chamber of Labour is by law representing the interests of about 3.2 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore the Austrian Federal Chamber of Labour is a part of the Austrian social partnership.

The AK EUROPA office in Brussels was established in 1991 to bring forward the interests of all its members directly vis-à-vis the European Institutions.

Organisation and Tasks of the Austrian Federal Chamber of Labour

The Austrian Federal Chamber of Labour is the umbrella organisation of the nine regional Chambers of Labour in Austria, which have together the statutory mandate to represent the interests of their members.

The Chambers of Labour provide their members a broad range of services, including for instance advice on matters of labour law, consumer rights, social insurance and educational matters.

Herbert Tumpel
President

More than three quarters of the 2 million member-consultations carried out each year concern labour-, social insurance- and insolvency law. Furthermore the Austrian Federal Chamber of Labour makes use of its vested right to state its opinion in the legislation process of the European Union and in Austria in order to shape the interests of the employees and consumers towards the legislator.

All Austrian employees are subject to compulsory membership. The member fee is determined by law and is amounting to 0.5% of the members' gross wages or salaries (up to the social security payroll tax cap maximum). 560.000 – amongst others unemployed, persons on maternity (paternity) leave, community- and military service – of the 3.2 million members are exempt from subscription payment, but are entitled to all services provided by the Austrian Federal Chambers of Labour.

Werner Muhm
Director

Executive Summary

The Austrian Chamber of Labour (AK) welcomes the attempt of the EU to take more decisive action against Child Labour violations. Above all, it is a concern of the AK to oppose the exclusively incentive-oriented approach with regard to trade policies. It is therefore required to change the emphasis of the Council Conclusions from “trade incentives” to “trade measures”. The AK supports the examination of a list that records goods and services, which are produced or rendered using the worst forms of Child Labour (ILO Convention 182). In any case, from our point of view an important ban is also justified as a last consequence in case of violations.

The AK position in detail

There are 218 million working children worldwide; three quarters of them are working under the worst conditions.

There are 218 million working children worldwide; three quarters of them are working under the worst conditions. The ILO Member States have committed themselves to implement and comply with the ILO Conventions 138 and 182, which target a ban on Child Labour, in particular against its worst forms. Apart from that, there is international agreement to eliminate the worst forms of Child Labour by 2016.

The situation concerning Child Labour has worsened since the global economic crisis. Because the ILO Core Labour Standards, which also include the conventions mentioned above, have a special legal status (universal right), the compliance with them does justify special measures. This also applies to trade policy.

The Commission recommends a comprehensive political approach and the effective use of the instruments available - political dialogue, development cooperation and trade incentives. We have repeatedly come out against this exclusively incentive-oriented approach, because the AK, in particular with regard to implementing the ILO Core Labour Standards, does not regard it as appropriate. Apart from positive incentives, as it is already the case within the scope of the Scheme of Generalised Tariff Preferences (GSP) for example, any violations concerning the worst forms of Child Labour should

also result in negative consequences in trade policies. The CSR measures, which are voluntary, can at best play an accompanying trade policy role.

For that reason there should be a focus on “trade measures” and not on “trade incentives”.

From our point of view, the following instruments of the EU trade policy could serve as starting points:

Preparing a list of goods and services, which were produced by using Child Labour: we support the position by The Netherlands from April 2010 concerning the preparation of a relevant list. This position should be discussed and reviewed by the Member States and the Commission. In order to increase the attention on products and services resp. their intermediate products, which have been produced resp. rendered using Child Labour, a Black List could serve as a basis for verification inspections.

Import ban: The AK is of the opinion that in connection with the worst forms of Child Labour (ILO Convention 182) measures should be set up to prevent the import of these products on the European market.

Generalised Tariff Preferences (GSP): Commission and Member States should indeed make use of the provisions concerning the temporary

In connection with the worst forms of Child Labour measures should be set up to prevent the import of these products on the European market.

suspension if there is information on the violation and well-founded doubts regarding the compliance with the Core Labour Standards, in particular in case of Child Labour. It is essential to introduce a mechanism for the better monitoring of the effective appliance of the Core Labour Standards (in particular Child Labour Standards), which are the condition for their utilisation within the scope of the special incentives (APS+).

Public procurement: regulations should be introduced and implemented according to which the contractual parties (enterprises), who are awarded public contracts, have to comply with the ban on Child Labour.



For further information please contact:

Éva Dessewffy

(Expert AK Vienna)

T +43 (0) 1 501 65 2711

eva.dessewffy@akwien.at

as well as

Frank Ey

(in our Brussels Office)

T +32 (0) 2 230 62 54

frank.ey@akeuropa.eu

Bundesarbeitskammer Österreich

Prinz-Eugen-Strasse, 20-22

A-1040 Vienna, Austria

T +43 (0) 1 501 65-0

F +43 (0) 1 501 65-0

AK EUROPA

Permanent Representation of Austria
to the EU

Avenue de Cortenbergh, 30

B-1040 Brussels, Belgium

T +32 (0) 2 230 62 54

F +32 (0) 2 230 29 73