

ANNEX 18.5

Labor Cooperation Mechanism

Establishment of a Labor Cooperation Mechanism

1. Recognizing that bilateral cooperation on labor matters will provide enhanced opportunities for the Parties to improve labor standards, and to further advance their common commitments, including the *ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998)*, the Parties have established a Labor Cooperation Mechanism.

Organization and Principal Functions

2. Each Party shall designate an office within its ministry of labor to serve as a point of contact to support the work of the Labor Cooperation Mechanism.

3. The Parties' labor ministries shall carry out the work of the Labor Cooperation Mechanism by developing and pursuing cooperative activities on labor matters, including by working jointly to:

- (a) establish priorities for cooperative activities;
- (b) develop and periodically revise a work program of specific cooperative activities in accord with such priorities;
- (c) exchange information regarding labor policies and the observance and effective application of labor law and practice in the Parties' territories;
- (d) exchange information on and encourage best labor practices, including best practices adopted by multinational firms, small and medium enterprises, and other private enterprises, as well as by labor organizations;
- (e) advance understanding of, respect for, and effective implementation of the principles reflected in the *ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998)*;
- (f) promote the collection and publication of comparable data on labor standards, labor market indicators, and enforcement activity;
- (g) arrange periodic labor cooperation review sessions at the request of either Party, review current cooperative activities, and provide guidance for future cooperative activities between the Parties; and
- (h) develop recommendations to their respective governments for their consideration.

Cooperative Activities

4. The Labor Cooperation Mechanism may undertake cooperative activities on any labor matter it considers appropriate, such as on:

(a) *fundamental rights and their effective application*: legislation, practice, and implementation related to the core elements of the *ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998)* (freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labor, abolition of child labor, including the worst forms of child labor in compliance with the ILO Convention N°182 on the *Worst Forms of Child Labour (1999)*, and elimination of employment discrimination);

(b) *labor relations*: forms of cooperation among workers, management, and governments, including the resolution of labor disputes;

(c) *working conditions*: legislation, practice, and implementation related to occupational safety and health; prevention of and compensation for work-related injuries and illness; and employment conditions;

(d) *issues related to small and medium enterprises*: promotion of fundamental rights at work; improvement of working conditions; forms of cooperation between employers and worker representatives; and social protection services agreed between workers' organizations and employers or their associations;

(e) *social protections*: human resource development and employment training; work benefits; social programs for workers and their families; migrant workers; worker adjustment programs; and social protection, including social security, income security, and health care services;

(f) *technical issues and information exchange*: programs, methodologies, and experiences regarding productivity improvement; labor statistics, including comparable data; current ILO issues and activities; consideration and encouragement of best labor practices; and the effective use of technologies, including those that are Internet-based; and

(g) implications of economic integration between the Parties for advancing each Party's labor objectives.

Implementation of Cooperative Activities

5. The Parties may carry out cooperative activities under this Annex through any form they deem appropriate, including by:

- (a) exchanging government delegations, professionals, and specialists, including through study visits;
 - (b) sharing information, standards, regulations and procedures and best practices including through the exchange of pertinent publications and monographs;
 - (c) organizing joint conferences, seminars, workshops, meetings, training sessions, and outreach and education programs;
 - (d) developing collaborative projects or demonstrations;
 - (e) undertaking joint research projects, studies, and reports, including by engaging independent experts with relevant expertise;
 - (f) drawing on the expertise of academic and other institutions in their territories in developing and implementing cooperative programs and by encouraging relationships between such institutions on technical labor issues; and
 - (g) engaging in technical exchanges and cooperation.
6. In identifying areas for cooperation and carrying out cooperative activities, the Parties shall consider views of their respective worker and employer representatives, as well as other members of civil society.