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THE BIENNIAL MAGAZINE OF INDUSTRIALL

global worker

FEATURE

Turkey's treacherous mining

SPECIAL REPORT

Industry bargaining for
living wages

PROFILE

Issa Aremu


industri all
global union



Welcome to Global Worker

With 18 million workers, electronics is the second biggest IndustriALL sector after the textile and garment industry. Low wages, problems with union rights and precarious work make it a priority target for our action.

A report in this Global Worker shows that while corporate executives are taking home big pay packages, electronics workers are toiling long working hours on low salaries. Foxconn raised wages after 14 desperate workers committed suicide in China in 2010, but its CEO is still worth more money than the combined annual salary of the company's one million blue-collar workers.

Samsung of Korea, the biggest selling electronics company in the world, has a long history of violating labour rights. Managers are trained on efficient "union-free" policies. Recently, a high Vietnamese labour official had to intervene with the corporate management to ensure the union's right to organize Samsung workers in the country.

IndustriALL is helping electronics unions to build their capacity on organizing, collective bargaining with multinational corporations and their suppliers, networking, union rights and precarious work.

One focus area is the ASEAN region to which the electronics industry is shifting. In 2014, over 600 unionists from Indonesia, Malaysia, Thailand, Taiwan and Vietnam were trained on organizing.

Another special report in this issue looks at industry level bargaining as an essential tool in the fight for living wages and against inequality.

While global wealth is concentrated into fewer hands, the increasing inequality is also due to attacks against collective bargaining by corporations, right-wing politicians and international financial institutions. Company agreements offer less protection to a smaller group of workers.

Therefore, IndustriALL is supporting developments towards industry level bargaining particularly in supply chain industries like garments and electronics. We are working with major brands to make sure that their purchasing practices with long-term commitments and adequate pricing facilitate the payment of living wages.

Myanmar is a country that will attract a number of multinational investors into labour intensive industries, as the country takes steps towards democracy after 50 years of military regime.

In December 2014, IndustriALL affiliated the industrial and mine workers' unions of Myanmar. Together with our partners, we are supporting a major organizing and training effort to develop skills and institutions that did not exist during the dictatorship.

Wildcat strikes of impatient factory workers demanding higher wages are spreading. Handling them peacefully will be one of the key tests for the new society in Myanmar.

In this Global Worker, we commemorate the one-year anniversary of the explosion and fire that killed 301 mine workers at Soma in Turkey on 13 May 2014. Our feature shows that greed, incompetence and corruption made it another industrial homicide – like too many other disasters in mining and other sectors.

The IndustriALL family will continue its efforts to make sure that every worker can go to work without having to fear for being killed or injured. A union workplace is a safer workplace.

Jyrki Raina
General Secretary



“

The IndustriALL family will continue its efforts to make sure that every worker can go to work without having to fear for being killed or injured.

Jyrki Raina
General Secretary

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Representing 50 million workers across supply chains in the mining, energy and manufacturing sectors at the global level.

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VIETNAM - On the road to a living wage

Vietnam's booming textile, garment, shoe and leather industry employs more than 3 million workers. The national minimum wage is US\$145 per month. That equals 75 per cent of a living wage and is set to increase in the coming years.



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GLOBAL



MENA



LATIN AMERICA



report

Text: Kan Matsuzaki

Electronics industry

Organizing and fighting against precarious work

The electronics industry is one of the largest industrial sectors in the global economy. As society is increasingly smarter and digitally connected, it continues to boom.

The supply chains that feed the electronics industry are getting bigger and more complex as technology pervades every area of our lives. Apple deals with over 750 suppliers to make products such as iPhones and iPads, and in the automobile industry, electronic components can make up to 40 per cent of total costs in all car categories. It is estimated that the electronics industry employs 18 million* workers worldwide.

Highly competitive, innovative, fast changing and with short production cycles, the electronics industry mostly operates on a 'just-in-time' production model, fuelling a rise in precarious work.

In 2014, IndustriALL's ICT Electrical and Electronics sector conducted a survey on precarious work in the industry. The results show that permanent workers are being pressured into precarious positions. Unions are struggling to reach out to the

rapidly increasing numbers of agency, contract and outsourced workers, as well as migrants, who have little or no chance to bargain collectively on their terms and conditions of employment.

Shoji Arino, chairperson for IndustriALL ICT Electrical and Electronics, says the sector's business model not only increases precarious work, but also leads to disparities in standards of living and a crisis in sustainability:

"Governments and multinationals in the electronics sector are employing nefarious tactics to obstruct trade union activities, especially in Asian developing countries. We, as unions in this sector, must take wide-ranging action to combat them."

- 1 Assembly lines for mobile phones in China. *SOMO*
- 2 Assembly line at Foxconn factory. *SOMO*
- 3 An employee for Flextronic in Guadalajara, Mexico, works on a circuit board. *SOMO*

* A study conducted for the International Labour Organization (ILO) Better Work Program in 2010 estimated the number of workers in the electronics industry at 18 million.



Highly competitive, innovative, fast changing and with short production cycles, the electronics industry mostly operates on a ‘just-in-time’ production model, fuelling a rise in precarious work.



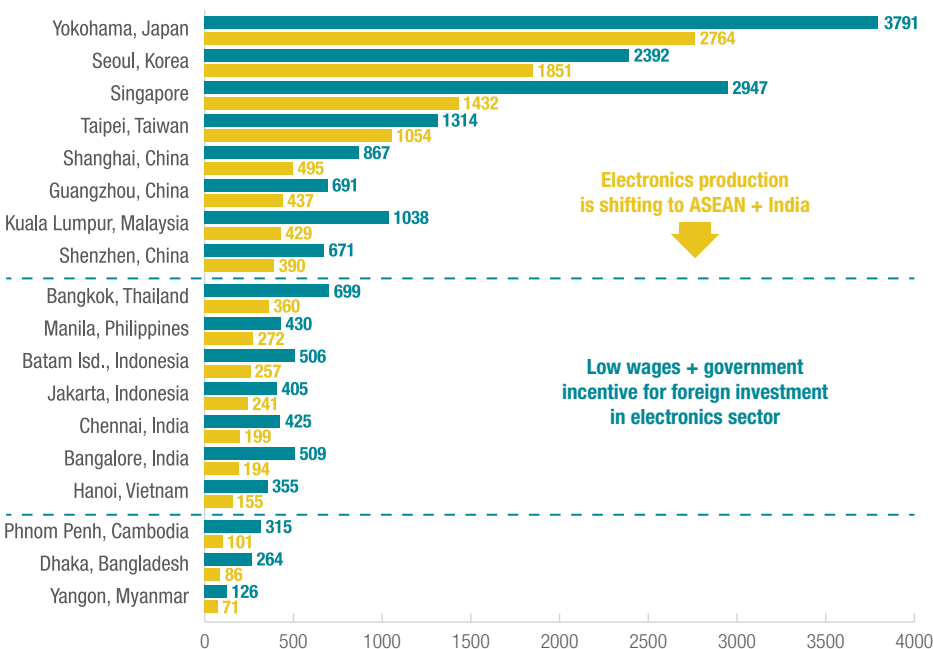
2

ASEAN and India - hot spots of production

China, once the world’s electronics production hub, is now losing out to South East Asia and India. Multinational Companies (MNCs) are shifting production to ASEAN countries, such as Malaysia, Indonesia, Philippines and Vietnam, as well as India, where wages for manufacturing workers are lower than in China (Table 1). 62 per cent of TV (LCD, LED), 70 per cent of semiconductors, 76 per cent of car navigation systems, 86 per cent of mobile/ smart phones, and 100 per cent of digital cameras are manufactured in Asia.

ASEAN countries and India are helping to attract foreign investment by offering special incentives to electronics MNCs. Companies are rushing to India and the ASEAN countries to take advantage of the lower manufacturing costs and attractive investment conditions. As a result of the Vietnamese government’s preferential treatment towards Samsung Electronics, in 2014 the company built the world’s largest smart phone factory in the country. Samsung will employ 100,000 workers by July 2015, making it the largest foreign company in Vietnam. Foxconn is planning to invest US\$1 billion in a manufacturing project in Indonesia, estimated to create more than 100,000 jobs in the coming years.

Table 1: Standard wages of manufacturing workers in Asia
(2013, in US dollar/month. Green: engineer. Yellow: production workers)



Source: Selected data from Japan External Trade Organization (JETRO).

Ducking international labour standards

The world’s five highest earning electronics companies originate from countries where the ILO conventions on freedom of association (ILO convention No.87) and the right to collective bargaining (ILO convention No.98) are not ratified. They also operate in and/or outsource labour intensive production processes to suppliers located in countries where these ILO conventions are not respected (Tables 2 and 3). In the labour intensive production processes of the electronics industry, the workplaces have very low or no union density. Many workers are forced into a precarious working environment weakening their chance to bargain collectively.

Foxconn, Apple’s biggest supplier, has grown massively since the company began operating in mainland China in 1988. In 15 years, the company has become one of the world’s biggest electronics manufacturers, employing more than 1.2 million workers worldwide. The company has had many serious labour problems related to working conditions – low wages, long working hours, irregular work-loads, huge use of agency workers outside of China – and occupational health and safety (OHS). In the absence of trade unions in the workplace Foxconn has faced riots by groups of unorganized workers.

Samsung, the biggest selling electronics company in the world, has a long history of disrespecting labour and human rights. Samsung’s violations of workers’ rights range from kidnapping and battering of union leaders, to special training for managers to implement an effective “union-free” policy, as evident in Korea and other countries in Asia.

Who wins with the electronics business model?

Top management from the leading electronics companies are ranked among the richest people in the world. Samsung’s chairman, Lee Kun-hee, has an estimated net worth of US\$12.6 billion; Apple CEO Tim Cook took home a salary of more than US \$9 million last year. Hewlett-Packard CEO Meg Whitman, got a pay package of US\$19.6 million in 2014, and the CEO of Hon Hai Precision (Foxconn), Terry Gou, has a net fortune estimated at US\$6.1 billion.

This stands in contrast to standard Foxconn workers in China assembling products for Apple and HP. They are paid on average US\$5,000 dollar per year, which means Foxconn’s CEO is worth more money than the combined annual salary of all the company’s one million blue-collar workers.

Table 2: Selected large electronics firms (2013-2014)

| Company | Annual revenue (US\$ million) | Employees | Country origin |
|---------------------|-------------------------------|-----------|-------------------|
| Samsung Electronics | 220 185 | 286 284 | Republic of Korea |
| Apple | 170 910 | 80 300 | USA |
| Foxconn | 131 138 | 1 200 000 | Taiwan-China |
| Hewlett-Packard | 112 298 | 317 500 | USA |
| IBM | 99 751 | 431 212 | USA |
| Hitachi | 95 988 | 320 725 | Japan |
| Microsoft | 86 833 | 128 000 | USA |
| Sony Corporation | 71 509 | 140 900 | Japan |
| Panasonic | 71 331 | 271 789 | Japan |

Source: "Issues paper for discussion at the Global Dialogue Forum on the Adaptability of Companies to Deal with Fluctuating Demands and the Incidence of Temporary and Other Forms of Employment in Electronics", International Labour Office, December 2014.

Table 3: Ratification of ILO fundamental conventions by countries where major electronics MNCs are located (Green: not yet ratified. Yellow: ratified)

| | C087 | C098 | C029 | C105 | C100 | C111 | C138 | C182 |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| EU | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| United States | Green | Green | Green | Green | Green | Green | Green | Green |
| China | Green | Green | Green | Green | Green | Green | Green | Green |
| India | Green | Green | Green | Green | Green | Green | Green | Green |
| Indonesia | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| Japan | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| Korea, Republic of | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| Malaysia | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| Philippines | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| Singapore | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| Thailand | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |
| Vietnam | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow | Yellow |

Source: ILO NORMLEX.

Despite the fact that IBM recently announced plans to lay off more than 100,000 employees (25 per cent of the total workforce) in 2015, the company's CEO, Virginia Rometty, got a pay package worth more than US\$20 million last year, including a US\$3.6 million bonus.

The worker unfriendly business model adopted by major players in the electronics industry has had a negative influence on organized workplaces and sustainable



3

employment in the sector. The numbers of unorganized and precarious workers are growing in the complicated supply chain system. Unions must fight back by organizing and fostering strong negotiation skills among workers.

Over the last few years, IndustriALL affiliates and the All China Federation of Trade Unions (ACFTU) have succeeded in organizing Foxconn workers. Collective bargaining with management has led to improved working conditions and OHS at organized workplaces in China and Brazil

Kan Matsuzaki, Director of ICT Electrical and Electronics at IndustriALL, says that these successful cases and models should be developed and expanded to all Foxconn's workplaces:

"It is vital that unions get together and take action to achieve fair and decent working conditions in all the major electronics companies."

Organizing in the electronics industry

In 2013, IndustriALL set up a steering committee on ICT Electrical and Electronics to lead the work in the sector and discuss strategies on MNCs, trade union networks, GFAs, organizing, union rights, precarious work and specific industrial policy.

In 2014, a five-year project supported by the European Commission was launched in cooperation with the GoodElectronics network. It focuses on organizing electronics workers in the ASEAN region, of which 30 per cent are women, including outsourced workers, temporary workers, migrants and students. Last year, over 600 trade unionists from IndustriALL affiliates in Indonesia (FSPMI and Lomenik), Malaysia (EIWU and EIEU coalition), Thailand (TEAM), Vietnam (VUIT) and Taiwan (ROCMU) were trained in organizing.



It is the first time the union has negotiated a collective bargaining agreement that includes migrant workers.

Concrete results have already been achieved. In Malaysia, EIEU Northern region has succeeded in organizing more than 900 workers at an electronics MNC despite strong resistance and union busting tactics by the management. It is the first time the union has negotiated a collective bargaining agreement that includes migrant workers. This year, IndustriALL will expand the project to the Philippines where the electronics industry is expected to grow significantly in the country's export processing zones over the next three to five years.

Global campaign defeats union-busting attack

Locking out or dismissing union leaders by picking holes in vague labour laws are typical union-busting tactics used by electronics companies in the course of collective bargaining. In May 2014, one of Apple's most important suppliers, NXP Semiconductors, dismissed all 24 elected union officials from IndustriALL affiliate MWAP at its plant in a special economic zone in Cabuyao, Philippines. NXP claimed the union's peaceful industrial actions were illegal. It was clear that the company's persistent acts of intimidation and harassment were aimed at weakening the bargaining power of the union.

Project session photos - We organize the workers! We fight against precarious work!



TEAM, Thailand



EIWU and EIEU coalition in Malaysia



FSPMI, Indonesia



SBSI-Lomenik, Indonesia



VUIT, Vietnam



ROCMU, Taiwan

MWAP and IndustriALL immediately staged a global campaign to fight back. Actions included large pickets outside negotiation venues and the NXP facility, national mobilizations, and corporate customer action focused on Apple. The unified actions led to victory and brought a fair and just solution. Not only were union members reinstated, MWAP also achieved a significant wage hike and regularization of an important number of precarious workers.

Electronics industry challenged over use of toxic chemicals

IndustriALL is also teaming up with the GoodElectronics Network and its NGO partners to stop the use of cancer-causing chemicals in the electronics industry.

Trade unions and NGOs report hundreds of cases of workers who have contracted cancer and other illnesses over the past five years from exposure to benzene and other highly toxic chemicals used in electronics manufacturing.

More than 200 civil society groups, including IndustriALL and its electronics affiliates in Cambodia, Indonesia, Malaysia, Philippines, South Korea, and the US, have launched a formal challenge to the industry to clean up its act. The challenge emphasizes the importance of disclosure, substitution of hazardous chemicals with safer alternatives, protection of workers, freedom of association, participation of workers in workplace monitoring, environmental protection, and the need for compensation of workers, communities and the environment for harm done.

Collaborated activities with GUFs on MNC – IBM Alliance

Collaboration and cooperation with other global unions is also a key activity in the sector. IndustriALL, together with UNI Global Union and IndustriAll European Trade Union, make up The Global Union Alliance of IBM. The alliance gives an opportunity for IBM workers and unions to come together to discuss ways to protect workers and help ensure a better future. Last year, the Alliance agreed on a new global strategy to fight job cuts and demanded that IBM worldwide recognizes trade unions as partners in social dialogue and collective agreements. After IBM announced plans for massive lay offs, the alliance strengthened its activities and demanded an urgent moratorium on job cuts and called for meaningful dialogue with the troubled multinational.

Global Dialogue Forum

In December 2014, there was a constructive discussion on precarious work in the electronics industry at the Global Dialogue Forum (GDF) on the Adaptability of Companies to Deal with Fluctuating Demands and the Incidence of Temporary and Other Forms of Employment, held at the International Labour Office in Geneva. The purpose of the Forum was for tripartite participants to assess the impact of temporary or other forms of employment on electronics companies and workers. The Forum was attended by worker representatives (IndustriALL affiliated unions), governments, and employers, including the Electronic Industry Citizenship Coalition (EICC). The GoodElectronics network acted as an observer.

After the active discussion, the Forum came to a consensus that:

Employer and worker organizations in the electronics industry should:

- 1 promote equitable treatment for all workers, regardless of their employment status
- 2 raise awareness and build capacity on fundamental principles and rights at work-FPRW and promote respect of these principles and rights throughout the supply chains
- 3 jointly explore options in addition to temporary or other forms of employment to respond to fluctuating demands
- 4 promote long-lasting employment relationships, where possible

See more details at:

EICC, acting as the employers' group coordinator at the GDF, is comprised of more than 100 electronics companies, including the top five. Since the EICC describes itself as "committed to supporting

the rights and wellbeing of workers and communities worldwide affected by the global electronics supply chain", IndustriALL will continue to engage in dialogue with the EICC to find fair and just solution for the issues on precarious work in the sector.

World Conference on ICT Electrical and Electronics in June 2015

In June this year, IndustriALL will hold a World Conference on ICT Electrical and Electronics in Malaysia. In addition to topics on organizing and fighting precarious work, the conference will focus on how to create a safer and healthier working environment, and on forming stronger trade union networks with Chinese workers at MNCs such as Samsung and Foxconn.

Jyrki Raina, general secretary of IndustriALL, says:

"Many electronics companies are purely in pursuit of profits and treat workers as a commodity or a production cost. Brutal attempts to bust unions stink of company arrogance. We must fight back by harnessing our global union power just as we did in defeating the union-busting attack at NXP Philippines."

Good Electronics is an international network on human rights and sustainability in electronics.

 @GoodElectronics

NIGERIA: unions get creative and organize informal workers

With the collapse of many traditional industries, Nigeria has seen a rapid growth of workers in the informal sector. Statistics indicate that over 60 per cent of the Nigerian workforce is found in the informal economy.*



profile

Country: Nigeria

Text: Cherisse Fredricks

Union: National Union of Textile, Garment & Tailoring Workers of Nigeria (NUTGTW)

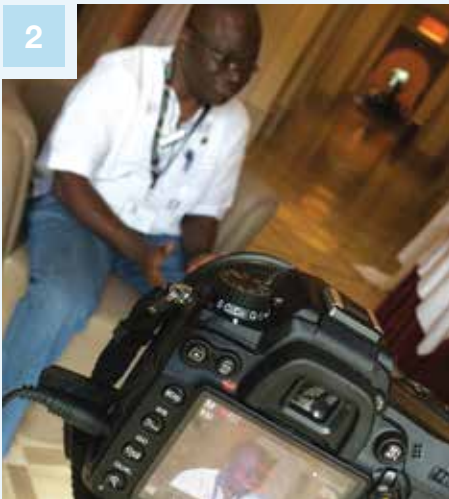
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IndustriALL Global Union affiliate, the National Union of Textile, Garment & Tailoring Workers of Nigeria (NUTGTW) has used this trend as an opportunity not only to organize the unorganized, but also to strengthen union membership and increase women's participation.

A tailored approach to organizing

For the survival of the textile and garment sectors, the NUTGTW thought outside of the box and started organizing tailors. Out of 500,000 workers in tailoring, the NUTGTW has now organized around 35,000.

2



For more on how Issa's union organized informal workers check out the full interview



"In the 1970s and 1990s when the textile and garment industries were vibrant, the tailoring aspect of our work was neglected and that is where the informal sector workers are found. The tailors in Nigeria are mostly self-employed and mostly women," says Issa Aremu, General Secretary of the NUTGTW.

Some of the tailors were already organized through associations in an unstructured way. The NUTGTW quickly realized it was better to get organizers who are tailoring workers with a better understanding of the issues. The tailors face a great deal of harassment by state authorities that collect multiple taxes, making it difficult for them to operate.

"These workers don't have a voice so we provide one for them. We are rooted in the community and part of IndustriALL. Now that these informal workers know that they are part of this global movement it helps to bring them into the circle," says Aremu.

To provide the tailors with a platform to discuss their issues, the NUTGTW has made efforts to connect them with government officials at local and state level.

The union also provides equipment like needles, sewing machines, buttons and textiles for the tailors. This partnership makes sense because NUTGTW members also produce textiles so the union can serve as an agent to link them to the industry allowing the tailors to have access to quality fabric at controlled prices.

"The country is being flooded with fabric from China. This damages the textile sector in Nigeria and makes it very difficult for tailors to access quality fabric which really undermines their work. So the union is providing a service to these informal workers, which pushes them to join," says Aremu.

"The informal sector workers have helped to reinforce the NUTGTW's campaigns because they are greater in number," he adds.

Creative solutions to organizing challenges

Establishing a fair system for membership dues is a challenge when dealing with informal sector workers. For a worker from the formal sector the procedure is

straightforward because they have a pay slip every month. For workers in the informal sector with an irregular income it is less so.

"If our union can find ways to provide services that workers in the informal sector find valuable, then they are willing to pay for them," says Aremu. "We have offered annual educational programs that have been amazing. The fees were reduced at the start, but now we have increased them gradually and the workers are willing to pay because they are eager for an education."

The NUTGTW has revised its curriculum to better suit the specific needs of informal sector workers, such as acquiring loans at cheaper rates to source supplies for their businesses.

"We also participate in national conferences and we want them to partake in these conferences in order to give a voice to their issues. And they are willing to raise the resources necessary to participate," says Aremu.

Integration into union structures

With pressure to meet 40 per cent women participation in union structures, some unions struggle because of low female membership. By organizing in the informal sector, the NUTGTW have not only managed to build their membership but have also reached a higher proportion of women members.

And the union has amended its Constitution to allow women to participate and to operate at higher-level positions:

"Women are now moving up in terms of our leadership structures," says Aremu.

- 1 Tailor organized by the NUTGTW in Nigeria. *NUTGTW*
- 2 Issa Aremu, General Secretary of the National Union of Textile, Garment & Tailoring Workers of Nigeria (NUTGTW). *NUTGTW*

interview

Text: Kimber Mayer

Translation: Chris Whitehouse

Union: Central Unitaria de Trabajadores de Chile (CUT)

Barbara Figueroa

1



The most important change under discussion is recognition of trade unions as the exclusive agent for collective bargaining purposes. At the moment, bargaining is conducted by a committee of workers set up specifically to carry out this task.

 www.cut.cl

 www.facebook.com/cut.chile

 @barbara.figue

Determined, strong and with the courage of her convictions, Barbara Figueroa is a woman who doesn't hesitate to say what she thinks. President of the Chilean trade union centre, the Central Unitaria de Trabajadores de Chile (CUT), she sees herself as "the leading spokesperson for the most important workers' organization" in Chile.

Increasing inequalities in pay, job security and social stability have led Michelle Bachelet's government to send a bill to Congress to reform the Labour Code introduced under Pinochet's dictatorship which ended in 1990. The new act aims to strengthen the collective rights of workers and promote a fairer system of labour relations. Figueroa is one of the main figures driving the change.



2

Chile: transforming the Labour Code

One of the CUT's current priorities is the labour reform bill sent to congress on 29 December 2014. What are the main points of the reform that will benefit Chilean workers?

The most important change under discussion is recognition of trade unions as the exclusive agent for collective bargaining purposes. At the moment, bargaining is conducted by a committee of workers set up specifically to carry out this task. This has badly damaged trade unions but things are changing now. The unions will take over the role currently played by these negotiating committees and become completely responsible for this task.

The second issue is about representation. Currently, employers have the right to unilaterally extend improvements to working conditions won by trade unions to all their workers. The reform would end this practice and employers would not be able to extend benefits until they reach an agreement with the trade union. This strengthens the role and power of the unions.

Thirdly, the reform aims to extend collective bargaining rights so that unions are able to negotiate better agreements. We must look to achieving the right to strike, without sanctions or restrictions.

There are, however, certain contradictions in the draft law...

Although the bill recognizes the validity of trade union action and basic union rights, such as the right to strike, it also has weaknesses. It talks of punishing anti-trade union practices, but also introduces measures regarding the conduct of strikes. This is inconsistent because, on the one hand, it talks about guaranteeing rights but then imposes a series of sanctions and restrictions that undermine attempts to put those rights into practice. We welcome the progress represented by the initiative, but we will not really have any rights if we are going to have to ask permission for everything we do.

We have a dual responsibility because this debate will not only have a positive impact

on local trade union organization but also contribute to the global debate on basic workers' rights if we manage to make progress on the necessary reforms.

Do you think that other countries will use Chile as a model for improving working conditions?

That is what we are aiming for, to be able to make progress and create precedents that will contribute to the ongoing discussion. Chilean companies invest in the whole region and we all know that neighbouring countries are much better at recognizing labour rights than Chile.

They say that the reform is causing uncertainty, but this is only while the reform is under discussion. Once resolved, things will be no different to what companies are already familiar with in countries where they don't hesitate to invest, such as Uruguay, Argentina and Peru. The reform in our country deals with standards that are recognized all around the world. We feel this is a very significant point that carries a lot of weight. We are trying to help workers get their rights back and bring the situation here into line with the standards in the region.

Do you think that once the necessary changes have been made, there will be more support from the unions and they will take steps to get it passed?

I think that if the bill makes good progress in the Chamber of Deputies, we will have to follow closely what happens in the Senate. We cannot allow the trade unions to be excluded from the debate so we will have to concentrate on what is going on. We must keep ourselves informed about the details of any proposed amendments and whether senators are supporting positive reforms or trying to prevent changes being made. We have to be ready to deal with both possibilities.

What we really want people to understand is that the issue of labour reform is important for the whole country and not just for the trade union movement. It is a debate about distributing wealth fairly and ending inequality.



When the labour reform is finally approved, what do you think will be the first changes to take place and what will be the biggest issues?

We hope the bill becomes law as soon as possible, although it will only come into force one year after it has been approved. We do not agree with this and have said that implementation of a reform like this needs to consider existing collective agreements that are still in force. Once the law has been approved, these agreements will still be valid. The government must also strengthen inspection and enforcement institutions, such as the labour courts, in order to ensure compliance with the new legislation.

The challenge we face is to be proactive organizers and educators about what this labour reform means and take the discussion to every corner of the movement so that our trade unions will no longer have to put up with the labour code introduced by the dictatorship. This requires the trade union movement to engage in a very important process of learning and cultural change. And we have the responsibility for equipping it with all the instruments it needs to make the law a reality.

- 1 Barbara Figueroa. Danae Prado CUT
- 2 Barbara Figueroa. Simone Pavin CUT
- 3 Barbara Figueroa. Danae Prado CUT

PUTTING PROFITS OVER PEOPLE: **TURKEY'S TREACHEROUS MINING INDUSTRY**



1

feature

Country: **Turkey**

Text: **Leonie Guguen**

One year ago, the industrial homicide at Soma claimed the lives of 301 Turkish coal miners.

The explosion and fire were only the visible, immediate causes of their deaths. What really killed them were greed, apathy, incompetence and corruption – ingredients that trigger most mine disasters.



Mining coal remains one of the world's most dangerous jobs. Besides explosions or fires, miners daily face the possibility of tunnel collapse and entrapment, burial under loose coal or rock, poisonous or asphyxiating gas release, hazardous chemicals, or mutilation by heavy equipment, to name a few.

Private mining companies obsess over production and profits. This was extremely evident at Soma, where the private mining operator Soma Holdings took over the mine from the Turkish government in 2009.

With the state a guaranteed buyer for its output, it had every incentive to maximize production at any cost. Soma Holdings tripled production to what had originally deemed possible. By May 2014, the company had been able to extract a massive 15 million tonnes of coal, three years ahead of schedule.

However, while Soma Holdings enforced rapid expansion of the mine underground, it failed to increase and maintain the mine's ventilation systems, vital to provide clean air to miners.

In complete contempt for worker safety, managers at the mine continued production for two hours after heat and smoke began emerging at the main entrance on 13 May 2014, attempting to tackle the problem without evacuating the mine.

After a massive explosion ensued, the inadequate ventilation system failed to pump the poisonous carbon monoxide out of the mine creating a death chamber for the miners.

A damning independent report into the disaster cited this as a "very negative" factor in rescue efforts.

The 126-page expert report also found that safety readings were routinely fabricated and many of the carbon monoxide sensors were broken. **The report clearly states that the Soma disaster was "preventable".**

A further study by the Turkish association of chambers of engineers and architects TMMOB, stated: "The reason for the carnage (at Soma) is privatization, marketization and the outsourcing policies over the past 12 years in the mining sector and also in the area of health and safety."

Soma

- Turkey's worst-ever mining disaster
- 301 miners killed
- 432 children left without fathers
- Main cause of death: carbon monoxide poisoning
- Independent report said tragedy was 'preventable'
- Ventilation system created death trap
- Safety readings at mine fabricated
- Carbon monoxide sensors faulty
- Gas masks broken
- Soma Holdings, company management and supervisors, safety inspectors and government all to blame

In fact, the victory for Turkish miners in approving ratification of C176 came after years of campaigning led by IndustriALL with its Turkish mining affiliate Maden-Is, and with support from CFMEU in Australia, NUM in South Africa, USW in the USA, ROSUGLEPROF in Russia, and IG BCE in Germany.

IndustriALL was determined that 301 lives would not be lost in vain. In the immediate aftermath of Soma, IndustriALL's assistant general secretary, Kemal Özkan, and mine sector chair, Andrew Vickers from CFMEU, led a solidarity mission to the scene of the disaster with mining affiliates from around the world.

Once again, IndustriALL lobbied the ILO, calling on the organization to step up pressure on Turkey to ratify C176.

After 18 miners were killed in another preventable mining accident at the Has Sekerler coalmine near Ermenek on 28 October 2014, IndustriALL immediately wrote to all 535 members of the Turkish Parliament demanding ratification of C176.

Global union victory – Turkey ratifies C176

It took the tragedy at Soma, Turkey's worst-ever mining disaster, one of many, for the country to finally approve ratification of Convention no.176, the International Labour Organization's (ILO) Convention on Health and Safety in Mining.

C176, which sets international guidelines for the mining industry, was adopted by the ILO in 1995 and initiated by an IndustriALL Global Union predecessor.

- 1 Mock coffins and helmets placed by protesters are pictured during a demonstration in Istanbul, 25 May 2014, blaming the ruling AK Party (AKP) government for the mining disaster that happened in western Turkey. *Reuters/Can Erok*
- 2 A body of a miner is carried to an ambulance in Soma, 16 May 2014. *Reuters/Osman Orsal*
- 3 Trade unions from around the world joined IndustriALL Global Union and IndustriALL Europe in a solidarity mission to the Soma mine one month after the accident. *IndustriALL*





Less than six weeks later, on 4 December 2014, the Turkish parliament finally approved ratification of the ILO's Convention on Health and Safety in Mines Convention number 176. **"It never would have happened without the unions,"** says Özkan.

After the Soma disaster, 60 mines closed down for economic and safety reasons after the government hastily increased the number and diligence of its inspections.

Around 6,000 miners were laid off but many of the mines that were closed down have reopened and the workers have got their jobs back.

For Soma survivors, the situation is worse. On 1 December last year, some 2,800 miners at the ill fated mine were laid off. They are still waiting severance payments with no guaranteed job to secure their future.

Turkey's killing coalfields

The success of C176 lies in its implementation and enforcement in a country where even the President, Recep Tayyip Erdoğan, has publically stated that coalmining accidents are inevitable and that is a miner's 'destiny' to die at work.

Every day, some 50,000 miners risk their lives working underground. There have been 1,500 deaths in Turkish mines since 2000. A staggering 13,000 miners were involved in accidents in 2013 alone.

Statistically, Turkey's miners are among the most likely to be killed on the job, according to the ILO.

Mining accidents accounted for 10.4 per cent of all work-related accidents in Turkey last year.

ILO 'Safety and Health in Mines' Convention 176

- Adopted by the ILO in 1995 at the insistence of the Miners' International Federation.
- The best international standard for making mines safer.
- Ratified by 29 countries.
- Approved by Turkey for ratification on 4 December 2014.
- Turkey is the 30th country to ratify the Convention.
- Under C176, mining employers have primary responsibility to make mines safe.
- Requires a coherent national policy on mine safety.
- Demands a joint labour-management culture of prevention.
- Emphasis on eliminating hazards and minimizing risks. Personal protective equipment should be a last resort.
- Employers must provide adequate training so that workers have the skills to do their jobs safely.
- Workers have the right, and the duty, to report accidents and dangerous occurrences, request inspections, remove themselves from serious danger, and participate in matters affecting their health and safety through elected safety and health representatives and/or Joint Health and Safety Committees.
- Despite continuous campaigning, many countries have not yet ratified of ILO C176.





Only two things stand between a coal miner and early death: the government and the union.



5



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- 4 IndustriALL mining sector chair Andrew Vickers endorses ExCo resolution on mine safety in Turkey in June 2014. *IndustriALL*
- 5 Miners from Soma protest outside Turkish parliament in Ankara on 10 February 2015. *Maden-Is*
- 6 Leaders from Turkish miners union demand that government pay severance to sacked Soma miners. *Maden-Is*
- 7 Miners work in a coal mine in the Black Sea city of Zonguldak, northern Turkey, 5 December 2013. *Reuters*



7

Major mining accidents in Turkey

| | | |
|-------------|---|----------|
| 07 Mar 1983 | Gas explosion in Zonguldak, Ereğli Armutçuk | 103 dead |
| 10 Apr 1983 | Collapse in Kozlu, Zonguldak | 10 dead |
| 31 Jan 1987 | Collapse in Kozlu, Zonguldak | 8 dead |
| 31 Jan 1990 | Gas explosion in Bartın, Amasra | 5 dead |
| 07 Feb 1990 | Gas explosion in Amasya, Yeni Çeltası | 68 dead |
| 03 Mar 1992 | Gas explosion in Kozlu, Zonguldak | 263 dead |
| 26 Mar 1995 | Gas explosion in Sorgun, Yozgat | 37 dead |
| 08 Aug 2003 | Gas explosion in Aşkale, Erzurum | 8 dead |
| 22 Nov 2003 | Gas explosion in Ermenek, Karaman | 10 dead |
| 08 Sep 2004 | Fire in Küre, Kastamonu | 19 dead |
| 21 Apr 2005 | Gas explosion Gediz, Kütahya | 18 dead |
| 02 Jun 2006 | Gas explosion in Dursunbey, Balıkesir | 17 dead |
| 10 Dec 2009 | Gas explosion in Mustafakemalpaşa, Bursa | 19 dead |
| 23 Feb 2010 | Gas explosion in Dursunbey, Balıkesir | 13 dead |
| 17 May 2010 | Gas explosion in Karadon, Zonguldak | 30 dead |
| 10 Feb 2011 | Land Slide in Çöllolar, Afşin Elbistan | 11 dead |
| 08 Jan 2013 | Gas explosion in Kozlu, Zonguldak | 8 dead |
| 13 May 2014 | Blast and fire in Soma, Manisa | 301 dead |
| 28 Oct 2014 | Flooding due to faulty pipe at Has Sekerler mine, Ermenek | 18 dead |

Privatization at their peril

Turkey's privatization drive that began in the 1980s has been a catastrophe for the health and safety of miners in the country.

"Every privatized mine is another Soma waiting to happen," says Kenan Dikbiyik, a mining engineer and technical adviser to Maden-Is. "Underground mines should not be rented out to private operators."

"The private mining companies are there for ten years, forcing the mines to produce more, knowing that the government will buy all their output," adds Dikbiyik.

"They don't even implement the minimum of health and safety requirements because it all costs. They want to maximize production in the quickest time possible."

Ninety per cent of all miners in Turkey are now working for private employers, compared to 15 per cent in 1981.

"Private companies are ignoring engineering principles and safety measures to decrease costs and increase production. They don't understand old coal producing areas like Soma and Ermenek and underestimate the possible dangers," says Dikbiyik.

While many countries are trying to cut their consumption of fossil fuels, Turkey is turning to coal to reduce its reliance on external energy suppliers.

Coal made up for 53 per cent of the country's total energy source in 2012 and accounts for 28.3 per cent of total electricity generation. However, at present, Turkey has to import 95 per cent of its hard coal.

Hence the government is offering incentives to private mining companies to capitalize on the country's vast coal reserves.

Turkey has an estimated 1.3 billion tonnes of hard coal reserves and 11.5 billion tonnes of lignite (brown coal) of which 500 million tonnes and 9.8 billion tonnes respectively are proven.

And although the quality of Turkey's coal is poor, it is still cheaper to burn than imports.

The stronger the union, the safer the mine

"Only two things stand between a coal miner and early death: the government and the union," says Brian Kohler, IndustriALL's director of Health and Safety.

Enshrined in C176 is the right of workers to collectively select safety and health representatives. Workers must be involved in reporting accidents and taking an active role in the health and safety of the mines where they work.

"Freedom of Association must be in force for C176 to function," says Özkan. "Turkey has to be more open to union rights and freedoms."

Unions in Turkey face a constant struggle. Turkish metalworkers have recently been banned from striking and union busting is common practice.

Last year, Human Rights Watch criticized the Turkish government for being "increasingly autocratic". A report by

the rights organization said: "In office for three terms since 2002, and enjoying a strong parliamentary majority, the ruling Justice and Development Party (AKP) has demonstrated a growing intolerance of political opposition, public protest, and critical media."

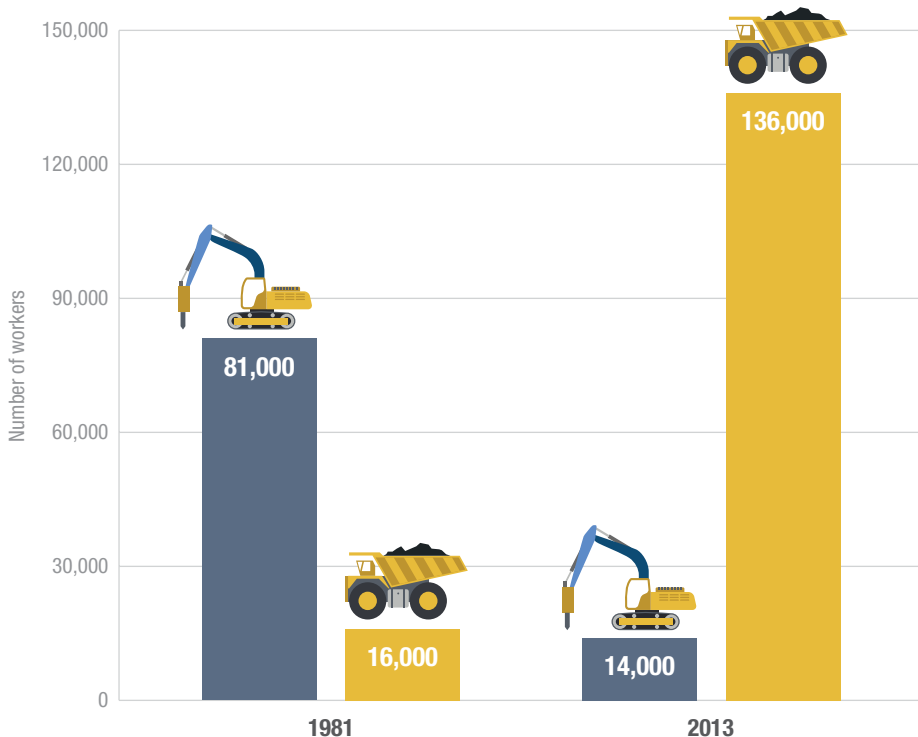


There have been 1,500 deaths in Turkish mines since 2000.

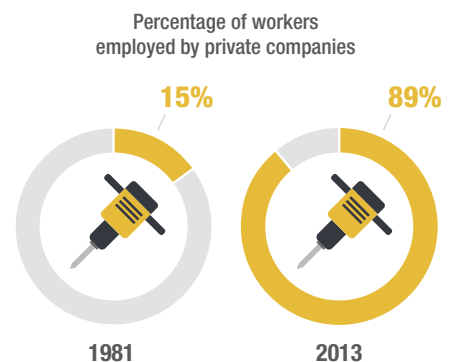
However, the industrial homicides at Soma and Ermenek have propelled the government into making improvements to legislation. In January this year, a Parliamentary Commission passed a new draft mining law that will result in changes to the transfer of mining licences and establish a permanent supervision system to improve health and safety in mines.

The government has admitted that technical inspections in the past were carried out too quickly without examining safety conditions properly. With the new act, the government has agreed to provide qualified mining engineers as permanent monitors for all mines.

"It all looks good on paper," says Dikbiyik who was on the special commission tasked with drawing up the new mining act. "The challenge will be implementing it."



■ State-owned companies (number of workers)
 ■ Private companies (number of workers)



Source: the Mining Industry and Policies Report of Chamber of Mining Engineers and the Turkish Social Security Institution.

MYANMAR

THE NEW UNION FRONTIER

profile

Country: **Myanmar**

Text: **Petra Brännmark**

Unions: **Industrial Workers Federation of Myanmar (IWFM), Mining Workers Federation of Myanmar (MWFM)**



As of January 2015, IndustriALL counts two trade unions from Myanmar among its members. In a country where unions have only been legal since 2012, organizing and training are crucial in building worker power.

Myanmar is under transition from a military junta, which seized power in 1962. A constitutional referendum in 2008 allowed for general elections in 2010, and since then the government has launched a number of democratic and economic reforms. In 2012 trade unions became legal, and union leaders in exile were allowed to return to the country.

In December 2014 the Industrial Workers Federation of Myanmar (IWFM) and the Mining Workers Federation of Myanmar (MWFM) joined IndustriALL Global Union. Both trade unions are affiliated to the Confederation of Trade Unions of Myanmar (CTUM), one of three central confederations in the country.

So far in 2015, the MWFM has increased its membership from 3,500 to 5,000. The IWFM has almost 7,000 members and is aiming for 20,000 at the end of 2015.

Khaing Zar Aung is Assistant General Secretary of IWFM, as well as treasurer of CTUM. She became involved in the trade

union movement in 2007, while working in garment factories on the Thai-Myanmar border.

Leaving school at 16 to help support her seven siblings, Khaing Zar Aung got a job in a textile factory in Myanmar by lying about her age. When the employer fired her for being under-age (the legal working age in Myanmar is 18), Khaing Zar Aung found work in the factories on the other side of the border in Thailand.

There, she was working alongside children as young as 13 and 14 who wanted to go back to school.

“I was struck by the poor living standards, how workers were exploited, and how little or no chance they had to improve their lives. So I went to a trade union training session and since then I have not stopped.”

“Back then we informed migrant workers in Thailand of their rights, and as trade unions were illegal in Myanmar, we invited workers to come to Thailand for training.”

Hurdles on the way

Although trade unions are legal today, Khaing Zar Aung says that changing people's behaviour takes time. Many people are still afraid to join a union for fear of repercussions.

“

Unions in Myanmar are working hard to tackle precarious work. In 2015, the MWFM has so far managed to grant 450 temporary mine workers permanent employment.



“Parents don’t want their children to join a union and the laws protecting workers are very weak. So we need awareness training for the workers, to teach them about their rights.”

Employers are often not used to collective bargaining and workers’ rights. There is a great need to build functioning labour-management relations at factory level, which will require training of both union and management representatives.

It is illegal to dismiss a worker who joins a union, and yet the IWFM is constantly seeing such cases. A proposal to impose jail sentences for this offence was rejected by Parliament; instead the penalty was increased from US\$100 to US\$500.



SUCCESSFUL COLLECTIVE BARGAINING

Members of IWFM at Japanese owned garment factory, Sakura, managed to secure a one-year collective bargaining agreement with an 18 per cent wage increase. After two weeks of silent protests where the 688 workers wore red armbands every day, the union signed an agreement increasing the basic wage from US\$110 to US\$118 per month.

“We are seeing cases where union leaders are put under pressure and harassed in the workplace. For example union leaders are not given leave for the two paid days to organize, which they are legally entitled to. And sometimes company management encourage unionists to quit union work.”

Forming and officially registering a union in Myanmar is not straightforward. According to the law, a minimum of 30 workers can form a union. In addition to that, ten per cent of the workers have to vote in favour of the union.

The Labour Ministry has the task of registering new unions, which should be done within 60 days. With the current backlog more than 1,000 unions are pending registration – some have been waiting for more than a year.

IndustriALL general secretary Jyrki Raina, who visited the country in March this year, says:

“Myanmar needs solid, durable labour-management structures at local and national levels, as essential pillars of the future democratic society.”

Nevertheless Khaing Zar Aung is optimistic about the future, where she sees the unions speaking with an ever-stronger voice.

“We need to increase awareness of workers’ rights and train our members in collective bargaining. We are fighting for a living wage and laws that protect the workers.”



Minimum wage on its way

At the moment there is no set minimum wage in Myanmar. The average salary is around US\$100 per month, with big sectoral differences. Apart from the basic wage, a living allowance, overtime bonus, attendance bonus, skill bonus, and finally a sum depending on the length of employment is added.

Overtime requires an extra 12-16 hours per week, in addition to the 44-46 hour working week.

“Our members are fighting for a living wage,” says Khaing Zar Aung. “The salary is so low that the workers are suffering – we demand basic wages and proper working hours.”

MYANMAR NUMBERS

- 1,400 individual trade unions
- 650 unions are affiliated to CTUM
- 17 labour laws, currently reviewed by the Labour Ministry with the help of the International Labour Organization (ILO)

The government in Myanmar is in the process of setting a minimum wage and hopes to have it ready this spring. Jyrki Raina stresses the importance of setting a basic minimum wage that is sufficient to live on.

“In order to prevent social unrest it is important to confirm a sufficiently high minimum wage as soon as possible and to promote collective bargaining. Workers must have reasonable working hours, a healthy and safe workplace, and the right to join a union.”

- 1 Armband worn by the workers at the Sakura garment factory during their successful silent strike. *IndustriALL*
- 2 Maung Maung, Confederation of Trade Unions of Myanmar (CTUM) President, who spent 24 years in exile before returning to Myanmar in 2012, together with Khaing Zar Aung. *IndustriALL*
- 3 On 8 March, International Women’s Day, the CTUM organized a capacity building event in one of Yangon’s industrial zones, Hlaing That Yar. Women listened to the Deputy Labour Minister Dan Win Maw Tun talk about social security, and were offered free check-ups for cervical and breast cancer. *IndustriALL*
- 4 Workers at the Sakura garment factory in Yangon. *IndustriALL*

special report

Text: Jenny Holdcroft

Industry bargaining: an essential tool in the fight for living wages

Deregulation and attacks against collective bargaining have contributed to a huge rise in global inequality. Harnessing union power for achieving industry level agreements is crucial in the fight for living wages and against precarious work.





2

Today the world's richest one per cent own 50 per cent of the world's wealth. Staggeringly, the richest 85 people in the world possess the same amount of wealth as the world's poorest 50 per cent.

Since 1990, the share of GDP (gross domestic product) from wages has fallen steadily across the world. Workers are being squeezed while global corporations chase bigger and bigger profits. Apple recently announced the highest-ever quarterly profit by a public company – US\$18 billion. It is sitting on cash reserves of US\$142 billion. Meanwhile workers are paid only US\$7 for making an iPhone that will sell for hundreds of dollars.

The widening gap between productivity and wage growth is highlighted in the ILO Global Wages Report 2014/15 and is directly linked to a decline in collective bargaining. Workers worldwide are being denied access to the mechanism that was expressly designed to promote social stability by enabling unions to negotiate a fairer distribution of the wealth generated by their members.

The International Labour Organization (ILO) has found that countries with a large proportion of workers covered by collective agreements have lower wage inequality. But the impact depends on the level of centralization of the collective bargaining system. Under decentralized systems, such as that of the United States, collective agreement coverage is lower and wage differentials are higher. The reverse is true in systems with more industry agreements that cover more workers.

Industry bargaining under attack

Market fundamentalism, that destructive ideology which still dominates policy making despite its role in causing the global economic crisis, remains the major driver of labour market deregulation and decentralization of collective bargaining. These policies have led directly to the decrease in collective bargaining coverage, and the consequent increase in income inequality.

A 2013 report by the European Commission found that bargaining with multiple employers was the best guarantee of broad bargaining coverage. It also found overwhelming evidence of a trend towards decentralization of collective bargaining, beginning in the 1980s and accelerating during the economic crisis.



3

The advice given by the International Monetary Fund (IMF) to Greece, Portugal and Spain during the economic crisis was to allow employers to opt out of sectoral collective agreements and to decentralize collective bargaining to the level of the individual enterprise. It reinforced this advice by making labour market deregulation a condition of its loans



A typical pair of jeans made in Bangladesh retails for anywhere between US\$30 and US\$50, or more for a prestige brand. But the worker who makes them only receives 10 cents.

to Portugal and other European countries in economic difficulty. In May 2014, a report by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) found that in the countries hardest hit by the crisis (Greece, Portugal, Ireland and Spain) the decentralization of collective bargaining was accelerated.

Massive declines in collective bargaining coverage have been witnessed in the UK, Australia and New Zealand where right-wing governments introduced legislation designed to curb union power by dismantling industry bargaining.

After the introduction of the Employment Contract Act in New Zealand in 1991, multi-employer agreements fell from 77 per cent to 20 per cent of all agreements. By 2000, multi-employer bargaining had collapsed. Bargaining coverage decreased from 61 per cent in 1990 to 18 per cent in 2010. Wherever industry bargaining is replaced by enterprise bargaining, coverage nosedives as employers take the opportunity to avoid bargaining and unions completely.



4



Protecting more workers

Negotiating and reaching an agreement with a single employer continues to be an important part of trade union work. It enables productivity and efficiency gains made by workers to be shared and can regulate a whole range of employment conditions that are specific to the enterprise. But if not underpinned by an industry-wide floor, individual employers will continue to avoid trade unions and bargaining to undercut wages and conditions.

Company agreements tend to cover only a small percentage of non-unionized workers (7 per cent on average). Under industry agreements, this rises to over 40 per cent, providing much needed protection to workers who do not have the possibility to join a union.

However, according to the ILO, countries with multi-employer bargaining systems and mechanisms that allow collective agreements to be extended to cover additional workers and employers, have higher collective bargaining coverage rates.

In countries such as Austria, Belgium, Denmark, France, Finland, Italy and Portugal, multi-employer bargaining and the extension of collective agreements mean that more non-unionized workers than union members are covered, so ensuring that the most vulnerable workers are able to benefit from wage increases that they would not otherwise have the industrial strength to negotiate in their workplaces.

Living wages in supply chains

In a world of global supply chains, industry bargaining is more important than ever.

In many garment producing countries, collective bargaining structures are weak or absent, and levels of unionization are low. Over 90 per cent of workers in the global garment industry have no possibility to negotiate on their wages and conditions - and cannot claim their fair share of the value they generate.

A typical pair of jeans made in Bangladesh retails for anywhere between US\$30 and US\$50, or more for a prestige brand. But the worker who makes them only receives 10 cents. And this can't be explained by differences in the cost of living. Garment sector minimum wages in Bangladesh are currently US\$68 a month, unions say they need to increase wages to at least US\$120 for workers to be able to support themselves and their families adequately.

The almost total absence of industry wage bargaining in the garment industry has left workers reliant on ineffective minimum wage mechanisms for any pay increases. While minimum wage fixing at least establishes a common floor, the wages that result are well below the level of a living wage in most major garment producing countries like Cambodia and Bangladesh.

Where bargaining does take place in the garment industry, it is primarily conducted at the level of the individual factory. This puts an enormous burden on unions that lack strength and resources to conduct

negotiations one factory at a time – in Bangladesh alone there are more than 4,500 factories producing for the export industry.

Particularly in supply chain industries like garments and electronics, bargaining at the level of individual factories will never be enough to drive up pay and conditions when demands by multinational corporations (MNCs) for ever lower labour costs suppress wages and conditions in a race to the bottom. There are limits to how far an individual factory or business can step ahead of its competitors and unscrupulous MNCs will simply move to suppliers with lower standards and lower labour costs. Likewise, efforts by individual MNCs to raise standards, particularly when these do not include reform of purchasing practices, will meet with opposition in their supplier factories which have to compete with other factories on labour costs.

Industry-wide agreements, particularly those with extension provisions, make it very difficult for employers to escape their obligations. They effectively take labour costs out of the competition by creating a level playing field that enables conditions to improve for all workers in an industry, regardless of who they work for.

South African textile and garment union SACTWU organizes over 80 per cent of textile and garment workers in the country. The fight for living wages is at the core of SACTWU's work and the union prioritizes centralized bargaining as the mechanism to achieve the best wage outcomes for workers. SACTWU negotiates in three national bargaining councils for the clothing, textiles and leather sectors and the outcomes affect over 100,000 workers. In 2014 sectoral wage increases were above inflation. But this well-functioning system is under threat. The corporate-sponsored Free Market Foundation is challenging the constitutionality of extending collective agreements to non-parties in court. If the case is successful, workers whose employers are not members of the bargaining council will be left out in the cold.

- 1 90,000 workers, including IndustriALL UK affiliates, march in support of the TUC campaign to increase the minimum wage. *UNITE*
- 2 Georgian unions rally for decent work on the World Day for Decent Work (WDDW). *IndustriALL*
- 3 Iraqi unions rally for better jobs on the WDDW. *GFIW*
- 4 Swiss union, UNIA, campaigning for a national minimum wage. *UNIA*
- 5 Filipino union MWAP rallies on the WDDW. *MWAP*

Protecting precarious workers

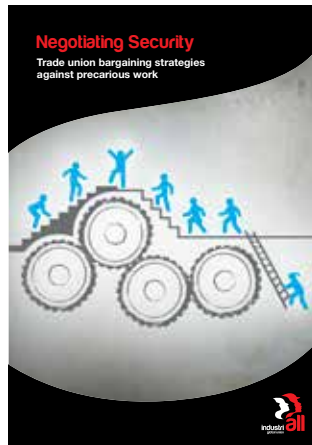
Increasingly, a worker's employment conditions are no longer under the control of a single employer. Through the use of sub-contracting and agency work, employers are outsourcing their employment responsibility, creating multiple employment relationships and fracturing bargaining units. MNC buyers at the top of global supply chains do not directly employ workers in the factories that produce their goods, but their purchasing decisions have a powerful influence over wages and working hours.

For precarious workers, even identifying their legal employer can be difficult, while bargaining is likely to be impossible. Indeed, triangular employment relationships are being used by employers precisely to avoid unions and collective bargaining.

This makes industry bargaining particularly important for precarious workers. By negotiating agreements that cover all employers in an industry, including agencies and sub-contractors, or by extending the coverage of existing agreements to encompass workers employed by them, unions can ensure that precarious workers are protected, whether or not they have been able to join a union.

Bargaining at industry level can play an important role in regulating the use of precarious work, as well as the working conditions of precarious workers.

- In Denmark, in the industrial production and construction sectors, unions have negotiated sectoral agreements which include protocols on agency work. These protocols state that agency workers must be employed in accordance with the sector-specific agreement, covering all aspects of pay, working time and other important terms and conditions of employment. Similarly, an industry agreement between Norwegian unions and employer federations subjects agencies to the same conditions of the



Negotiating Security

Trade union bargain strategies against precarious work

IndustriALL's publication provides concrete trade union bargaining strategies against precarious work, and concrete examples of collective bargaining strategies developed by affiliates to confront precarious work and fight back against its expansion. It shows how unions are using industry level collective bargaining to extend the protection of a collective agreement to precarious workers and to limit precarious work.

6

agreement, which means agency workers receive the same wages and working conditions as directly employed staff.

- In Argentina, the oil and gas federation FASPyGP succeeded in negotiating a clause in, among others, the gas industry collective agreement which stipulates that all provisions of the agreement apply equally to subcontracting firms.
- In South Africa, IndustriALL affiliate NUMSA has reached several agreements in different sectors (automobile, tyre, metal) that aim at phasing out labour brokers and improving the working conditions of precarious workers.

What needs to change?

There is overwhelming evidence that industry-level bargaining plays a vital role in reducing inequality and raising the wage floor. Governments need to encourage and facilitate industry bargaining in order to extend collective agreement coverage and protection to workers who are effectively excluded from bargaining and need it the most. This will require significant political will, particularly in those countries that supply cheap labour to global supply chains. It will also involve the construction

or improvement of industrial relations structures, including development of representative employers' associations where these are absent. The ILO has a key role to play in promoting the benefits of industry-level bargaining to governments, employers and workers, as well as providing assistance to governments to make the needed legislative and administrative reforms.

IndustriALL will continue to demand a return to industry-wide bargaining as the primary means for setting wages. Only through industry bargaining can we level the playing field and make sure that all workers, including precarious workers, are guaranteed a fair share of the wealth that they generate.

Good for employers

Industry bargaining takes wages out of the competition and sets a level playing field for employers. The incentive then is to compete on the basis of efficiency, skills and upgrading rather than by undermining wages and working conditions. Companies have a collective interest in ensuring that they are not undercut by unscrupulous employers paying wages lower than the prevailing rate. This is particularly true in labour-intensive industries such as the garment industry. Industry bargaining takes conflict out of the workplace and is more efficient requiring fewer resources for employers as well as trade unions. Industry agreements provide the certainty to business it needs for investment and growth.



7

6 Cover of IndustriALL publication 'Negotiating Security'.

7 Mauritian unions rally to demand a national minimum wage on WDDW. *CMCTEU*



Fighting for rights in Hungary

profile

Country: Hungary

Text: Tom Grinter

Union: VDSZ Szakszervezet - Federation of Chemical Workers of Hungary

The Federation of Chemical, Energy and General Workers of Hungary, VDSZ, actively struggles on many fronts for its members. Mobilizing and organizing brought gains for VDSZ workers a century ago and continues to do so at multinationals, such as Hankook Tyre.



VDSZ President Tamás Székely, Substitute Member of the IndustriALL Global Union Executive Committee, sees united action as the most important tool in the fight to protect VDSZ members:

“The VDSZ of today believes in uniting workers and unions to achieve more in the spirit of solidarity. This is true inside Hungary and also internationally.

“VDSZ has become well-known in Hungary over recent years for unified workers’ actions against bad labour laws, unfair tax rules and government attacks on our right to strike.”

VDSZ is working on building dominant representation on Works Councils at companies employing its members. Organizing to protect members through fast privatization, the union strives for effective wage negotiations in all collective agreements, as well as bargaining for job security, social security, and good occupational health practices.

Now 21,000 members strong, VDSZ is also prioritizing community organizing, increasing women and young members, and doing professional training for union staff.

In the fight against the anti-worker labour code of 2012, much public pressure has been generated through media work and social media information campaigning. This is also true of the 2014 campaigns against union busting at Hankook Tyre, and for workers’ rights at EVM Chemicals.

Since opening the Rácalmás factory near Dunaujváros in 2007, Korean-based Hankook resisted VDSZ organizing the plant’s 1,800 workers. Plant management was found guilty of numerous violations and fined by the Labour Inspectorate for obstructing VDSZ’s legitimate duties in representing the workers.

The union’s 109-year history has been strongly influenced by Hungary’s role in the World Wars and Cold War of the 20th Century. Founded by workers in a Budapest pub on 16 April 1905 and officially recognized by the Hungarian government on 22 April 1906, the union grew steadily in the period up to the second world war (WWII).

In the early period, strikes were conducted against the extremely poor working conditions in chemicals factories, and collective agreements were reached between VDSZ and the first employer associations in Hungary.

Early achievements of VDSZ included reducing the working week for the industry to 48 hours, negotiating improved wages, and instituting paid leave.

Following WWII the union worked together with the state authorities to build production in the industry. At this time VDSZ especially focussed on occupational health and safety and worker education.

In 1989, Soviet Union influence in Hungary eased and VDSZ changed its priorities. Since then the union has focussed on social dialogue and campaigning for stronger worker protection and representation.

When management illegally sacked the plant union president on 21 July 2014, VDSZ led large mobilizations outside the plant, together with over 60 Hungarian trade unions.

The Labour Code brought in by the current right wing government of Prime Minister Viktor Orbán not only seriously undermines workers’ ability to fight for decent working conditions, it also empowers companies to reopen old conflicts and punish trade unionists for actions taken under the previous legislation. VDSZ President Székely faced penal procedure by Japanese multinational Bridgestone because of this.



The VDSZ of today believes in uniting workers and unions to achieve more in the spirit of solidarity.

IndustriALL Global Union general secretary Jyrki Raina concludes:

“This active trade union affiliate of IndustriALL faces tough obstacles in Hungary. VDSV is now a well-established counterpart to the multinational companies operating in the upper-middle-income Hungarian economy. We will continue to support VDSZ in its fight for the rights of its members.”

Visit VDSZ channels:



www.vdsz.hu



[VDSZ Szakszervezet - Federation of Chemical Workers of Hungary](#)



www.flickr.com/photos/vdszhungary

- 1 VDSZ members on the street in Budapest. VDSZ
- 2 VDSZ President Tamás Székely. VDSZ

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HANDS OFF OUR RIGHT TO STRIKE!



www.industrialunion.org

