

Won't this law make UK businesses uncompetitive?

Ultimately we need all companies to be subject to the same regulations and international solutions to ensure good corporate behaviour. One way forward would be to have international rules on human rights to be applied to business through the United Nations. We are also pushing for World Trade Organisation agreements to conform to International Labour Organisation (ILO) conventions that enshrine basic rights for all workers.

However companies are responsible for one third of UK investment overseas and 25% of the world's largest companies are listed on the London Stock Exchange - which makes them a pretty powerful bunch. We think the UK government should lead the way and set a precedent internationally.

But that's not all. Other countries who've introduced more regulation for companies have not become uncompetitive. Denmark and Sweden, for example, have high levels of business regulation and still make it in the Top Five of the World Economic Forum national competitive index.

The Bill does not explicitly tell company directors how they should go about monitoring and minimising any negative environmental and social impacts, providing plenty of flexibility for directors to choose a system that would work most effectively for their company.

Businesses often claim new regulations and targets will cost them dearly but their predictions frequently prove untrue. For example, UK business predicted that the introduction of the national minimum wage would result in over 1 million job losses. The real result? Unemployment fell by 200,000.

- [Back to index](#)
- [Next: What were you calling for directors to do?](#)