

Working group 9:

How can business contribute to more socially cohesive societies in the EU

Background

Business activities impact greatly on people's lives. Businesses are increasingly being viewed as duty bearers with human rights responsibilities and as having a key role in facilitating development and wider policy goals. As a result, the search for a more formalised responsibility to respect human rights naturally flows. The United Nations, the OECD, the Council of Europe, the EU and its Member States are all adopting or updating guidelines and action plans on business and human rights. There is also a UN initiative aiming at an international treaty.

Due to legal compliance requirements for businesses, but also in response to market pressures and societal expectations, there are strong incentives for greater attention to human rights and diversity. The benefits that diversity at the workplace brings to business are already well-known. A wide range of initiatives and good practices to manage diversity at the workplace by businesses already exists and the 'Diversity movement' is rapidly expanding across the EU, including Diversity Charters in so far more than half of the EU Member States. Corporate Social Responsibility is one prominent concept, encouraging businesses to engage with society. The idea that businesses have to conduct human rights due diligence is at the heart of the UN Guiding Principles on Business and Human Rights. A related one is the UN Global Compact, committing participating companies to 10 principles for more responsible businesses, including aligning strategies with the Sustainable Development Goals, adopted in 2015.

FRA, for its part, has carried out related research into severe forms of labour exploitation and the 'freedom to conduct a business', one of the rights in the EU's Charter of Fundamental Rights.

Objectives

This workshop sought to explore ways to promote responsible business conduct regarding human rights and diversity issues. Two perspectives on businesses were included: legal compliance with requirements such as non-discrimination and contributions to policy goals such as inclusive societies or inclusive growth (e.g. Europe 2020 – EU's growth strategy). The workshop aimed to identify three easily transferrable best practices for how businesses can contribute to more socially cohesive societies in the EU.

Speakers

- Laszlo Lovaszy, Expert, United Nations Committee on the Rights of Persons with Disability
- Juan Gonzalez Mellizo, Team leader, Unit, Non-discrimination policies and Roma coordination, Directorate-General Justice and Consumers, European Commission
- Lene Wendland, UN advisor on Business and Human Rights, OHCHR
- Radu Mares, Expert, Raoul Wallenberg Institute of Human Rights
- Monika Laurinaviciute, Stakeholder relations officer, European Institute for Gender Equality (EIGE)
- Sari Brody, Global Diversity & Inclusion leader, IKEA

Main messages

1. Change happens from within. If businesses include human rights and inclusion of diversity in their plans, it will work.
2. It is profitable to be a responsible company because different people think in different ways and bring different ideas into the work environment.
3. A mix of soft and hard measures works best: sometimes it is better to use hard laws and regulations (comply or pay) and other times it is better to use incentives and voluntary measures. Hard law should be used to attain minimum standards.

Promising practices

- EU directive on non-financial information and diversity 2014, particularly the comply or explain provision, EU.
- EU Employment equality directive, Art. 5 enables a person with disability to have access to equal employment, EU.
- Some companies are putting LGBTI networks at the workplace in place; non-LGBTI people can also contribute, various.
- Government is giving incentives to small enterprises that hire people with disabilities with the requirement that people will work at the pace that suits their abilities, Sweden.

Next steps

- Companies should have in place gender equality and diversity plans, which make processes systematic, as these have proven to make companies more successful. These include:
 - Adjusting recruitment and promotion practices and making them more transparent;
 - Changing the role profile in advertisements, e.g. making it more accessible to people with different backgrounds;
 - Ensuring a work/life balance, e.g. flexible working hours, available kindergartens;

- Training and mentoring programmes to raise awareness about gender equality;
 - Ensuring everybody benefit from these measures, both men and women.
- The EU should implement UN guidance to States to strengthen accountability and access to remedy in the form of policy objectives plus elements showing ways to meet these objectives. This could be implemented through national processes, e.g. action plans, domestic legal review processes.
- Businesses, EU and Member States should aim for at least 30% gender balance which is needed in the workplace before soft measures can work.