

SENATE STANDING COMMITTEE ON ECONOMICS QUESTION
(Supplementary Budget Estimates 20 October – 21 October)

Question: SBT 169

Topic: Strengthening the Australian NCP

Senator Ludlam asked:

Senator LUDLAM—There have been some calls, since the last time we spoke, about strengthening the institutional arrangements and independence of the Australian NCP. Is there a view within government—either within the department or with the minister—that this would be appropriate? I guess what I am asking is: are we happy with the situation as it is?

Mr Di Giorgio—I think it is fair to say that our thinking on the position is that there is a process in the OECD at the moment around that. We are part of that process in considering how that may evolve. But it is not a settled position as such and so it is something that we would have to consider and brief and seek the opinion of government on.

Senator LUDLAM—When does that review conclude? What can you tell us about the timing of that?

Mr Di Giorgio—I would have to check and give you the facts on that. I know there are meetings happening this year and there is another one occurring, I believe, in December.

Answer:

The updating of the OECD's Guidelines for Multinational Enterprises is managed by the OECD Secretariat and the OECD's Investment Committee.

The first step in this process took place on 8 December 2009 with a consultation which sought the views of business, labour, NGOs, non-adhering countries and international organisations on the priority areas for an update. Adhering governments decided on the terms of reference for an update in April 2010 and formal work on the update started in June 2010, with the broad aim of completing the process in 2011.