

Kan Matsuzaki, IndustriALL Global Union Steering Committee Meeting on ICT E&E 9th April 2014, Ho Chi Minh, VIETNAM



Global Trends and Situation of IndustriALL Activities in the Sector



World's Top IT E&E Companies by Revenue (2013)

	• •	,	`
Industry	Industry	Employees	HQ
Samsung Electronics	Electronics	326,000	South Korea
Apple	Electronics	80,300	USA
Foxconn	Electronics	1,290,000	Taiwan
НР	Hardware	317,500	USA
IBM	Computer Services	433,362	USA
Hitachi	Electrical&Electronics	326,240	Japan
Microsoft	Software	99,000	USA
Amazon.com	Internet	117,300	USA
Sony	Electrical&Electronics	146,300	Japan
Panasonic	Electrical&Electronics	327,512	Japan
Google	Internet	53,546	USA
Dell	Hardware	108,800	USA
Toshiba	Electrical&Electronics	168,733	Japan
LG Electronics	Electronics	38,718	South Korea
Intel	Semiconductor	104,700	USA

10 out of 15 Top IT E&E companies have Very low or No union density with IndustriALL

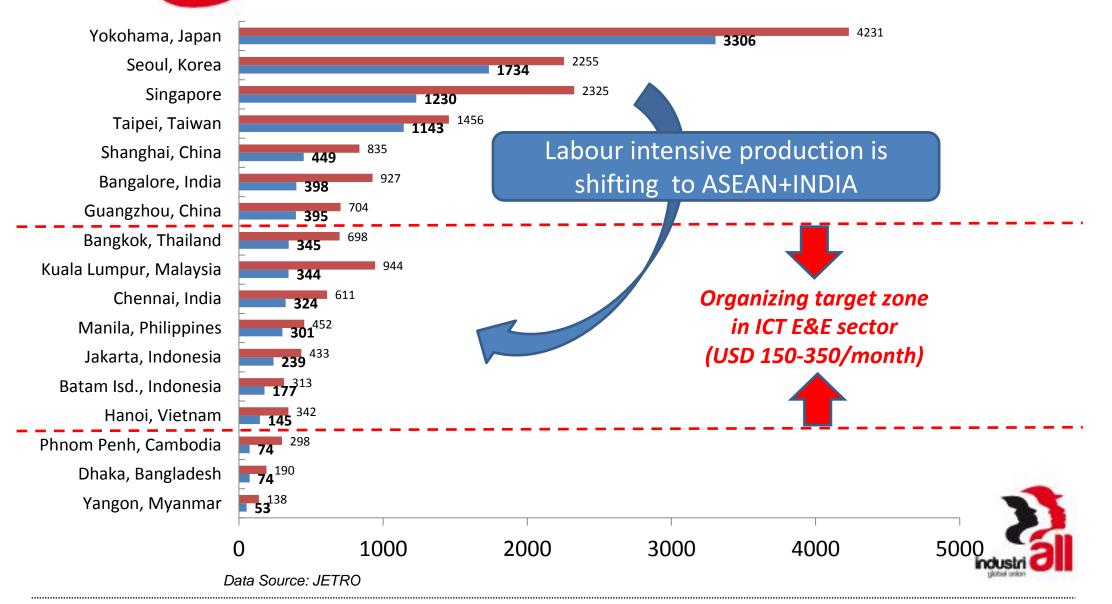


O

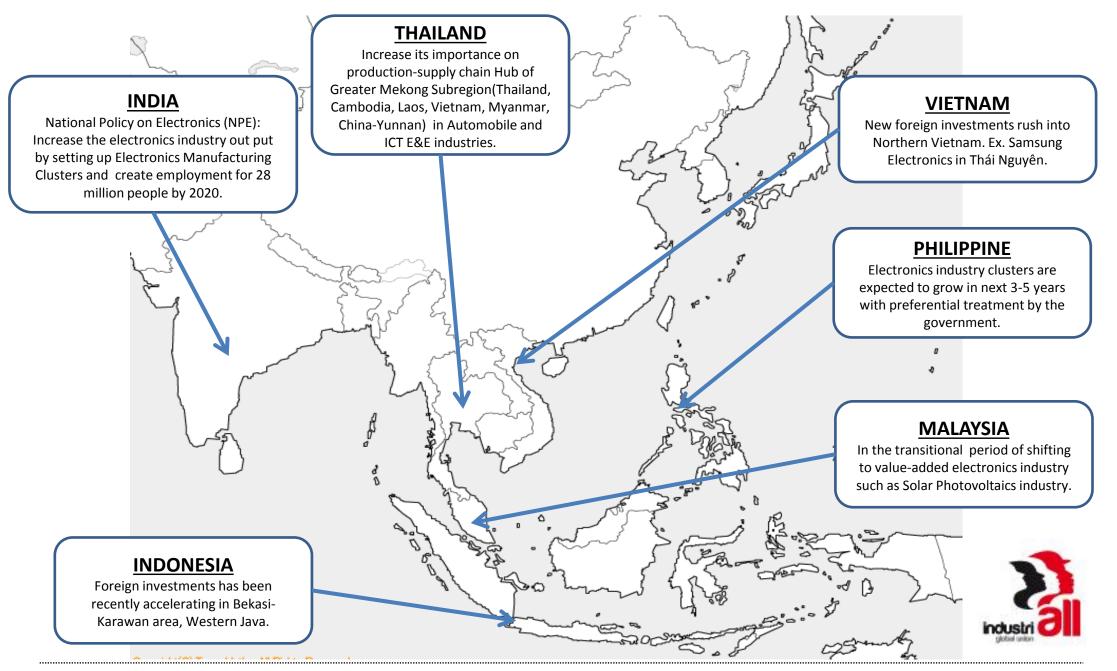
>

Ex. Standard Wages of Manufacturing Workers in Asia

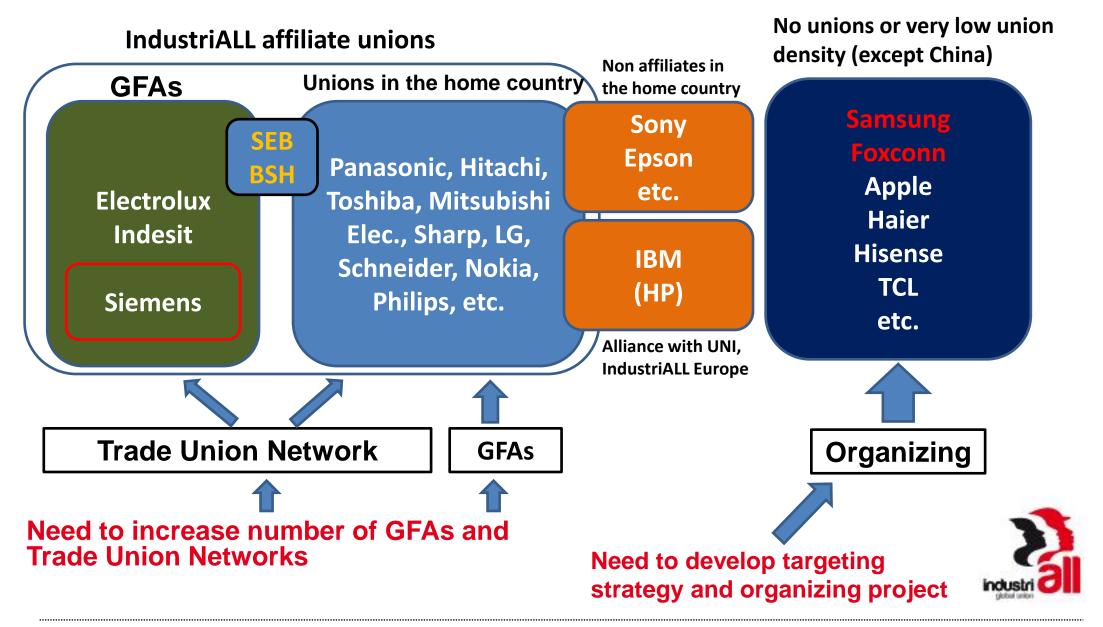
(2012, in US dollar/month RED: Engineer BLUE: Production)



Industrial Trends and Highlights in ASEAN+INDIA



MNCs stuation in ICT, E&E sector on GFAs, TUNs, and Organizing





Outcome of the SC 2013 in Singapore-1 10 priorities and strategies for 2013 to 2016

Red: not yet in progress Black: in preparation Blue: in progress Green: progressed

Organizing and Fight against Precarious Work

- Strengthen the support for union and organizing activities in certain countries, industries, and free trade processing zones(SEZs, EPZs) where the trade union rights are restricted (such as electronics industry in Malaysia)
- Expand research, education and training activities related to workers' basic rights and organizing precarious workers, women workers, young workers and migrant workers (for 2013, <u>conduct survey on situation of precarious</u> <u>work</u> and seek collaboration with Living Wage campaign)
- Support organizing and union building focused on developing countries and MNCs with no or low union density (partially supported by externally funded projects). In addition, start the workplace research to conduct OHS training and organizing in e-waste industry.
- Gain ability to utilize the international rules and guidelines such as the OECD Guidelines for Multinational Enterprises to penetrate compliance of core labour standards into all the supply chain.





Outcome of the SC 2013 in Singapore-2 10 priorities and strategies for 2013 to 2016

Red: not yet in progress Black: in preparation Blue: in progress Green: progressed

Promoting Sustainable Industry and Workplace

- Explore collaborated activities and synergy effect with other sectors which relate industrial policy such as electric power sector. (ex. information exchange on job creation in new technologies and infrastructure such as smart grid and mutual participation of the respective meetings).
- Develop IndustriALL's Sustainable Industrial Policy and strengthen demanding activities against the government in cooperation with the national centers and other industrial unions in their own countries.
- Focus on industrial policy regarding Just Transition to secure sustainable employment for the future.
- Strengthen the industrial policy on the specific issues including ewaste and OHS.





Outcome of the SC 2013 in Singapore-3 10 priorities and strategies for 2013 to 2016

Red: not yet in progress Black: in preparation Blue: in progress Green: progressed

Developing the TUNs and the GFAs

Based on the process of discussion/decision at the Executive Committee, increase number of the trade union networks (TUNs) and Global Framework Agreement (GFAs). In particular, make effort to achieve to create TUN and/or GFA in Asian based companies.

<u>Women</u>

♦ Achieve at least more than 30% women participation rate in the meetings/conferences of this sector. (20.0% in 2013 ➡ 27.5% in 2014)





Situation of Precarious Work (11 cases from 9unions in 7 countries)



FINLAND General case of Finnish Metal, Pro, UIL and TEK

Situation of Precarious Work(PW)

1) Last 5 years	PW has increased with between 1.0-1.5% in the past 5 years. About 90-95% of our workforce have a full time employment. The precarious workers add up to between 5-10% of the workforce.
2)Figures	N.A.

3)Affect to core jobs The effect is less than 1% on full time core jobs.

Consequences of Precarious Work or workers

4)Difference in working condition	N.A.
5)Affect to certain group	Young people and women are a bit more affected.
6)Affect to CBA	No significant impact.
7)PW organized?	Full time and precarious workers are members in the same unions.
Response of trade unio	ons to Precarious Work
8)Union density	The Finnish general unionization level varies around 70%. Variation depends strongly on branch and type of work.
9)Affect to union	No affect.
10) Union strategy	Through collective bargaining, political influence and as a part of the public discussion.

FRANCE Case of CGT : 2 electonics companies

Situation of Precarious Work(PW) in the company

1) Last 5 years	The global trend of PW at the company is flat in the last 5 years with an increasing of temporary labour contracts and a decreasing of hiring via agencies. The company receives state subsidies that are officially conditioned by the global level of employment (precarious jobs included).
2)Figures	<i>Permanent workers</i> On Site Contract: 11840→11556 <i>Precarious workers</i> Direct hire on temporary contracts: 571→745, Agency: 518 →322
3)Affect to core jobs	PW, especially outsourcing is usually used to perform basic tasks e.g. buildings management
Consequences of Preca	arious Work or workers
4)Difference in working condition	PW's salary level and social benefits are lower due to competition for service prices (example : cleaning service). Temporary labour contracts does not take seniority into account and loss of social benefit.
5)Affect to certain group	Manufacturing activities in cleaning room use the majority of PWs (mostly limited skills) in comparison with support or administrative activities.
6)Affect to CBA	The pressure induced by high unemployment level and precarious work (difficulty to obtain a permanent job) leads to lowering of social demands and protest movement (in and outside of the company).
7)PW organized?	Trade union activity is significantly more difficult in outsourcing companies due to the high number of sites to visit and to organize.
Response of trade unio	ons to Precarious Work
8)Union density	5% / 9%
9)Affect to union	the higher ratio of PW affects to increase our members and our activity.
10) Union strategy	a) Restrict of PW or Improve working condition through CB: Mobilizations (in and outside the company) to obtain internal agreement or national, european, international laws.
	b)Organizing PW: For a big manufacturing site (staff : >1000) : creating "on-site" union with all the workers of the different companies located on the site (mother company + oursourcing + agencies).
	c)Other:
Industri ALL	12

FRANCE Case of FO : High tech IT Company

Situation of Precarious Work(PW) in the company

1) Last 5 years	PW increased in (low value) outsourced activities in France or/and low cost countries.
2)Figures	Permanent workers: 3000→2800, On Site Contract:200 in 2008, Precarious Workers Direct hire on temporary contracts:50→4, Agency: 50 in 2008, Outsource:40?, Other:50→200-350
3)Affect to core jobs	Accounting, IT support, developers, project managers, etc.
Consequences of Precarious Work or workers	
4)Difference in working condition	20-30% less salary-benefits for PW
5)Affect to certain group	Every groups can be affected
6)Affect to CBA	Precarious work is always a threat. Union members/workers are afraid of the jobs to be outsourced according to the negotiation of collective bargaining.
7)PW organized?	No. they would like to be hired and are easily manipulated by employers + they are isolated within teams.

Response of trade unions to Precarious Work		
8)Union density	10% among blue collar workers, less than 1% for white collar workers	
9)Affect to union	Decrease in membership, increase of stress, isolation of workers, etc.	
10) Union strategy	a) Restrict of PW or Improve working condition through CB: Yes	
	b)Organizing PW: some attempts but not yet succeeded	
	c)Other: use of press and public opinion when fail in negotiation alert regarding the HSE responsibility of the company	industri



Situation of Precarious Work(PW) in the company

1) Last 5 years	PW increased in last 5 years in the name of Logistics and Alternative Agencies.		
2)Figures	<i>Permanent workers</i> On Site Contract: M4573-F1→M3202, <i>Precarious workers</i> Agency: M1260-F10→M1396-F40		
3)Affect to core jobs	Loss of permanent workers and jobs nearly 1400 due to contract / logistics		
Consequences of Preca	arious Work or workers		
4)Difference in working condition	Precarious workers has to work more for less salary, medical/insurance facilities are not at par with permanent employees		
5)Affect to certain group	Women workers are affected by the precarious workers. Eg. Telephone Operators / Stenographers		
6)Affect to CBA	As they are working for less pay and doing more work due to this, bargaining power of union become weak		
7)PW organized?	Not so effectively organized as they are splitted		
Response of trade unio	Response of trade unions to Precarious Work		
8)Union density	100% for all permanent employees		
9)Affect to union	Yes, slowly precarious workers increase and due to modernisation and technological developments our union strength come down from 7200 to 3200 within the span of 32 years (1981 to 2013)		
10) Union strategy	a) Restrict of PW or Improve working condition through CB: Stopping or avoiding precarious workers are very tough and union is demanding more salary for contract workers.		
	b)Organizing PW: Yes, union is on the job		
	c)Other: By negotiation effort, union got bonus for precarious workers also		

global union

Situation of FSPMI in General

Situation of Precarious Work(PW)

1) Last 5 years	The number of PW reduced as a result of the union's Campaign. But in the other hand, the number of outsourcing workers increased. (outsourcing worker means agency worker in Indonesia)
2)Figures	<i>Permanent workers</i> On Site Contract: M65001-F41361→M93179-F61739 <i>Precarious workers</i> Direct hire on temporary contracts: 9520→13775, Agency: 565 in 2012
3)Affect to core jobs	According to the Labor law, outsourcing workers only allowed in 5 area such as: Cleaning service, Security, Canteen, Offshore, and Driver. But in reality, mostly PW also work in core jobs (production line)
Consequences of Precarious Work or workers	

4)Difference in Comparison of average wage: Permanent USD152 vs Contract USD127 vs Outsourcing USD113 Social Security Coverage: Permanent 96.6% vs Contract 89.6% vs Outsourcing 86.5% working condition 5)Affect to certain Female: Permanent 29.0% vs Contract 46.6% vs Outsourcing 30.8% Male: Permanent 46.1% vs Contract 30.8% vs Outsourcing 23.1% group 6)Affect to CBA If there is CBA negotiated by plan level union, there are no differences between permanent workers and precarious workers on social benefit such as social security and wages 7)PW organized? Yes **Response of trade unions to Precarious Work** 8)Union density 14.3% in the sector 9)Affect to union The union's strategy is to organize Outsourcing(agency) workers and include them in the same CBA. 10) Union strategy



Situation of Precarious Work(PW) in the company

	, work(i w) in the company	
1) Last 5 years	the number of PW-non regular workers has not been changed	
2)Figures	<i>Permanent workers</i> On Site Contract: M25662-F2852→M26918-F3007 <i>Precarious workers</i> Direct hire on temporary contracts: M3950-F2450→M5266-F3623, Agency: 5596 →2973	
3)Affect to core jobs	Core jobs are basically taken by regular(permanent) workers	
Consequences of Preca	arious Work or workers	
4)Difference in working condition	There are differences in salary level depend on duties, job specification, roles, etc.	
5)Affect to certain group	N.A.	
6)Affect to CBA	No certain affect to regular(permanent) workers	
7)PW organized?	Due to the limitation of organizing in current CBA, organizing remains only for regular workers.	
Response of trade unions to Precarious Work		
8)Union density	N.A.	
9)Affect to union	N.A.	
10) Union strategy	a) Restrict of PW or Improve working condition through CB: union demands the management to hire PW as regular workers	
	b)Organizing PW: organizing PW is in consideration.	
	c)Other:	



Situation of Precarious Work(PW) in the company

1) Last 5 years	Temporary labour contracts has been increased in the last 5 years. Agency workers are applied depends on the situation.
2)Figures	<i>Permanent workers</i> On Site Contract: M680-F74→M594-F52 <i>Precarious workers</i> Direct hire on temporary contracts: M7-F0→M236-F20, Other: M200-F23 →M35-F3
3)Affect to core jobs	Core jobs are not done by PW

Consequences of Precarious Work or workers

4)Difference in working condition	Overtime premium(ex. Weekday): Regular workers 130%, PW 125%(based on labour law) Allowances(family, shift, perfect attendance, etc.): Regular workers Yes, PW No	
5)Affect to certain group	No affect.	
6)Affect to CBA	No affect.	
7)PW organized?	PWs are organized by union.	
Response of trade unions to Precarious Work		
8)Union density	70%	
9)Affect to union	No affect	
10) Union strategy	N.A.	

JAPAN Case of JAM 1: Audio Visual Equipment Company

Situation of Precarious Work(PW) in the company

1) Last 5 years	PW are decreasing as the production sites decreased.
2)Figures	<i>Permanent workers</i> M4737-F1111→M3477-F763 <i>Precarious workers</i> On site: M48-F98→M4-F32, Direct hire on temporary contracts: M11-F161→M0-F0, Agency: M18 –F88→M0-F9, Outsourcing: M24-F124→M7-F0, Other: M101-F471 →M11-F41
3)Affect to core jobs	No affect to core jobs.
Consequences of Preca	arious Work or workers
4)Difference in working condition	PW's salary is paid based on contract while regular worker's salary is based on collective bargaining. PW such as part time worker's wage level is 60% of regular worker.
5)Affect to certain group	No affect.
6)Affect to CBA	No affect.
7)PW organized?	Part time workers are organized. Union still could not reach out PWs as they are short term contract basis.
Response of trade unions to Precarious Work	
8)Union density	70%
9)Affect to union	No affect
10) Union strategy	a) Restrict of PW or Improve working condition through CB: Part time workers are included in CBA.
	b)Organizing PW: following strategy of umbrella industrial union.

c)Other:





Situation of Precarious Work(PW) in the company

1) Last 5 years	The number of PWs is increasing while the number of regular workers is decreasing.				
2)Figures	<i>Permanent workers</i> M3250-F364→M2404-F332 <i>Precarious workers</i> On site: M0-F3→M0-F2, Direct hire on temporary contracts: M0-F46→M3-F47, Agency: M84 –F193→M145-F151				
3)Affect to core jobs	Basically PWs are assisting role on core jobs, but there are many PWs in core jobs of Software development and sales.				
Consequences of Precarious Work or workers					
4)Difference in working condition	PW has lower wage and bonus and no retirement payment. PWs can use welfare programme as regular worker.				
5)Affect to certain group	No affect.				
6)Affect to CBA	No affect.				
7)PW organized?	PW is not yet organized. Union is having difficulty to reach out them as they are separated in various workplaces.				
Response of trade unions to Precarious Work					
8)Union density	N.A. (no production site)				
9)Affect to union	No affect				
10) Union strategy	a) Restrict of PW or Improve working condition through CB:				
	b)Organizing PW: Union will conduct concrete research on PWs to organize them.				
	c)Other:				

MALAYSIA Case of JEIU 1: Electrical&Electronics Company

Situation of Precarious Work(PW) in the company

1) Last 5 years	Increasing gradually, annually the company introduce VSS to permanent(local) workers and replace them with PWs(foreign and local).				
2)Figures	<i>Permanent workers</i> Direct hire on temporary contracts: M1817-F380→M1516-F321 <i>Precarious workers</i> Direct hire on temporary contracts: M500-F100→M300-F50, Agency: M600 –F100→M700-F100				
3)Affect to core jobs	Overtime reduce by 50%, precarious workers work 12 hours/day which compulsory overtime of 4 hours.				
Consequences of Precarious Work or workers					
4)Difference in working condition	Temporary workers(local workers), direct recruitment by the company follow terms and conditions of CBA. Precarious workers not covered by CBA				
5)Affect to certain group	Yes.				
6)Affect to CBA	Less members are covered. Workers fearful of job security. Bargaining power weakened.				
7)PW organized?	Not organized, law thus not facilitate organizing precarious workers because they are informal and temporary in nature				
Response of trade unions to Precarious Work					
8)Union density	70%				
9)Affect to union	Decrease in membership and union dues. Reduce CB power.				
10) Union strategy	a) Restrict of PW or Improve working condition through CB: No				
	b)Organizing PW: Not possible unless precarious workers are under direct employment of company				
	c)Other:				

¢:

SINGAPORE Case of UWEEI: Electronics-Chemical Company

Situation of Precarious Work(PW) in the company

1) Last 5 years	PW had increased with the trend of outsourcing non-core business operations like logistics to other companies.				
2)Figures	N.A.				
3)Affect to core jobs	Increase in PW had resulted to outsource non-core business activities, resulting in sale of non-core business units and increase in redundancy of the workers. On the other hand, The outsourcing of non-core business units had resulted in greater efficiency as third party companies are more professional and cost efficient.				
Consequences of Precarious Work or workers					
4)Difference in working condition	PWs have lesser job security and benefits as compared to the permanent workers as a result of the competitiveness of wages and benefits of the precarious workers in outsource company.				
5)Affect to certain group	The profile of PWs in the sector is young, foreign workers who are employed on contract basis. There is also a group of matured female workers who are employed as operators. They are long serving employees with low wages.				
6)Affect to CBA	The wages of the permanent local workforce had being suppressed as a result of cheap foreign labour.				
7)PW organized?	Yes.				
Response of trade unions to Precarious Work					
8)Union density	57.57%				
9)Affect to union	No				
10) Union strategy	a) Restrict of PW or Improve working condition through CB: The union is pushing for the implementation of Progressive Wage Model (PWM) by industry clusters through sectoral tripartism. The PWM centres around helping workers earn better wages through skills upgrading and productivity. At the same time, PWM also help companies attract, retain and make better use of every worker.				
	h)Organizing PW/· Better benefits for low wage workers in the form of U Stretch Vouchers, Back-to-School				

b)Organizing PW: Better benefits for low wage workers in the form of U Stretch Vouchers, Back-to-School Vouchers and Scholarship and Bursaries for low wage members to apply.

Organizing and Fight against Precarious Work



Industrial global campaign

STOP Precarious Work

PRECARIOUS WORK 'CARIOU-



Campaign goals

- Stop the massive expansion of precarious work
- Equal wages and conditions for precarious workers and regular workers
- Direct employment NOT triangular relationships



•Global campaign is integrated into all IndustriALL activities including regional and sectoral meetings

•Company networks develop action plans to address precarious work:

- identify and target MNCs that overuse precarious employment or that refuse to make precarious workers permanent
 - push for language on precarious work to be included in GFAs



GDF Suez GFA

'GDF SUEZ recognizes the importance of secure employment for both the individual and for society through **a preference for permanent, open-ended and direct employment.** GDF SUEZ and all sub-contractors ... shall not seek to avoid obligations of the employer to dependent workers by disguising what would otherwise be an employment relationship or through **the excessive use of temporary or agency labour.**'



Precarious work project

- A network of regional project coordinators assisting affiliates to:
 - Fight legislation that expands precarious work
 - Use collective bargaining to address precarious work
 - Gain permanent status for precarious workers and improve their working conditions
 - Recruit precarious workers



Global Union principles on temporary work agencies

The first principle is that the primary form of employment shall be permanent, open-ended and direct

The use of temporary agencies should be restricted to cases of legitimate need. As a minimum, there should be defined limits on the use of agency workers, as we as restrictions on the duration of such employment





Living wage campaign

Poverty wages have a devastating impact on workers, in Cambodia thousands of malnourished workers have fainted in the last 2 years and in Bangladesh workers are being forced to survive on a dollar a day.

From Africa to Asia and Latin America the Living Wage is a global issue and central to the Decent Work Agenda. IndustriALL is campaigning on this issue with its affiliates.



Change purchasing practices

Pay prices that enable suppliers to pay a living wage.

- Eliminate purchasing practices that put downward pressure on wages
- Make payment of a living wage/the agreed CBA rate a contractual obligation for suppliers
 - Ensure that the labour costs of each order are separately itemized and ringfenced so that wages become a fixed cost
 - Require suppliers to disclose details of wage costs and assumptions on piece rates
- Support suppliers in bearing the risk of paying higher wages by providing greater stability in orders (Accord principle)
- Commit to not to switching production from one country to anor pursuit of lower wages

actor in factory efficiency in wage costing



Demand suppliers respect their workers' right to join a union

- Actively promote collective bargaining
- Encourage suppliers to hold regular meetings with unions on issues that affect wages, including piece rates, targets and incentives
- Work with unions to identify ways of ensuring that higher prices are passed on to the workers
- Engage with IndustriALL and other brands in cooperative initiatives with joint suppliers eg training of managers and workers on FoA and bargaining.
- Issue Right to Unionise/Non Victimisation Guarantees in all supplier factories



Demand action from governments on living wages • and respect for labour rights to build a sustainable and profitable industry









32



IndustriALL's Living Wage strategy

Mainly focused on the textile, garment and leather sectors, but expanding to include other low pay sectors.

Three key elements:

- 1. Supporting national minimum wage campaigns
- 2. Increasing union capacity to bargain for a living wage
 - preference is given to industry-wide agreements

3. A global brand strategy

IndustriALL is keen to work with brands to target a living wage in specific countries by:

- pushing for increases to the minimum wage
- exploring possibilities to negotiate industry wage agreement
- promoting unionization and collective bargaining





EC supported Projects on Organizing 2014-2018



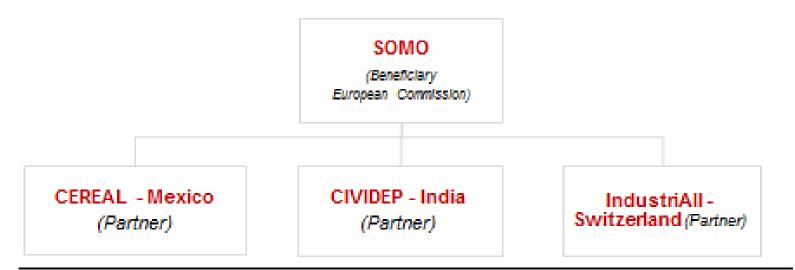
EC supported Project on Organizing - 1



Stichting Onderzoek Multinationale Ondernemingen Centre for Research on Multinational Corporations



SOMO, Partners & Associates of GE network



Associates (18):

ACC (Hungary) - AchAet (Belgium) -ACiDH (Congo) -Bread for All (Switserland) -CSRSC (South Africa) -European Environment Bureau (Belgium) - Fair Trade Center (Swedish) -FinnWatch (Finnland) - GermanWatch (Germany) -Good Electronics Thalland (Thalland) - Globalization Monitor (China) - IPEN (Philippines) -WAC (Philippines) - People & Planet (Great Britain) -EETTI (Finland) -Polish Green Network (Poland) -SACOM (China) - SwedWatch (Sweden)



EC supported Project on Organizing -2

IndustriALL Global Union will organize and train ICT, E&E workers(of more than 30% are women) in Southeast Asia region. The target countries are **Indonesia**, **Malaysia**, **Thailand**, **Vietnam and one other country** (Taiwan-ROC or another developing country) by end of 2018.

IndustriALL Global Union conducts 5 strategy meetings(4 steering committee and 1 world conference), 5 training sessions for trade unionists/education officers, and 40 training and organizing sessions for workers in 5 years, by end of 2018. Training documents&materials are also produced.

Between 2016-2018, the affiliates(or newly affiliated electronics union(s)) will conduct 5 negotiation of CBA(also related to GFA matters) with companies. Also, 6 (country or/and regional)TUN meetings will be held.



Priorities and Strategy for 2014-2015



Key strategies for 2014-2016

Goal	2014	2015	2016 Congress
1) Build union power	EC supported project to be launched. Awareness of workers' rights and initial steps on organizing workers by ICT E&E unions to be taken in 5 countries in Southeast Asia.	Visible results to be expected. Clear organizing targets on companies to be strategized.	Net increase of membership in the sector
2) Confront global capital	Creating structure between the unions and IndustriALL on targeting/identifying the companies such as Samsung and Foxconn	Organizing Campaign to be launched/conducted.	Unions are newly organized at the companies with low-no union density
	The negotiation/evaluation process to be developed with WG. Deepening mutual understandings and cooperation on MNCs with Chinese workers.	The process to be followed-up and revised. Increasing work with Chinese workers on TUNs/GFAs.	2-3 GFAs or/and TUN are negotiated/signed/developed
3) Defend workers rights	Collaboration on company profiling/campaign with GE network(such as Samsung). IBM alliance to be developed with UNI.	Joint activities on MNCs, training programme to be conducted	Cooperation/collaboration activities with other organizations to be developed
	Clear impovements to be seen compared to the past events.	30% women participation to be achieved.	At least more than 30% women participation in every events to be achieved.
4) Fight against precarious work	Clear indications that the unions take visible action Campaingn. Collaboration activities with Living Wa	• • •	Increasing awareness and involvement in global Fight Against Precarious Campaign
5) Ensure sustainable industrial employment	Good practices on sustainable industrial policy acitivities to be shared and the next steps to be discussed.	Sustainable industrial policy demand actions to be taken by the unions. Activities against the governments in cooperation with national centers and other industrial unions to be strenghthened	Sustainable industrial policy demand actions to be taken by the unions



with IndustriALL Global Union

Thank You

Website

www.industriALL-union.org