

16 April, 2014

## Statement on behalf of the Rio Tinto global trade union network to the Rio Tinto AGM

Delivered by Kemal Özkan, IndustriALL Global Union Assistant General Secretary

Mr Chairman, members of the board, shareholders,

Today I speak here on behalf of the global network of trade unions representing Rio Tinto workers in 15 countries. IndustriALL Global Union represents 50 million trade union members in 143 countries.

As you know, Rio Tinto has achieved a special status for the mineworker trade unions of the world. Among the many bad offenders of workers' rights in this industry, Rio Tinto has been picked out for its anti-worker arrogance as well as its damage to local communities and the environment.

Two employment policies of your company are specifically designed to reduce your workers' rights. First, Direct Engagement, that aims to deal one-on-one with each worker so that they have no chance of standing up to management bullying. It is wholly designed to avoid dealing with trade unions and therefore to block your employees' right to organize and bargain collectively. Second, the policy of outsourcing your workforce to third party contractors. These workers have less job security, poorer working conditions and less social protection. There is no real benefit for Rio Tinto to this massive outsourcing. Whereas you lose stable employment of trained and experienced workers, pay much more for the same service, and jeopardize worker safety. The reason for this business model with massive use of precarious labour is to weaken unions.

In evidence that IndustriALL has been sharing with investors, the trade unions throughout your global operations have documented the damaging effects of these policies at the worksites, along with anti-union aggression.

Our latest publication *Rio Tinto: The way it really works* outlines your company's systematic failures on environmental, social and governance factors. Its all in here (**HOLD UP BOOKLET**). Our office will send you a copy.

You must understand that this global attention from our Rio Tinto campaign offers your company an opportunity to react and become an industry leader in employee relations. In partnership with our national unions and global network, Rio Tinto could repair industrial relations and set a new industry standard. We have official partnerships with market leading multinationals throughout the global supply chain. We work together with companies to ensure minimum standards through a company's operations.

However, when our trade union network travelled to Zurich in February to meet Rio Tinto and discuss an agreed agenda including how our organizations interact, we saw the ugly face of your company. Rio Tinto gave us an enormous display of arrogance that day in Zurich. A couple of days later we received aggressive letters from Rio Tinto's lawyers, threatening to sue us unless we ended our calls for Rio Tinto to clean up its act.

Mr Chairman, what a disgrace.

Our campaign will continue until Rio Tinto becomes the social actor it describes itself to be.

All we seek is respect for workers, indigenous peoples, communities and the environment.

My questions to you:

When will you move beyond simply reporting good practice and actually make it a reality?

When will you turn your arrogance into good faith and truly meaningful engagement with your affected stakeholders?

Do you have a real intention for a genuine dialogue with unions at the global level, based on mutual respect?