



# global worker

FEATURE

Holding companies accountable

SPECIAL REPORT

Four years of fighting precarious work

INTERVIEW

Berthold Huber



# Welcome to Global Worker

**Multinational corporations (MNCs) dominate IndustriALL Global Union's industrial, energy and mining sectors. But they employ only 6 per cent of the workers who make their products. In this issue of Global Worker, we examine how MNCs can be held accountable for union rights and living wages throughout their supply chains.**

In January, the ITUC published their Scandal report, exposing that 50 leading multinationals employ only 6 per cent of the workers who manufacture their products directly. Suppliers and subcontractors employ the remaining 94 per cent, or 116 million-strong hidden workforce.

As a rule, wages and conditions of these workers are worse, and most union rights violations happen in the supply chain. But as the UN guiding principles on business and human rights confirm, an MNC has a due diligence responsibility over its supply chain.

This is what IndustriALL is trying to cement with its global framework agreements and what the Bangladesh Accord is about. And supply chain responsibility is the basis for our cooperation with the ACT garment brands, to guarantee freedom of association and living wages through building industry level collective bargaining structures. Check pages 12 – 15 for more details.

In December 2015, the historic Paris agreement on climate change was adopted as a result of the multi-year COP process. IndustriALL welcomes the agreement, but recognizes that it is only the starting point for a long and challenging energy transformation.

This major transformation will happen and that makes it a union issue. We need to take care of our workers in the spirit of a Just Transition, while we realize the job-creation potential of climate action.

As IndustriALL's sustainability director Brian Kohler writes on pages 7 – 9, a Just Transition requires deliberate public policy choices, building on a foundation

of strong social protection programmes and sustainable industrial policies. They will transform existing jobs to be more sustainable, as well as create new, greener jobs. We want to make sure these will be union jobs with good conditions.

Some time ago, we had to take the painful decision to move a number of planned IndustriALL meetings from Turkey to Germany because of sustained terrorist attacks. However, Turkey remains a major priority country. Take a look at pages 4 – 6 on the struggle of our Turkish unions in all sectors from textile to mining for the right to join a union, collective bargaining and safe workplaces.

The 2nd IndustriALL Congress will take place in October 2016 in Brazil, which has one of the strongest trade union movements in Latin America. The strength has been built through struggle after years of military dictatorship. See pages 16 – 17 on how Brazilian unions have managed to win considerable wage increases during the past decade through united action by different trade union centres.

When the IndustriALL family gathers in Rio de Janeiro to celebrate its first four years of action and victories, it will also debate future strategies and continued global struggle for social justice and better lives for workers and their families in the spirit of our Congress slogan: **Fighting forward – A luta continua!**

**Jyrki Raina**  
General Secretary

 [@JyrkiRaina](#)

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**The 2nd IndustriALL Congress will take place in October 2016 in Brazil, which has one of the strongest trade union movements in Latin America.**

**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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## globalworker

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# profile

Union federations: **TÜRK-İŞ, DİSK, HAK-İŞ**

Country: **Turkey**

Text: **Walton Pantland**

# UNIONS IN TURKEY

## HOLDING THE LINE FOR WORKERS

Unions are under severe pressure to defend workers from exploitation as employers take advantage of anti-union legislation.



- 1 Demonstration against Hugo Boss in Izmir. *IndustriALL*
- 2 Riot police attack workers at Renault in Turkey. *Birleşik Metal-İş*
- 3 Demonstration at Hugo Boss in Izmir. *Teksif*
- 4 Petrol-İş demonstration at Standard Profil in Turkey. *IndustriALL*
- 5 DİSK protesting against labour brokers in Turkey. *DİSK*

When car manufacturer Renault cancelled union elections and fired workers at its plant in Bursa, Turkey, in February 2016, IndustriALL Global Union affiliate Birleşik Metal-İş sprang into action. The union stopped production and organized a peaceful demonstration to defend its members. The company responded by calling police, who used violence in an attempt to break the union.

Despite Renault signing a global framework agreement with IndustriALL, local management appeared determined to break the unionization of the plant at all costs.

This level of confrontation is not unusual in Turkey; employers are no strangers to violence, intimidation, illegal sackings and other underhand tactics. Unions do not take this lying down. The recent Renault dispute shows the fractious and sometimes violent industrial relations landscape.

Unions in Turkey face an uphill struggle in an increasingly challenging environment. After a period of strength and growing militancy in the 1970s, a military coup in 1980 led to the severe repression of trade unions. The military government designed labour

laws to discourage unionization, and DİSK, the Confederation of Progressive Trade Unions, and its affiliates were banned, and their executive committees arrested. They remained banned until 1992.

Erdoğan's AK Party came to power in 2002, replacing military rule. A new Law on Trade Unions and Collective Labour Agreements was introduced in 2012 to supersede the old laws of the dictatorship, but it is still far from ILO standards.

As a result of this pressure, union density in the private sector has been reduced to three per cent. Turkish workers are at severe risk of exploitation and abuse.

### Turkey needs strong unions

The industrial homicide of 301 coal miners in 2014 at Soma is the most compelling argument for why Turkey needs strong unions. The Soma mine was a death trap and the accident was preventable: it only happened through a tragic confluence of greed, incompetence and corruption. The mine was owned by the government but run by a private company, an arrangement of semi-privatization that led to a focus on

profit before safety, while the government turned a blind eye to abuses.

To add insult to death and destruction, a further 2,800 Soma miners were fired by text message in the wake of the accident, and affiliate Maden-İş had to fight a serious battle for justice.

But the tragedy of Soma is just the tip of the iceberg: there have been 1,500 deaths in Turkish mines since 2000, and it took strong union pressure to get the government to ratify ILO Convention 176 on mine safety. **For C176 to function, unions need to be able to operate freely, and workers need to be able to report safety concerns and refuse dangerous work.**

Turkey is one of the world's largest textile producers. The industry is dominated by small suppliers and is poorly regulated. Most textile workers earn the minimum wage of 1,647 lira (US\$ 570) per month, which is far below a living wage in Turkey. Many workers are unregistered, vulnerable to exploitation and not paid even the legal minimum. It is not unusual to find child labour.

Many premium brands – including Hugo Boss, Mulberry, Benetton, Ermenegildo Zegna and Prada - use Turkish suppliers. But premium brands are not above turning a blind eye to labour exploitation if it lowers production costs: workers making clothes for Hugo Boss in Izmir were paid far below a living wage and were sacked for joining the union Tekşif.

Workers making luxury Mulberry handbags – which retail for up to a thousand dollars – were sacked for joining the union Deriteks. IndustriALL launched an international campaign against the brand to support them, forcing the Turkish supplier to recognize the union.

### Regional conflict and the exploitation of refugees

Turkey is on the front line of a humanitarian crisis. The civil war in Syria has led to the influx of more than two million refugees, of which about 400,000 work in Turkey, mostly in agriculture, construction and the textile industry.

Refugees are vulnerable to exploitation. Pressure by unions and civil society has led to a change in Turkish labour law, allowing some refugees to work legally. Also, the global framework agreements between IndustriALL and clothing giants Inditex and H&M mean that pressure can be placed on suppliers to treat refugees fairly.

The civil war in Syria is having an effect on Turkey, which has intervened heavily on the rebel side. Daesh, the Islamic State movement, has exploited divisions in Turkey by launching a number of bombing attacks within the country, particularly against secular, democratic and progressive forces.

Alarmed at the growing climate of violence, the Turkish confederations DİSK and KESK organized a “Labour, Peace and Democracy” rally in the Turkish capital, Ankara, on 10 October 2015.

Two bombs exploded at the rally. 103 people were killed in the biggest terror attack in modern Turkish history.



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**INDUSTRIALL GLOBAL UNION IN TURKEY**

**INDUSTRIALL HAS 19 AFFILIATES IN TURKEY, THREE PRIVATE SECTOR FEDERATIONS, TÜRK-İŞ, DİSK AND HAK-İŞ.**

### Unreachable collective bargaining thresholds

The Law on Trade Unions and Collective Labour Agreements sets thresholds for collective bargaining certification. A union that wants to sign a workplace level collective bargaining agreement must organize at least 1 per cent of the entire workforce in that industrial sector.

In the meantime, there are also workplace level thresholds of 50 per cent, and for companies with more than one workplace it is 40 per cent.

According to the legislation, employers can easily file a complaint at the local court claiming that the union concerned does not have sufficient majority to be a bargaining partner. It is common practice amongst Turkish employers to get rid of union presence at the workplace, or at least to stall the collective bargaining process.

Court cases take years to resolve, preventing unions from functioning freely and efficiently, and also undermining the very nature of fundamental trade union rights, including collective bargaining rights.

## FREEDOM OF ASSOCIATION UNDER THREAT

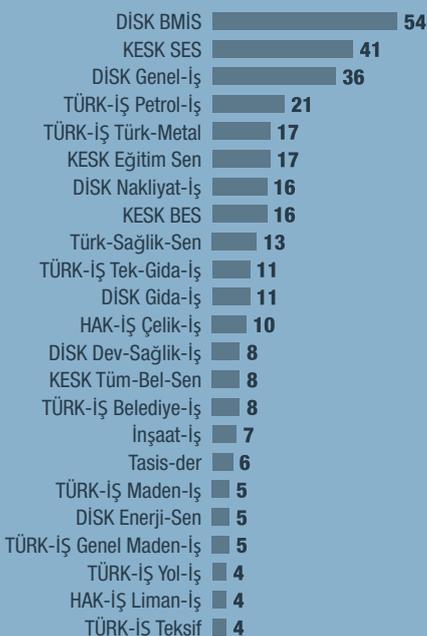
Even though Turkey has ratified ILO conventions on the Freedom of Association and Protection of the Right to Organize, fundamental trade union rights remain under pressure.

Turkey's constitution is clear that “employees have the right to form labour unions without obtaining permission, and they also possess the right to become a member of a union and to freely withdraw from membership, in order to safeguard and develop their economic and social rights and the interests of their members in their labour relations. No one shall be forced to become a member of a union or to withdraw from membership.”

According to the criminal code, violating the freedom of work and labour and preventing trade union rights can be punished. The reality however, is different.

According to a study made by Labour Studies Community in 2015, 4,362 workers were dismissed because of the actions taken for defending their rights, and 1,116 trade union actions were conducted. The report says 2,258 workers were dismissed just for joining a union, with 2,104 dismissed for action taken.

### Number of actions organized by unions at workplaces





## Right to strike – only on paper

Turkey's labour law allows for lawful strikes and lockouts to be postponed by 60 days if it is "prejudicial to public health or national security".

The law also says that "if an agreement is not reached before the expiry date of the suspension period, the High Board of Arbitration settles the dispute upon the application of either party within six working days. Otherwise, the competence of the workers' trade union shall be void."

In reality, the postponement is actually a ban, as it is impossible to continue to strike after the 60-day period.

## New attacks: the introduction of labour brokers

The Turkish parliament is currently debating a draft bill proposed by the government giving private employment agencies the right to hire workers in a range of sectors. If passed, the new law would entail a huge shift in the labour market from permanent to short-term contracts, allowing the widespread use of precarious employment contracts.

The draft bill would allow companies to use agency workers as a percentage of the total workforce in particular circumstances. Turkish unions argue that this could lead to an excessive use of agency work due to "unforeseen increase in the business volume of the enterprise" or "periodical business increases", which employers could argue exist at any time in a production system.

A parliamentary commission has endorsed the draft bill, and the bill is expected to come up for consideration at the Grand National Assembly (TBMM). If enacted, millions of workers will end up with agency work contracts rather than permanent ones.

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## Fighting back against precarious work

After a long struggle, IndustriALL affiliate Lastik-İş, representing tyre workers, persuaded multinational manufacturers Bridgestone, Pirelli and Goodyear to make thousands of contract workers permanent.

Outsourcing, with lower wages and poorer working conditions in comparison with permanent workers, has become a big threat to union density, collective bargaining and solidarity among permanent and contract workers.

Another affiliate, DİSK-Tekstil achieved an unprecedented step forward at Greif Enterprises, an American packaging company, by making more than 1,200 contract workers permanent through an agreement between the union and the company.

## CAMPAIGNS

### INTERNATIONAL SOLIDARITY PROVIDES A LIFELINE

Turkish unions are fighting hard against exploitation. Transnational campaigns provide them with the solidarity and space they need to organize, and put pressure on companies to not take advantage of the situation in Turkey to seek compliant, cheap labour.

## Hugo Boss – luxury brand, garbage employer

Hugo Boss has put up every possible barrier to union organizing at its most important production factory in Izmir. Management ruthlessly sacks key union members, which they have been found guilty of in Turkey's High Court of Appeals.

The Turkish Union of Textile, Knitting and Clothing Industry Workers, TEKSİF, an IndustriALL affiliate, has been supporting Hugo Boss workers to organize for over

three years. The workers, the vast majority of whom earn less than the poverty threshold with long working hours, discretionary overtime and no social benefits, are seeking a living wage and a voice at work.

Whilst Hugo Boss publicly claims to uphold internationally recognized labour standards throughout its global operations, the 3,000 workers in Izmir have had their fundamental rights at work attacked by management.

Violations include targeting of union supporters and their family and close friends through threats, punishments and sackings. It took long drawn-out court processes to prove 20 illegal sackings of trade union supporters between 2011 and 2014, while a further eight are still pending in court. Although the High Court of Appeals confirmed that those workers were dismissed because of their union membership and ordered their reinstatement, management took an option open under the law to pay them an extra compensation instead.

The practice continues and the local management keeps dismissing key union supporters.

## International solidarity for auto component workers

IndustriALL's affiliate Petrol-İş gained legal recognition as the union representing workers at Standard Profil in Turkey and commenced collective negotiations after a four-year organizing campaign.

Standard Profil is a Turkish-based multinational supplier of automotive sealing systems producing for major automakers such as Audi, BMW, Citroën, Daimler, Fiat, Ford, GM, Mercedes, Nissan and Opel.

The union organized more than 50 per cent of Standard Profil's 2,300 Turkish workers from the plant in Düzce and a sister factory in Bursa, and gained formal certification of recognition.

Nevertheless the company then engaged in legal challenges to the certification in an effort to block workers from their legitimate workplace rights and sacked union activists inside the larger Düzce factory during the organizing period.





## opinion

Text: **Brian Kohler**

# What is beyond COP21?

**Policy documents, resolutions taken at congresses, and dozens of sectoral conferences and regional meetings dating from the 1980s to the present, have debated and refined union positions on sustainability and climate change. There are no jobs on a dead planet, and sustainability is no longer a preference but a matter of survival, says IndustriALL's sustainability director Brian Kohler.**

Why is climate change a union issue? A transformation is coming, whether the world takes action on climate change or takes no action and awaits the consequences. We must not allow it to become a violent scramble for resources such as water, energy, and fertile land that completely dismisses workers' rights and social protection.



COP21 • CMP11  
**PARIS 2015**  
 UN CLIMATE CHANGE CONFERENCE

In Paris, on 12 December 2015 at the climate summit called COP21, a historic agreement to control greenhouse gases and limit climate change was reached. The agreement will have significant effects on most of IndustriALL's sectors.

Labour's three top demands for the climate talks in Paris were:

- To raise ambition and realize the job-creation potential of climate action
- To deliver on climate finance and support the most vulnerable
- Commit to securing a Just Transition for workers and their communities

The necessary ingredients for a successful climate accord are found in the Paris text. There is an ambition to hold "global average temperature to well below 2C° above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5C° above pre-industrial levels". There is provision for periodic review. There is acknowledgement that a transformation of the economy is implied. There are references, although weak, to needed finance.

Just Transition is incorporated in the preamble with clear language:

**"Taking into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities."**

Signatory parties must now accept that they have made a political commitment to Just Transition, strengthened by the ILO's recent Guidance document on Just Transition.

Perhaps more important than government commitments will be the signals it sends to the global economy. It will become increasingly difficult for investors or insurers to justify the risks of putting their money into fossil fuels. This will not change the financial world overnight, but it will change it.

The Paris Agreement must be seen as a starting point, not a finish line, creating an institutional framework that has all the necessary ingredients to succeed.

### **A Just Transition for workers and the environment**

The concept of a Just Transition is that workers, their families, their communities and their unions are respected and protected, while creating new decent work in sustainable industries. Workers did not choose jobs that damaged the environment; they needed work to support themselves and their families.

**It is profoundly unfair that the entire cost of changes towards sustainability should be borne by working people.**

Strong social safety nets are a prerequisite for a Just Transition programme, but resorting to such safety nets will never be labour's first choice. The first choice, and the most Just Transition possible, will always be to create, evolve, or maintain sustainable jobs. A sustainable, or greener, job is not always what comes to an environmentalist's mind. Even manufacturing solar panels and windmills requires fuel, energy, steel and plastics that must come from somewhere, and these must be considered sustainable jobs.

### **JUST TRANSITION IN REALITY**

Just Transition was inspired by the policies that many governments, notably in the USA, put in place to reintegrate thousands of demobilized military into the civilian work force following World War II. A more recent and relevant example is how Germany handled the winding down of most of their coal mining industry in the last few decades. Thanks to good social protection programmes, creative labour adjustment policies, collaboration with trade unions - and adequate funding - workers and communities were kept whole, showing that the social outcomes of economic transitions depend on the public policies adopted, and that this can be done.

**The only way to ensure a Just Transition is to create structured programmes to facilitate it and to deal with its consequences. If workers are blackmailed with their jobs, the environment will lose. Therefore workers must not be asked to make this choice. Trade unions must avoid becoming the "last defender of the indefensible".**

A Just Transition programme has to be all encompassing; a flexible approach to helping workers, their families, and their communities. It must involve workers in its design, and it must be customized to each situation. A Just Transition programme might even assist in the creative restructuring of obsolete industrial sites. And it must keep workers and their unions whole.



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## Winning a just transition to a sustainable economy

Renewable energies will grow rapidly in the future to make up a greater proportion of the overall energy mix, and greener, more sustainable industrial processes and products will make up a greater proportion of overall industrial production. In the meantime the labour movement needs to make sure that workers do not pay the price for the environmental footprint of their industries.

Global greenhouse emissions need to peak now – February 2016 was already the warmest ever recorded – otherwise the Paris Agreement to keep global warming below 2C° will not be met and the social, economic and environmental consequences experienced by everyone, globally, will be catastrophic.

IndustriALL Global Union, the ITUC and the US trade union congress, AFL-CIO, met in Washington DC, USA, in March to discuss how the global labour movement will tackle policy pressures resulting from the Paris Agreement reached at the COP21 climate summit last December.

The particular focus of the meeting was how a Just Transition for affected workers can be achieved. Workers in the energy sector, particularly in coal, but also in heavily energy-dependent industries, will be strongly affected by efforts to control greenhouse gases and limit climate change in accordance with the Paris Agreement.

In some aspects, the trade union movement has overlapping interests with environmental non-governmental organizations (NGOs); whereas in other aspects we share some concerns with our employers. **However, the expertise for industrial transformation and how to make this change socially fair and just, lies within the labour movement.**

The importance of environmental justice in this context is clear: especially in the developing world, many communities largely depend on single industries such as mining, but these plants are often also the largest environmental delinquents due to weak or lacking national environmental regulations and older technologies.

**A Just Transition is not something that can be won at the bargaining table. It requires deliberate public policy choices, building on a foundation of strong social protection programmes and sustainable industrial policies that will transform existing jobs to be more sustainable as well as create plenty of new greener jobs.**

A Just Transition will not happen by itself and the so-called free market will not deliver it. It requires intense lobbying and discourse with both companies and governments – otherwise workers will fall victim to a last-minute scramble for solutions to meet the Paris Agreement without the necessary socio-economic considerations.

It is our responsibility to show leadership at this crucial moment in history. **We cannot negotiate with the laws of physics; but we can – and will – advocate sustainable industrial policies and demand justice and decent work for all of today's and tomorrow's workers.**

## THE INTERNATIONAL LABOUR ORGANIZATION AND JUST TRANSITION

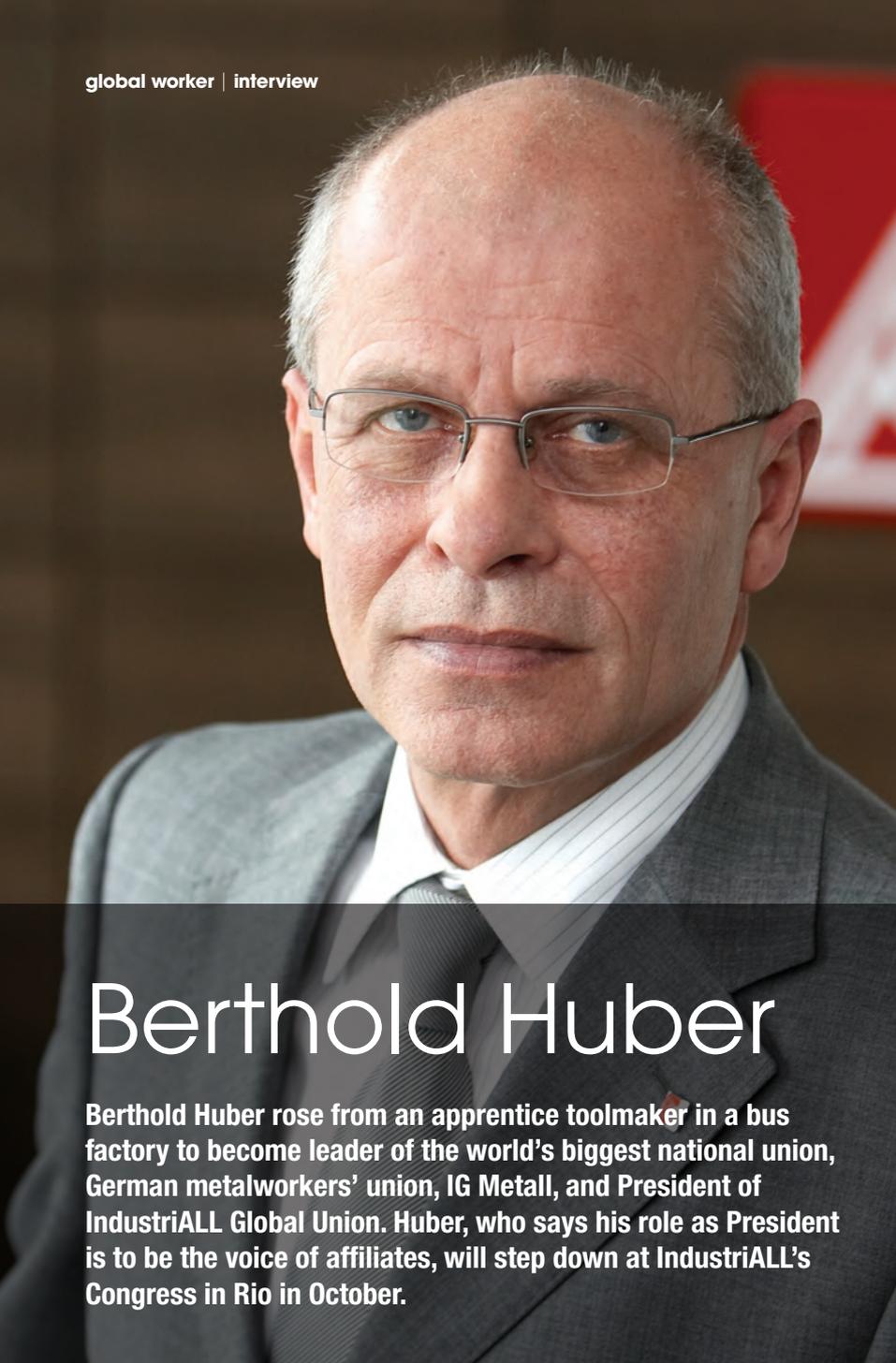
In 2015, the ILO convened a Tripartite Meeting of Experts to review, amend and adopt draft guidelines based on a compilation and thorough review of experiences from country policies and sectoral strategies towards environmental sustainability, the greening of enterprises, social inclusion and the promotion of green jobs.

The resulting ILO Guidance on Just Transition identifies nine key points to manage the impacts of potential environmental regulations and promote the evolution of sustainable and greener enterprises, within the framework of a Just Transition:

- Policy coherence and institutions (country specific)
- Social dialogue (multistakeholder)
- Macroeconomic and growth policies
- Industrial and sectoral policies (greener jobs; decent work)
- Enterprise policies
- Skills policies (also education)
- Occupational safety and health
- Social protection policies (health care, income security, social services)
- Labour market policies

The ILO's entry into the Just Transition debate is of great significance. It gives the concept an internationally accepted definition for the first time, as well as an institutional life within a specialized agency of the United Nations.

- 1 Brian Kohler at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change. *IndustriALL*
- 2 Paris 2015 UN Climate Change Conference. *COP 21*
- 3 Just Transition to a sustainable economy. *IndustriALL*



# Berthold Huber

Berthold Huber rose from an apprentice toolmaker in a bus factory to become leader of the world's biggest national union, German metalworkers' union, IG Metall, and President of IndustriALL Global Union. Huber, who says his role as President is to be the voice of affiliates, will step down at IndustriALL's Congress in Rio in October.

## interview

Union: **IG Metall**

Country: **Germany**

Text: **Léonie Guguen**

Photos: **IG Metall**

### Why did you get involved in union activities?

The political mood when I joined IG Metall in 1971 was very conducive to trade unions and issues of democracy at the workplace. German chancellor Willy Brandt wanted to extend democracy and it was the time of the biggest approval rates for trade unions in Germany.

### What have you learnt in your union career?

**I learnt to listen to my colleagues. I learnt to find and define common objectives. I also learnt not to see myself as so important - it is unity that makes us strong.**

In Germany, after the Second World War, we had the advantage of being able to rebuild a union movement based on the principle of one sector, one union - irrespective of racial, religious, or political background. One union that defends your interests in the sector that you work in.

So if you take my union, IG Metall, it is a strong stable union that has, after all the difficulties with reunification, remained strong.

### Not long after the fall of the Berlin Wall in 1989, you moved to the former German Democratic Republic as an officer for IG Metall. What role did unions play in unifying the country?

Two completely different worlds met - an extremely productive industry in the West merged with an economy that was lagging behind. But it's fair to say that IG Metall managed to get one million new members from the former Eastern states. Unfortunately, we lost many of them again, mainly due to massive job cuts and deindustrialization in former East Germany. Our main task in the beginning was to preserve as many jobs as possible.

### Why are global unions like IndustriALL important?

Historically, trade unions in industrialized countries have had an international perspective and you can find this in all the important texts of the labour movement.

It is also why IndustriALL has its headquarters in Geneva, the home of the International Labour Organization, which has the mandate to regulate international standards at the global level.

**Globalization has further reinforced the need to regulate labour standards internationally.** There has always been an important strategic objective to create a counterbalance to global capital, as globalization plays workers off against each other. **We need to work together in unity.**

## What has IndustriALL achieved in its inaugural four years?

The biggest achievement is that we have managed to come together across our sectoral borders – from extractive industries such as mining, all the way through the value chain to manufacturing, to form one united global union.

We have managed major successes in terms of agreements such as the Bangladesh Accord, even though it came out of a cruel tragedy three years ago. No single national union would have been able to achieve it and without IndustriALL and UNI Global Union it never would have been possible.

IndustriALL has also helped to put living wages and minimum working standards on the global agenda. 7 October, when our affiliates use the day to protest against precarious work, is a major achievement. In Germany it has become an important day where irrespective of what else is going on, we fight precarious jobs in Germany and across the world.

**The five strategic goals that everyone supports and subscribes to are a huge achievement** and I'm not aware of any other big organization that has done this.

### IndustriALL's five strategic goals

- > Build union power
- > Defend workers' rights
- > Confront global capital
- > Fight precarious work
- > Achieve sustainable industrial policy

## What challenges are unions facing?

**Globalization has contributed to a situation where workers' rights are violated every day almost everywhere in the world.** The right to strike, freedom of association and the right to collective bargaining must be valid to all workers everywhere, not just individual countries.

**Precarious work is definitely one of the big challenges of the 21st century,** whether in an industrialized or new economy. It has pervaded everywhere, although in different forms. The conflict between capital and labour over precarious and safe work is just the beginning. Youth unemployment and informal work are also major challenges.

We see the pressure building on unions, for example, in North America. The zones

where there is improvement in union building, such as in South East Asia, are also characterized by many company-based unions. There needs to be one voice on a national basis so unions work together.

**After two bloody world wars in the last century, global peace is the most important issue.** This can only be achieved by continuing to promote human rights, freedom, democracy, justice and growing prosperity for everyone everywhere in the world.

## You were interim Chairman of Volkswagen and are currently deputy chairman of the supervisory board at Audi. With your experience in the car industry, how much of a threat is Industry 4.0?

When we talk about Industry 4.0 we talk about digitalization but a major challenge is the change from fossil fuels, which also adds to pressure on production and jobs. Electric engines require fewer parts and this will affect car-producing countries in Latin America, Asia, Europe and North America.

**One thing is clear - manufacturing and producing cars will profoundly change but different countries will be affected differently.** Some countries are also heavily involved in research and development and investment goods and producing robots. Germany is exposed in the car industry but also in the investment goods – in the mechanical and equipment industries.

If you want to influence this structural change in a positive way for workers you need strong trade unions. After all it's jobs that are at stake.

Firstly, it is a task for national labour unions to address. It is a national issue first before IndustriALL, which must fight for the overarching issues of fair wages, secure jobs and a safe place to work.

## What are your views on a 40 per cent quota for women at IndustriALL?

**I am unconditionally in favour of a quota for women's representation** and I have fought for that at IG Metall. The biggest question is how to achieve it and what the sanctions will be if affiliates violate the quota? I'm in favour of changing the statutes, it's a political statement and commitment, but it is more important that it takes place in reality and not just in our documents. We need to talk about how we actually achieve better participation by women.

## What are you hoping IndustriALL can achieve in the next four years?

**The mere creation of IndustriALL is a success.** The preparation for this took years, if not decades. We have managed to address issues across sectors and I have hardly been to a meeting or discussion where sectoral origins played an important role for participants. But we still need to develop our common culture further.

**It is not enough to merely describe the evil of global capital. You have to be active.** You have to challenge the companies and that is where the need for visible and effective campaigns comes into play and the need to further increase IndustriALL's visibility.



Beyond the five goals, we have to again translate this into concrete action and the activities we have in the regions, for example, with precarious work. Through a bigger focus on organizational development we have to build strong, united, democratic, independent, representative and self-sustaining trade unions throughout the world.

For this, the role of the regions and the regional work definitely needs to be strengthened. We can't do this and other tasks from Geneva.

**The President is the voice of the affiliates. The President needs to have a strong voice and opinion, but the major task is to listen and create a common position and unity.**



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# WORKERS' RIGHTS IN GLOBAL SUPPLY CHAINS

## HOLDING COMPANIES ACCOUNTABLE



**The spread of production tied to multinational corporations (MNCs) worldwide has driven employment growth in many countries. And it has brought new challenges to the union movement. How can MNCs be held accountable for labour rights violations in their supply chains in the absence of global rules and enforcement mechanisms?**

**feature**

Text: **Jenny Holdcroft and Adam Lee**

The International Labour Organization (ILO) estimates that the number of jobs linked with global supply chains in 40 countries increased from 296 million in 1995 to 453 million in 2013. This represents more than one fifth of the global workforce. For many workers, jobs in global supply chains mean precarious work, low wages and inhuman working hours.

The expansion of global supply chains has been driven by a business model expressly designed to take advantage of low wages and inadequate regulation and enforcement. Research shows that respect for workers' rights in supply chains is declining.

In the garment industry, there was a 73 per cent drop in the workers' rights score of the top 20 apparel exporters to the US between 1989 and 2010. At the same time there was a 42 per cent reduction in the price paid for the clothes they produced.

**The UN Guiding Principles make it clear that MNCs are responsible for working conditions in their supply chains.** Yet many MNCs claim to have little control, or even knowledge, of how much workers are paid, the hours they work, their health and safety or their employment contracts. But these same companies are able to make very specific production demands of their suppliers over what materials are used, where those materials come from, production processes, delivery times and so on.

In fact, the sourcing models designed by companies to maximize their profits are the direct cause of many of the abuses experienced by workers. Short lead times, last minute changes to production specifications, ramp-ups for new product launches and general lack of consideration of how sourcing decisions impact on workers are major impediments to improving workers' rights in global supply chains.

**Workers at all stages of global supply chains can justifiably ask why their pay and conditions are so poor. They are making products or contributing services for companies that rake in massive profits and**

**could well afford to guarantee all workers in their supply chains a decent standard of living.**

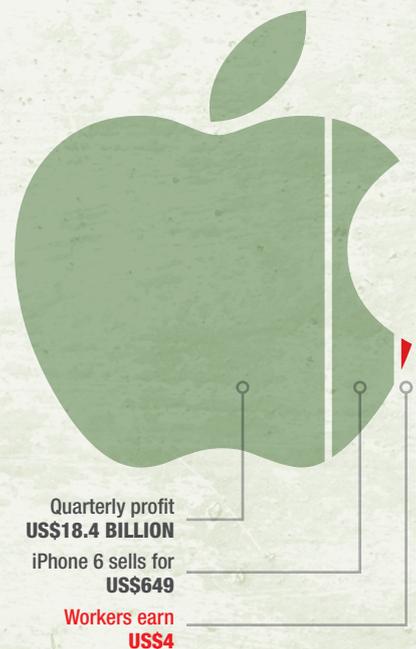
In the last quarter of 2015, Apple reported the biggest quarterly profit ever by a corporation: US\$18.4 billion. It is sitting on cash reserves of US\$216 billion. Meanwhile, workers who make products responsible for generating these unprecedented profits receive only US\$4 for making an iPhone 6 that retails in the US for US\$649.

Amancio Oretga, founder of fashion-chain, Zara, is now the second richest man in the world with a personal fortune of US\$70 billion (yes, billion).

MNC buyers at the top of global supply chains may not directly employ workers in the factories that produce their goods, but their purchasing decisions have a powerful influence over wages and working hours.



- 1 Sakura factory in Yangon, Myanmar. *IndustriALL*
- 2 Workers at the Sakura factory Yangon, Myanmar. *IndustriALL*
- 3 Action on Oxford Street, London, outside H. Samuel. *IndustriALL*
- 4 IndustriALL calling on NXP to improve labour practices.
- 5 Rana Plaza building collapse in April 2013. *IndustriALL*





### THE FAILURE OF CSR

Unilateral, voluntary and nonbinding corporate social responsibility (CSR) efforts have overwhelmingly failed to improve wages and working hours, or to ensure respect for workers' right to join a union.

CSR has spawned a multi-million dollar social auditing industry, which means that despite the lack of results, there is so much invested that many companies will hope to achieve incremental change through improvements to existing approaches.

**But since the compliance and auditing model focuses on individual factory performance without identifying and addressing root causes and systemic barriers, these efforts will continue to be ineffectual.**

There is growing public awareness of the lack of results delivered by CSR programmes – flashy websites and reports are no longer an adequate smokescreen behind which companies can continue business as usual. Faith in the auditing model was further shaken when it became known that social auditing and certification bodies SAI and BSCI gave clean bills of health, respectively, to the Ali Enterprises clothing factory in Pakistan before it burnt down killing 254 workers and Rana Plaza before it collapsed, killing 1,134 workers in Bangladesh.

### WHAT OPTIONS FOR UNIONS?

The UN Guiding Principles and the OECD guidelines that are based on them clearly establish that MNCs are responsible for abuses in their supply chains. Unions can take cases under the OECD guidelines but this does not lead to binding resolution and results are patchy.

While it is generally not currently possible to sue companies in their home countries for their actions in other countries, there are some movements towards legal requirements on MNCs. In France, a draft law is under discussion which will require the largest French multinationals to put in place a due diligence plan to prevent harm to human rights and the environment. Companies failing to produce such a plan can be required to do so by a judge and fined for non-compliance.

Meanwhile there are efforts at the UN Human Rights Council towards a binding international treaty on corporate human rights responsibilities.

Unions will be pushing for the International Labour Conference discussion on Global Supply Chains in June 2016 to lead to concrete measures to address violations of international labour standards in MNC supply chains (see box).

**In line with its strategic goal of confronting global capital, IndustriALL continues to take steps towards increasing the accountability of the MNCs in the supply chains of the industries it covers.**

IndustriALL has signed Global Framework Agreements with nearly 50 multinational corporations. These require the corporations to uphold workers' fundamental rights, and they generally include a commitment that the corporations' suppliers do the same.

Some unions are developing closer relationships with other unions present in their employers' supply chains. Affiliates of IndustriALL and sister global union, International Transport Workers, in Denmark, Norway and the UK are planning

to systematically build their unions' links across the oil, gas, maritime and transport sectors.

**The aim is to build union power through communicating, collaborating and organizing across the supply chain.**

Unions can use brand names of companies to push for workers' rights in supply chains.

The ITUC recently released a report exposing the scandal that 50 leading brand name multinational corporations directly employ only 6 per cent of their workforces. The remaining 94 per cent often suffer from low wages and rights violations, hidden in the shadows of global supply chains. ITUC calls on these brand name companies to take responsibility for their "hidden workforces".

Naming and shaming companies with retail exposure can be especially powerful. While employers in IndustriALL sectors frequently do not have retail exposure, they are often linked through supply chains to companies that do.

Unions at mining and metals giant Rio Tinto have indirectly pressured the company by publicly linking jewellery retailer Signet to the poor practices of its diamond supplier Rio Tinto.

## iPhone 6

### Bigger, Faster, Flawed

The ethical flaw? Grave labour rights violation by supplier NXP in the Philippines

IndustriALL Philippine affiliate MWAP at first had little success in negotiating a new labour agreement in 2014 with electronics company NXP in the country. After NXP attacked the leadership of the union, focus shifted to NXP customer Apple.

Together with MWAP, protests at Apple stores were organized. A petition set up with SumOfUs calling on Apple to demand its supplier NXP improve its labour



practices gained 150,000 signatures. The result was a new labour agreement for MWAP.

## SUPPLY CHAIN AGREEMENTS

The collapse of the Rana Plaza building in April 2013 marks the turning point away from the failed CSR auditing model and towards global supply chain industrial relations. It made possible the Bangladesh Accord on Fire and Building Safety, a groundbreaking legally-binding agreement between global unions and more than 200 garment MNCs.

The Accord identifies and addresses the underlying reasons why factories had not been made safe despite years of auditing and CSR programs. It includes commitments by brands towards their supplier factories to maintain orders and to ensure that financing is available to factories to do the necessary renovations. **If factories do not comply, signatory brands are required to end their business relationship.**

The Bangladesh Accord promises to change forever the way that companies deal with abuses in their supply chains. The challenge now is to build on this model to address other systemic violations of labour rights in supply chains.

IndustriALL has signed a Memorandum of Understanding with a number of leading brands in the garment industry. The aim of the agreed process, known as ACT, is to establish systems of industry-wide collective agreements supported by brand purchasing practices as the primary means of wage-fixing in the global garment industry. The MoU is explicit in identifying the development of industry bargaining in garment producing countries as essential to achieving living wages and the need for effective recognition of workers' rights to freedom of association and collective bargaining in order for this to be realized.

In the context of global supply chains, where the buyers at the top of the supply chain have the greatest power to influence where value is distributed along the chain and how much of it ends up in the hands of

workers, reform of purchasing practices in support of industry bargaining is essential.

**By linking national industry-level collective bargaining between unions and employers to the purchasing practices of brands, the ACT process creates a framework for genuine supply chain industrial relations. Through industry bargaining, workers can get a wage that is enough to properly support themselves and their families, and at the same time the specific nature of the industry, working hours, productivity and other issues that have bearing on wages, can be addressed.**

For the first time, the ACT process aims to create a system that, by addressing the structural barriers to living wages, has a genuine chance of increasing garment workers' wages in a way that is scalable, sustainable and enforceable.

Drawing on these experiences, and those of the Bangladesh Accord, there is no reason why similar models cannot be developed to address other labour rights problems that are entrenched in the way that supply chains are constructed and managed.

This is the opportunity that unions now have to address working conditions in global supply chains, towards genuine supply chain industrial relations.

## STRUGGLE FOR SUPPLY CHAIN ACCOUNTABILITY HEADS TO ILO

Global supply chains are delivering for large corporations but not for workers. Now the struggle to defend workers in global supply chains will be taken up at the ILO.

In June, the ILO will hold a discussion at its International Labour Conference (ILC) on how to promote decent work in global supply chains. The ILO is the tri-partite organization tasked with setting standards for the world of work. The ILC is organized annually by the ILO to make decisions about the ILO's general policy, work programme and international labour standards.

**The global economy currently suffers from an accountability gap.** Many companies claim to uphold workers' rights in their supply chains, but fail to take measures necessary to ensure those rights are respected. Governments take little responsibility for workers' rights at their companies' suppliers abroad. The countries where those suppliers are located often have laws to protect workers' rights but are not able or willing to enforce them.

The UN and OECD have taken steps to address this accountability gap. In 2011, the UN endorsed its Guiding Principles and the OECD updated its Guidelines.

Now workers, companies and governments will discuss a way forward in the ILO.

**The workers' group in the ILO will push for conclusions to the discussion which reflect the widespread violations of workers' rights in global supply chains and the fact that global supply chains are not benefitting workers.**

### WORKERS WILL ALSO PUSH FOR:

- A decision to work towards a Convention on Global Supply Chains. This convention should clarify the roles and responsibilities of governments (in home and host countries) and companies (both suppliers and buyers). It should establish legal accountability and provide guidance for developing policy and legislation to ensure respect for workers' rights in supply chains.
- A revision of the MNE Declaration. The MNE (multinational enterprises) Declaration is an ILO instrument that makes recommendations to companies and governments concerning employment conditions. However it covers mainly companies' own operations, not their supply chains. Workers will demand its coverage is broadened and that it includes a complaints mechanism that can lead to mediation or arbitration.
- A commitment from employers for greater transparency in their supply chains.
- A commitment to work towards increased safety and reduction of precarious labour in supply chains.
- Promotion of sectorial collective bargaining and establishment of minimum living wage rates and minimum wage setting mechanisms.

The employers' group is expected to take a different approach to the ILO supply chains discussion, portraying global supply chains as an important tool for economic development and downplaying violations of workers' rights in supply chains. Employers are likely to resist any measures that put demands on them for greater transparency, accountability or improved conditions for workers.

**To ensure that the discussion at the ILO leads to increased supply chain accountability, unions must be ready to pressure their governments to support the workers' group's proposals.**



# profile

Union Federations: **CUT and Força Sindical**

Country: **Brazil**

Text: **Kimber Meyer**

Translation: **Chris Whitehouse**

## TWO TRADE UNION CENTRES WITH THE SAME OBJECTIVE:

# BRAZIL UNITY WINS MAJOR VICTORIES



More than 40 per cent of workers in Brazil are affiliated to one of the two big trade union centres, the CUT and Força Sindical. With their constant struggle and tireless work, they have both won major victories for the country's workers.

On 6 December 2006, 20,000 workers marched in Brasilia and won a historic agreement. Brazil's two largest trade union centres, the Central Unica dos Trabalhadores (CUT) and Força Sindical had organized a third national march in the country's capital Brasilia as part of a two-year campaign for annual increases to the minimum wage.

The march was followed by an increase in the minimum wage, and showed how trade union unity and a fighting spirit can win important gains for the country's workers. The government subsequently

agreed with representatives of the unions, employer organizations and retired workers' and pensioners' organizations to adopt an annual increase of the minimum wage based on inflation and growth in per capita GDP. This policy is still in operation today.

Another milestone in the history of the Brazilian trade union movement took place in 2008. Representatives from both trade union centres attended the Chamber of Representatives for the vote on a bill that for the first time gave legal recognition to the trade union centres.

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The CNTM worked alongside the trade union centres of Brazil for seven or eight years to obtain legal recognition of the trade union centres, which we achieved in 2008. We then formulated a joint agenda for the trade union centres.

The CNTM-Força Sindical and the CNM-CUT both attended demonstrations, seminars and congresses in a policy aimed at unifying the trade union movement, says Miguel Torres, president of the CNTM, an IndustriALL affiliate.



## INDUSTRIALL IN BRAZIL

IndustriALL has 22 affiliated unions in Brazil that are affiliated to either the CUT or Força Sindical. It is currently working with its affiliates on training and education projects for young trade unionists, for the inclusion of women in unions and to combat precarious work in multinational companies.

Automotive sector unions in Brazil, Argentina, Germany and Mexico also cooperate and are working together to build trade union networks in Brazilian multinational companies. IndustriALL has a global framework agreement with energy giant Petrobras, that is unique in Latin America.

IndustriALL has a national council in Brazil, on which six confederations of the two trade union centres in three sectors (textiles, metalworking and chemicals) are represented.

And the struggle continues today. The South American giant is currently going through a major economic as well as a political crisis. A downturn in the economy has resulted in plant closures and lost jobs. **However, unions have played a crucial role in defending workers' rights and saving the jobs of thousands of Brazilians.**

At the beginning of 2016, unions affiliated to the CUT and Força Sindical helped organize a successful demonstration and hand-delivered a letter to the Organizing Committee of the 2016 Olympic Games, insisting that Nissan respect the guidelines for official sponsors by respecting human rights in the company's entire supply chain.

Representatives of the CNM-CUT and the CNTM-Força Sindical also attended a public hearing at the Brazilian Senate Human Rights Commission to denounce the company's anti-trade union policy in Mississippi, United States. **As a result, Senator Paulo Paim agreed to contact Nissan CEO, Carlos Ghosn, to ask him to negotiate with the workers and allow the union to organize the plant.**

**"We have had support from unions in the chemical sector (FEQUIMFAR - Força Sindical, affiliated to IndustriALL) and from the Osasco and Curitiba metalworkers (Força Sindical) on several issues. For example, the fight to defend democracy, stop the coup and ensure that Dilma's government stays until she has completed her term in office, and in the fight for a new economic policy that promotes economic growth and employment."**

The CUT describes itself as "a Brazilian trade union of the masses, working-class, independent and democratic, committed to defending the immediate and historic interests of the working class". It was founded on 28 August 1983, in São Bernardo do Campo, Sao Paulo, two years before the restoration of democracy in Brazil, after 20 years of military dictatorship.

**This is why the CUT's first battles were to fight for wide-ranging political, economic and cultural changes able to guarantee the universal rights of workers.**

A few years after the CUT was founded, another trade union was created for Brazilian workers. Força Sindical was founded on 8 March 1991, during the International Women's Day celebrations. **It aims to consolidate a modern workers' movement that was "independent, free, pluralist, open to internal and public debate, with a well-defined project for a better, fairer Brazil, more solidarity and able to promote the welfare of its children."**



The unions have organized several demonstrations to stop multinational companies dismissing workers, for example, at Mercedes Benz's plant in Sao Bernardo do Campo (SP), where a strike saved 1,500 jobs. Rafael Marques, representing the ABC Metalworkers Union, affiliated to the CNM-CUT and Miguel Torres, representing the CNTM-Força Sindical both participated in the protest.

Confederations from the two trade union centres have supported each other in other sectors, for example, in the chemicals sector.

Lucineide Varjao, President of the CNQ/CUT, affiliated to IndustriALL, and the first woman to hold this position in the confederation, says:

-  CUT: [@cutnacional](#)
-  Força Sindical: [@CentralSindical](#)
-  CUT: [www.cut.org.br](#)
-  Força Sindical: [www.fsindical.org.br](#)

- 1 Third march for the minimum wage, 6 December 2006. *Dino Santos*
- 2 & 4 Demonstration and meeting with representatives of the Organizing Committee of the 2016 Olympic Games. *Fernando Cavalcanti*
- 3 Public hearing at the Brazilian Senate. Senator Paulo Paim, Chair of the Senate Human Rights Commission, agreed to contact the Nissan CEO, Carlos Ghosn, to ask the company to negotiate with the workers. *Fernando Cavalcanti*

The 2nd Congress of IndustriALL Global Union will be held in Rio de Janeiro in October 2016.





# 4 FOUR YEARS OF INDUSTRIALL ACTION TO STOP PRECARIOUS WORK

Since its founding in 2012, action against precarious work has been at the top of IndustriALL's policy and campaign agenda. After four years of organizing, bargaining, campaigning and fighting legislation by IndustriALL affiliates across the globe, the occasion of IndustriALL's second Congress is an opportunity to reflect on the achievements and refocus on the struggles still to come.

special report

Text: Armelle Seby

The last decades have seen a widespread increase of precarious work all over the world. Although 70 per cent of the workforce in Europe and the United States are still in permanent and direct employment, precarious forms of employment are increasing. In low-income countries, self-employment, contract and casual labour are the dominant forms of employment.

The rapid increase in precarious work is driven by both business and governments. Companies put flexibility as a condition for employment creation. In the name of economic growth, governments are deregulating the labour market and allowing the expansion of insecure and low quality jobs. In a globalized economy, with high level international competition and outsourced production processes, pressure is on cutting costs. Multinational companies have imposed a supply chain model which generates precarious work, particularly in sectors like textile or electronics. Technological changes enable employers to impose ever more flexibility and insecurity.



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### Fighting against precarious work: a key strategic goal for IndustriALL

At IndustriALL's founding Congress in Copenhagen in June 2012, the campaign to STOP Precarious Work was unanimously adopted by IndustriALL affiliates.

In the name of this global campaign, unions committed to mobilizing their members on 7 October, the World Day for Decent Work.

**The number of affiliates participating in the global day of action increases every year, which is both a testament to the priority that affiliates put on the need to stop precarious work, and a very visible demonstration of IndustriALL's determination to stamp out abusive employment contracts.**



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**The continuing expansion of precarious work is one of the biggest threats that unions face, not only to workers' job security, pay and working conditions but to their capacity to organize workers to fight collectively for their rights.**

**For IndustriALL, the fight against precarious work is a key strategic goal which is integrated into all its work at global, industrial and regional level, says Jyrki Raina, general secretary, IndustriALL.**

### Organize to fight against precarious work

“The spread of precarious employment is clearly part of a corporate attack on the right to organize and bargain collectively. Precarious work is characterized by a little or even total absence of trade union rights, with numerous and substantial obstacles for precarious workers to join trade unions,” says Jyrki Raina.

IndustriALL's campaign to STOP precarious work is encouraging and supporting affiliates to organize precarious workers. Trade union projects funded by Swedish Union to Union, SASK in Finland, LO Norway, Dutch FNV, ACV-BIE in Belgium, and FCE-CFDT in France, provide concrete support to affiliates in building their capacity to develop and implement action plans on organizing, collective bargaining and campaigning. The fight against

precarious work plays an important role in promoting unity of action among affiliates, including the creation of national campaign teams representing all affiliates, notably in Sub-Saharan Africa and South East Asia.

Affiliates participating in precarious work project activities have reported organizing tens of thousands of precarious workers since 2012. **Last year alone, affiliates reported that 34,000 precarious workers were organized.**

In Sub-Saharan Africa, affiliates organized around 17,000 precarious workers in six countries: Togo, Cameroon, Democratic Republic of Congo, Nigeria, Burkina Faso and Senegal.

In western Africa, despite legislation limiting the use of casual and daily workers, these contracts are regularly used abusively. In some chemical companies in Senegal, the entire workforce is made up of daily workers or temporary agency workers. Through IndustriALL efforts, a training programme for organizers has been put in place and affiliates have launched organizing drives and campaigns in targeted companies.



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**Union strength is dependent on membership. We have to organize contract workers, unionize them, fight for them and increase our strength. B.K. Das, general secretary INMF, India.**

In Pune, India, companies are hiring fewer permanent staff and are using more non-union contract workers. Permanent workers are dismissed and temporary workers are rehired for the same work but for a fraction of the salary.

The Indian federation SEM (Shramik Ekta Mahasangh) is fighting back and organizing precarious workers. Contract workers used to be victimized when joining a union. To overcome this situation, SEM registered a separate union for the manpower workers in the Maharashtra State, the Maharashtra Contract Workers Union (MCWU), in September 2014. With the support of IndustriALL, the MCWU trained organizers and organized 650 contract workers in one month.

IndustriALL encourages affiliates to organize and represent precarious workers, rather than to create separate unions. But when that proves too difficult and creating a union for precarious workers is the only solution, the solidarity and support of permanent workers' unions is essential. These unions provide the necessary information to organize precarious workers at their plants.

### Collective bargaining is key

**In 2015, through the project alone, affiliates succeeded in converting 10,000 precarious workers to permanent ones.**

Over the last few years, numerous examples have been reported of affiliates succeeding in negotiating improved conditions for precarious workers or to extend collective bargaining coverage to precarious workers. Many of these examples are included in IndustriALL's publication 'Negotiating Security'.

- In Cameroon, FENATICAM and USTIC secured registration in the national social security system of 600 subcontracted workers at N.I.S. Environ of Cimencam.
- In Brazil in 2013, the FUP won an agreement with Petrobras establishing a security fund to ensure payment to precarious workers.
- In 2015 in India, the INCWF succeeded in obtaining a bonus for contract workers in Digvijay Cement, Gujarat and SMEFI achieved access to medical facilities for contract workers, similar to those provided to permanent workers in the Steel Authority of India Ltd.

### ABDOULAYE CHEMICAL WORKER, SENEGAL

I had been working in the same company since 2005 as a daily worker, working 15 days a month, receiving no social protection, no personal protective equipment which I need for work. But since 2014, I have a permanent contract thanks to the action of SUTIDS union. Today my life and that of my family has changed completely: my income has increased by 125 per cent. 60 per cent of the medical care for my wife and four children is covered by the company; I have personal protective equipment; the social security fund offers pre-natal and natal consultation services for my wife; my children have access to medical care from the institution that also pays benefits to my wife after childbirth and children every two months up to the age of 18.

Consequently, I am now a militant activist for the defence of precarious workers' interests.

### Fighting for and against legislation

Effective legislation that limits the use of precarious work and is properly enforced is essential.

In **Indonesia**, affiliates conducted a survey of more than 500 workers in ICT/Electronics, automotive, textile/garment, cement, shipbuilding/shipbreaking, pulp and paper, mining, chemicals and energy industries in order to gather evidence of non-compliance with existing legislation. Most of the contract and direct temporary workers interviewed had their contracts renewed several times, despite the law only allowing temporary contracts to be renewed twice. Some of them had been continuously employed for 14 years.



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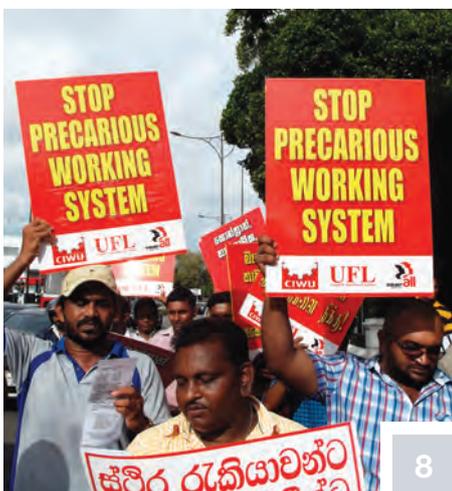
The majority of the precarious workers were working on core business activities of the companies, while the law clearly limits which types of activities precarious workers can perform. Affiliates will use the results to conduct a campaign for better compliance with the law.



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In the **Philippines**, affiliates organizing joint campaigns to push the parliament to adopt a bill on security of tenure that would promote regular and permanent employment and aim to curb precarious work, particularly agency labour, which is growing in all industrial sectors.

In **Brazil**, IndustriALL affiliates have been running a campaign for years to prevent the adoption by the Congress of a bill liberalizing outsourcing. The proposed law to open up use of contract workers without limitation has been discussed for more than a decade. After being effectively blocked by unions for several years, employers managed to get the bill adopted by the House of Representatives in April 2015. The text is now in the Senate for a vote. Opposition to the bill has been coordinated

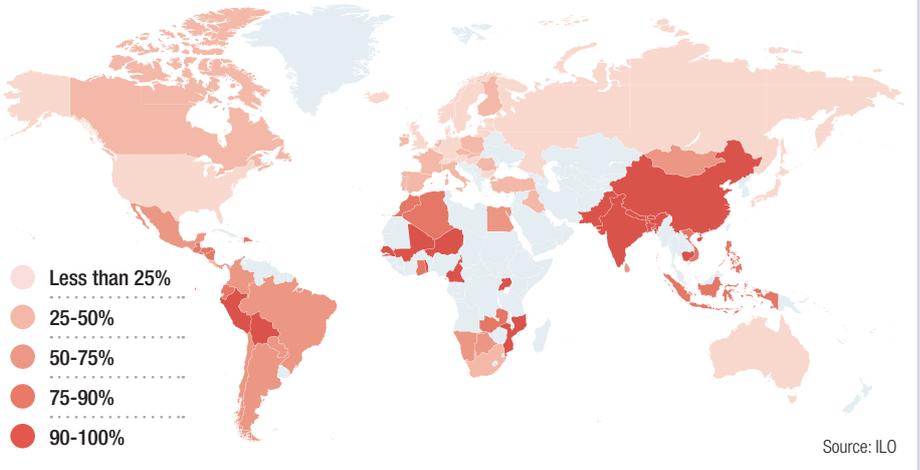


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### Precarious work in IndustriALL sectors

IndustriALL is continuously gathering information on the nature and spread of precarious work in its sectors. The majority of affiliates (between 65 to 85 per cent) continue to report an increase in the use of precarious work in their sectors.

#### Percentage of workers (total employment) without a permanent contract



Source: ILO

between trade unions and broader civil society, supported by IndustriALL. So far the movement has been able to delay the vote in the Senate.

As part of the preparations for IndustriALL's industry world conferences, affiliates have been sharing information on precarious work in their sectors. Survey responses clearly illustrate the stark inequalities between permanent and precarious workers. In all sectors, the majority of precarious workers do not receive the same treatment as permanent workers.

**Their salaries are lower - the wage structure in several automotive component factories in the Chennai area in India, shows that contract workers get a wage almost eight times lower than permanent workers.**

**At Rio Tinto Madagascar, outsourced workers earn one quarter of permanent workers' salaries.**

**Precarious workers do not benefit from the same social protection, if any at all.** It is rare that precarious workers have access to company benefits like medical facilities provided to permanent workers.

Affiliates report that precarious workers do not always have access to the same facilities at the worksite as permanent workers. In many companies in India, and at Rio Tinto Madagascar, they are forced to eat outside in the dust while permanent workers eat in their canteen. In the Cavite area, Philippines, contract workers in the electronics or textile sectors walk to work in the morning to save money, while permanent workers benefit from the company's transportation service.

**Negotiating Security**  
Trade union bargaining strategies against precarious work

In 2014, IndustriALL published **NEGOTIATING SECURITY: TRADE UNION BARGAINING STRATEGIES AGAINST PRECARIOUS WORK**, presenting a sample of the creative and progressive agreements that IndustriALL affiliates have been able to negotiate to confront precarious work.

**Precarious workers are exposed to higher health and safety risks and often have more physically demanding jobs with longer working hours. They receive less training and have less experience.**

Precarious work has become a central issue in the work of several global and regional company and industry networks.

In 2016, IndustriALL affiliates in the cement sector in India, Philippines and Indonesia adopted joint national action plans, prioritizing organizing precarious workers.

The use of precarious workers in the sector especially in Asia is widespread. The LafargeHolcim global network organized a global day of action on 7 October 2015. Trade unions from Europe, Asia, Africa, South and North America organized rallies, conferences and meetings to send a strong signal that LafargeHolcim must address the widespread use of precarious work at the company. **More than 300 people have died during last four years while working for Lafarge and Holcim - almost 90 per cent of these were employed by subcontractors or third parties.**

Indian affiliate PCSS won an important victory in January at LafargeHolcim's ACC Jamul cement plant after years of struggle and an OECD complaint supported by IndustriALL. The settlement achieved employment security for half of the 1,000 contract workers with a progressive readjustment of contract worker salaries to reach the national wage agreement for the cement industry, as well as severance packages and support for rehabilitation for the dismissed.

Precarious work is one of the priorities of IndustriALL's Rio Tinto global campaign. Attention has been drawn to the numerous abuses linked to an extensive use of precarious work at Rio Tinto. Affiliates are actively organizing precarious workers.

In 2013, FISEMA was able to organize 300 outsourced workers at QMM (Rio Tinto Madagascar). In Australia, the CFMEU has been organizing permanent workers together with labour hire workers at one Rio Tinto worksite; a difficult task as labour hire workers are employed by the hour and employers can easily get rid of them.



## HARIDAS MECHANICAL ENGINEER, INDIA

I worked for 12 years as a contract worker in various companies. It was a difficult time with low wages, job insecurity, no transport or canteen facility, and no proper safety equipment. It was like being a slave to the contractor or management.

Under the guidance of Shramik Ekta Mahasangh (SEM), all the 97 contract workers in my company joined the union. After various rounds of negotiations with management, the union obtained permanent contracts for all of us. This was followed by signing a settlement with a wage increase of US\$135 for each contract worker, along with social security benefits and all the facilities that the permanent workers enjoyed. This brought a huge change to me and my family. Now I have job security, transport, access to the canteen, and I am able to afford quality education for my children. Overall, my status in society has improved.

### THE TRIANGULAR TRAP

IndustriALL report focusing on the massive worldwide growth of agency work and other forms of triangular employment relationships and how they are undermining international labour standards.



### Campaigning and winning

Thanks to the wealth of knowledge and experience that has been developed over the four years of the campaign to STOP Precarious Work, building on the work that had already been done by our founding global unions, IndustriALL affiliates throughout the world stand ready to confront precarious work in all its forms, says Jyrki Raina.

The fight against precarious work is not over, nor will it be any time soon. At our second Congress in Rio de Janeiro in October, affiliates will be asked to reaffirm their commitment to the global campaign as it moves into the next phase. It will be a time to reflect on the many, many achievements of the campaign and to gather strength for the challenges ahead.

What we can be sure of is that wherever precarious work takes hold, IndustriALL affiliates will be organizing, bargaining, fighting politically and uniting their strength to protect workers' rights.

### Action towards the ILO

IndustriALL is fighting for ILO recognition on how precarious work is undermining respect for international labour standards. There is a lack of institutional awareness and employers and governments have not been prepared to address the issue. After years of advocacy at the ILO, supported by the workers' group, there was a step forward in February 2015 when IndustriALL participated in a tripartite Meeting of Experts on Non-Standard Forms of Employment.

The conclusions of the meeting have the potential to significantly strengthen the ILO's responses to precarious work. They include recommending that the ILO improve data collection and reporting on precarious work. Importantly, the recommendations also called for future Meetings of Experts on temporary employment and on discrimination on the basis of employment status, opening up the possibility for future international labour standards to be developed in these two areas.

Visit IndustriALL's STOP Precarious Work page!



#### Action on 7 October 2015 in:

- 1 India. SMEFI
- 2 Thailand. TEAM
- 3 Pakistan. APFUTU
- 4 Nigeria. NLC
- 5 India. IndustriALL
- 6 Japan. JCM
- 7 Switzerland. IndustriALL
- 8 Sri Lanka. CIWU
- 9 Brazil. CUT

An estimated 5,000 people took to the streets of Madrid on 9 February to protest against the trial of eight trade unionists facing a total 66 years in prison for going on strike. In a victory for trade unions all over the world, all eight were acquitted.

**#RightToStrike**



**IndustriALL protests against Nissan's aggressive anti-union suppression at its plant in Canton, Mississippi, US. It contradicts the Olympics' Sustainable Supply Chain Guide, which lists freedom of association among its standards.**

**#DoBetterNissan**





**MOURN THE DEAD,  
FIGHT FOR THE LIVING.**

**IT'S TIME TO  
RATIFY ILO C176  
ON SAFETY  
AND HEALTH  
IN MINES!**

