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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.



# 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 antitrade 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

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