

54 bis, route des Acacias Case Postale 1516 CH 1227 Geneva Switzerland Tel: +41 (0)22 308 50 50 Fax: +41 (0)22 308 50 55 info@industriall-union.org www.industriall-union.org

President: Jörg Hofmann General Secretary: Valter Sanches

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Mr. Guy Ryder Director-General International Labour Organization (ILO) 4, route des Morillons, CH-1211 Genève 22, Switzerland ryder@ilo.org

## IndustriALL Global Union calls on the ILO to intervene over violations of labour rights at PT Freeport and PT Smelting in Indonesia

Dear Mr. Director-General,

I am writing this letter to you as the General Secretary of <u>IndustriALL Global Union</u>, which represents more than fifty million workers in mining, energy and manufacturing sectors throughout the world, including Indonesia, to call on the ILO to intervene with the Government of Indonesia and urge it to redouble its efforts to facilitate just resolutions of the labour disputes at PT Freeport and PT Smelting, and thus help avert a human rights crisis.

<u>The findings of IndustriALL Global Union's high-level mission</u>, which included labour leaders from Australia, the Netherlands, North America, and South Africa from 8 to 14 August 2017, clearly show a catastrophe in the making with thousands of fired workers losing access to food, housing, education and basic healthcare.

More than 4,200 workers at U.S.-based Freeport-McMoRan's PT Freeport, which operates the massive gold and copper Grasberg mine in West Papua, have been sacked for striking, while some 300 workers at PT Smelting in Gresik were fired after striking in January.

Both PT Freeport and PT Smelting have treated the workers they fired inhumanely and with contempt. PT Smelting has refused to pay workers' salary or benefits while their union contests their firing in court, notwithstanding a note from the provincial Ministry of Manpower asking the company to do so. PT Smelting has also repeatedly refused to negotiate with the workers' union FSPMI to seek a negotiated solution to the dispute.

PT Freeport is showing contempt for the thousands of workers it has fired, for their families and for their communities. After workers withdrew their labour in protest against the company's repeated refusal to negotiate over basic labour matters, such as compensation and job security, PT Freeport fired the workers under the incredible pretence that the workers had "voluntarily resigned." After firing the workers, the company has forcibly ejected the workers from company housing, denied them access to company hospitals and company schools, and has worked with local banks to restrict workers' access to credit. We have also received the disturbing report that several workers and their family members, who were denied medical care, have died as a result. Many of the workers who lost their housing are now living in tents or the union's offices.



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The fundamental source of both disputes, and of the resulting human suffering and rights violations, is the decision by PT Freeport and PT Smelting to engage in conflict with the unions that represent the workers rather than negotiate with them. It is then imperative that both companies choose the path of negotiation to reach just solutions.

Even though we appreciate the Ministries of Manpower and Minerals and Energy Resources for their intervention, we strongly believe it is necessary, as a matter of urgency, for the Government of Indonesia to intensify its efforts to facilitate resolutions of the dispute.

Therefore, IndustriALL Global Union calls upon the ILO to intervene immediately with the Government of Indonesia to urge it to guarantee the full respect of the basic human rights and core labour standards, including the right to strike, of the workers and their families at PT Freeport and PT Smelting, help achieve the reinstatement of all the fired workers, and facilitate the resumption of negotiations between the companies and the unions.

With best regards,

Valter Sanches General Secretary IndustriALL Global Union