



2019 Workers' Capital Conference
8-9 September
Paris, France

Session Summary

Session Title	Improving outcomes for workers in alternative investments portfolios
Time	Sept. 8, 14:00-15:00
Location	CC6
Interpretation	Spanish/French/Japanese
Moderator	Alison Tate, ITUC
Speakers	<ul style="list-style-type: none">• Paul Finch, BC Government Employees' Union (BCGEU), Public Service Pension Plan (trustee), BCI (board member)• Mike Musuraca, North American Building Trades Union (NABTU)• David Whitely, IFM Investors• Delilah Rothenberg, Predistribution Initiative

Session Overview

Pension funds allocate significant sums to alternative investments, including real estate, private equity and infrastructure. These asset classes hold implications for workers, communities and pension funds themselves. Unions, trustees, funds and other organizations are developing a range of approaches and tools to improve the outcomes of the investments for workers and other stakeholder groups. This panel will outline some challenges and present three progressive innovations in these asset classes that aim to reconcile workers' rights and labour standards with alternative investments.

The session will begin with reflections from Paul Finch from the BC Government Employees' Union, a trustee on the board of the Public Service Pension Plan and BCI board member. Paul will discuss some of the union concerns he navigates as a **pension plan trustee** around alternative investments and his views on how trustees can promote better labour practices in these asset classes.

Next, Michael Musuraca from the North American Building Trades Union (NABTU) will present the union's **real estate** asset manager report cards project, which graded managers' Responsible Contractor Policies (RCP). The NABTU initiative, which is expanding to infrastructure managers moving forward, convened union pension funds to engage asset managers on their performance.

David Whiteley from IFM Investors, an Australian asset manager that specializes in **infrastructure** and is owned by 27 Australian superannuation funds, will present IFM's approach to labour rights. IFM and ITUC recently signed a set of principles that sets out investment due diligence requirements on labour rights in their investments.

Finally, Delilah Rothenberg will present the Predistribution Initiative – a response to compensation structures that enrich **private equity** fund managers at the expense of workers, communities and – at times – asset owners acting as limited partners in alternative investments. The Predistribution Initiative is a collaboration aimed at developing fund prototype structures with risk-adjusted returns that narrow compensation ratios between asset owners, fund managers and workers – key constituencies within the CWC.

Source Documents:

- [IFM Labour rights policy statement](#)
- [NABTU Real Estate Manager Report Card \(8/20/19\)](#)
- [NABTU Real Estate Manager Report Card Methodology](#)
- [CWC Trustee Guidance Note on Pension Fund Investment in Infrastructure](#)
- [Investors Worried About Wealth Inequality Should Focus on Fund Manager Compensation](#)

Speaker Bios

Paul Finch is Treasurer of the B.C. Government and Service Employees' Union. He sits on the Board of Trustees of the BC Public Service Pension Plan and is Chair of the Board of Trustees for the BC Target Benefit Pension Plan. He is Plan Partner at both the BC Public Service Pension Plan and the BC College Pension Plan. Paul is on the Board of Directors of BCi.

Michael Musuraca spent the bulk of his career as an Assistant Director in the Department of Research and Negotiations, District Council 37 of the American Federation of State, County, and Municipal Employees (AFSCME), AFL-CIO. From 1996-2009, Mr. Musuraca was a designated trustee to the New York City Employees Retirement System (NYCERS), a 300,000 plus member pension fund with assets of more than \$40 billion. He also served, from 1997 until 2009, as a trustee to the Cultural Institutions Retirement System. Mr. Musuraca was also a founding member of the Principles for Responsible Investment (PRI) Board and was the labor representative to the Advisory Board of the New York City Independent Budget Office. He is currently serving on the board of Sustainalytics and is chair of the Verite board, as well as a member of the Steering Committee of the Investor Alliance for Human Rights. He also acts as a Strategic Advisor on ESG and Labor for Blue Wolf Capital Partners, and a consultant on pension and capital strategies for the North American Building Trades Unions and the American Federation of Teachers. Mr. Musuraca has published a number of papers on labor affairs and urban history and politics in academic journals. Since 1994, he has taught in the Department of Urban and Labor Studies at Queens College and has also taught at City College, Rutgers University, and the New York City campus of Cornell University.

Delilah Rothenberg is Executive Director of the Predistribution Initiative (PDI), a multi-stakeholder project to co-create investment structures that share more economics with workers, have stronger ESG integration, and narrow the wealth gap. Underpinning this work is research on how to more adequately pay people for the value that they create throughout the "capital markets supply chain." Delilah also is the Managing Director of Development Capital Strategies (DCS), an advisory firm specializing in ESG integration and impact strategy. Her past experience includes institutional equities at Bear, Stearns & Co and investment research with Gerson Lehrman Group (GLG). Delilah has been an active contributor to USAID's Responsible Land-Based Investments initiatives, the UN Principles for Responsible Investment (PRI) Supply Chains Working Group, the Global Impact Investing Network (GIIN) HoldCo Working Group (focused on structuring investment vehicles for long-term strategies and less liquid markets), and recently served on the Board of Directors of Business Council for Peace (Bpeace), a non-profit that provides pro-bono consulting to entrepreneurs in conflict-affected countries. She currently serves as a Board Director of Invest Africa US and is a Member of the SASB Standards Advisory Group.

David Whiteley is Global Head of External Relations for IFM Investors, responsible for building awareness of the purpose of IFM Investors among key stakeholders, opinion leaders and decision makers. Prior to joining IFM Investors, David was the founding Chief Executive of Industry Super

Australia, responsible for leading advocacy efforts to improve Australia's superannuation system so that it works in the best interests of members. David has previously served as a Director of HESTA, a Director of Superannuation Trust of Australia, an Alternate Director of AustralianSuper, and a member of the Audit, Compliance and Risk Management Committee of AustralianSuper. David worked for the ACTU from 1999 to 2006. David is a member of the Department of Management and Marketing Advisory Board, The University of Melbourne.