



TNC INFO #4



05-2010

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A regular update of IUF TNC activity exclusively for IUF affiliates. More detail can be requested from the individual IUF staff person identified with each entry.
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National Contact Point for major violations of trade union rights involving our affiliate the Higaturu Oil Palm Processing Workers' Union (HOPPWU) at its subsidiary CTP Holdings, a company producing palm oil in Papua New Guinea. The union is amongst a number of IUF affiliates seeking to organize workers in the rapidly growing palm oil sector.

Typhoo-Apeejay

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The IUF has now signed an "**access agreement**" with Ty-phoo/Apeejay which sets up a procedure for IUF representatives to visit and assess working conditions on Apeejay plantations.

IUF India office staff have just done the first assessment at Talup tea garden (where last year IUF raised concerns about breaches of the Plantations Labour Act). The findings and proposals for any necessary remedial action will now be discussed with the company.

BEVERAGE/BREWERIES

Coca-Cola

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IUF-affiliated NGG (Germany) supported by the IUF secretariat reached an agreement on employment security and against casualisation at Coca-Cola in Germany, widely welcomed by affiliates. Further information on the content of the agreement is available from the Secretariat.

Secretariat activities in the Coca-Cola Alliance focus currently on promoting and supporting organising activities in a number of countries (e.g. Morocco, Tunisia, South Africa, Poland and others).

Pepsi

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The Secretariat has secured funding for a consultation meeting of affiliates interested in

AGRICULTURE

Cargill

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The IUF has filed an OECD complaint against the transnational processing giant Cargill with the US

organising and coordinated action within Pepsico which will be taking place in summer/early autumn 2010. Affiliates interested in being part of the Pepsico network are invited to contact the secretariat.

AB Inbev, Carlsberg, Heineken, SABMiller,

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The first **EFFAT/IUF European "Big Beer" Conference** is scheduled on 9-10-11-12 June 2010 in Blankeberge, Belgium. The Conference will discuss the recent ongoing changes in the 4 global breweries AB InBev, SABMiller, Carlsberg and Heineken and the implications for unions and their workers.

If agreed by delegates the conference will establish four International Working Groups that will have responsibility for following up the conclusions of the conference and improving trade union communication and cooperation within each global brewer.

CATERING

Compass

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Compass management has agreed to enter into mediation with the IUF, following our OECD complaint regarding violations of trade union rights in Algeria. We hope to move forward with this process quickly, to resolve the outstanding issues, and enable the union to be able to organize workers free from discrimination or retaliation. We are also investigating a possible breach of trade union rights by Compass in Turkey.

Sodexo

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We have submitted a international framework agreement proposal to Sodexo, with negotiations with the company scheduled to begin at the end of May. We have launched a declaration for workers and union representatives to sign in support of an international agreement, which can be viewed at www.foodserviceworkers.org

FOOD PROCESSING

Danone

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The Danone trade union coordinating council for Europe, consisting of trade unionists responsible for coordinating the Danone work in their respective countries, meets in principle every year to discuss union policy based on an up-date of

recent developments by the international coordinator Bruno Vannoni and by the IUF.

At this year's meeting, hosted by Belgian affiliate CSC Alimentation in Louvain on May 18-19, delegates reviewed the composition and roles of the labour relations structures we now have within Danone, particularly the new scope and structure of the CIC (Council for Information and Consultation).

Plans to "internationalize" the current European Steering Committee have stalled with outstanding issues about representation still to be resolved between the IUF and Danone.

There was an update on the work of monitoring the application of agreements at Danone worksites and discussion of what unions need to do to ensure awareness of the agreements and their application amongst their membership at Danone.

At a meeting on 31 March, the Negotiating Committee was given details about Danone's high-performance work system (called DAMAWAY = Danone Manufacturing Way) and its behaviour-based safety system (called WISE), which the company clearly wants to use as a point of departure for the negotiations on the international agreement. The planned visit of the Negotiating Committee to Danone facilities in Argentina (mentioned in the previous TNC update) was postponed and discussions are planned to resume in June.

Kraft

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Continuing the efforts initiated in response to the (now concluded) takeover of Cadbury by Kraft, the secretariat has built a working network of Kraft unions. The network will assess the consequences for workers of the cost savings likely to be implemented to finance the acquisition. Affiliates will also set about increasing the density of union membership in this global food company and advance the fight for global recognition of the IUF and its affiliates to establish minimum standards in Kraft.

Nestlé

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As reported in the previous update, the secretariat has broken off all dialogue with this company in the wake of a serious act of bad faith in relation to the conflict in **Indonesia**. This conflict is the subject of a complaint under the OECD Guidelines being considered by the Swiss NCP. The IUF is currently preparing a second submission in relation to this conflict, focussing on the violation of trade union rights through the creation of and support for a yellow union.

The IUF **Nespressure** campaign continues and will be escalated over coming weeks and months (www.nespressure.org).

At the June 2009 meeting of the **Nestlé European Works Council** concerning the company's promotion of behavioural-based safety systems, zero-accident targets and the related manipulation of statistics, the trade union side pointed out the inadequacy of the company's misleading statistics and the problems inherent in a system that rewards target achievement. Similar concerns were again expressed about NCE, Nestlé's high-performance work system/operational efficiency programme, at the EWC meeting in November 2009.

Nestlé announced pay freeze in the **UK** where they refused national bargaining when they announced at national level in November that pay increases could not be considered in local negotiations for 2010. Nestlé would offer only performance-based bonuses to selected employees. The UK unions immediately attacked the company over this blatant refusal to bargain and the company responded with a relatively weak commitment to collective bargaining while stressing its commitment to performance evaluations and a performance-linked system of remuneration.

Nestle/Unilever

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On May 1, 2010, with support of FNV-Bondgenoten, IUF has launched a new global program, aimed to support organising initiatives of the affiliates in these two companies. The program will be implemented by international team of coordinators, acting within IUF regional structures at all continents.

Unilever

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Following decision of global Unilever workers meeting in Amsterdam, December 1-2, 2009, IUF is implementing series of workshops and meetings to build base for an International Unilever Unions Action Network.

4th Regional meeting of Unilever workers in Buenos Aires on March 8-9, 2010 discussed plans for the development of the network with appointed coordinators in each country and special focus on consolidation of trade unions in the major Unilever markets in Latin America.

Use of nanotechnologies by Unilever and food processing industry in general was identified as an area of a great risk for both consumer health and employment in the sector, more research will be

done to support discussion and develop food workers union policy on the issue.

Three national trade union organisation of **South Africa**, representing Unilever workers in food and chemical sectors met for a regular meeting *in Durban, May 9-10, 2010*. Acting committee was created to coordinate wage bargaining, as well as impose limits on use of the casual employment in the factories. The meeting expressed support to COSATU campaign for ban of contract labour agencies.

Under the auspices of an **OECD complaint** submitted to the UK National Contact Point (NCP) a formal mediation meeting took place in London on May 21, 2010. The meeting was the first in relation to an IUF complaint around union rights issues at the **Doom Doma plant in Assam India**. At the end of a difficult day progress was made in principle to hold a fair and free election to allow workers to choose a union they wished to join. A second meeting with the mediator is scheduled for London on July 7 to finalise the mechanics of such an election.

The IUF team at this mediation was made up of general secretary Ron Oswald and Peter Rossman with members in India being contacted regularly through the day via facilities established by the UK NCP. Unilever was represented by senior corporate as well as Indian management.

HOTEL CHAINS

Accor

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Working with our affiliates in North America and France, we are planning a series of activities to demonstrate concern over the company's plans to demerge the hotel and voucher business. This includes an analysis of the possible impact of the split for workers and investors, and discussions with the company at European and global level to win assurances that terms and conditions will be protected. We continue to support Unite Here! in their efforts to win contracts with Accor for their Hotels in Canada, despite fierce anti-union attacks by management. We are also planning to conduct research into the working conditions and employment structure for Accor workers in Indonesia, India and Morocco.

Rezidor

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We continue to work with our Nordic affiliates to develop a network within the Swedish hotel chain Rezidor. This includes mapping the company and identifying union representatives within Rezidor across Europe. A conference of European Rezidor

worker representatives is planned for September this year to determine joint activities and future strategy.

MEAT

Danish Crown

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After some consultation with the IUF's Danish affiliate NNF a draft text for an International Framework Agreement will be circulated by the end of May to relevant affiliates with membership in Danish Crown. The proposal will be to submit the text to the company soon afterwards.

A coordinating meeting of affiliates will be held in either September or October to review internal union organization inside the company and to discuss any initial response to the proposed agreement received from the company.

INTERNATIONAL FRAMEWORK AGREEMENTS

At the IUF's 25th World Congress in May 2007 a set of standards was adopted for any future International Framework Agreements (IFA's) the IUF might negotiate with transnational companies.

NEGOTIATING IFA's - THE IUF's MANDATE

1. The IUF has a mandate to negotiate and sign an agreement with a TNC after first ensuring that we involve, consult with and get agreement from a representative group of affiliates with membership in the target company.

2. The IUF should seek to negotiate concrete language that at least:

- states in straightforward terms that the company is aware of its obligation to respect all legal and regulatory labour rights and benefits as well as the core conventions of the ILO and, in the case of companies headquartered in OECD countries, the OECD Guidelines for Multinational Enterprises. Any language that suggests the company has any discretion over these obligations or that these obligations are in any way voluntary cannot be included in any agreement signed by the IUF secretariat;
- states that nothing in the agreement shall in any way reduce or undermine existing labour relations practices or agreements relating to union rights or facilities already established by any IUF affiliate or any union within that company;

- specifies in what way the company will facilitate its workers putting any rights referred to in the agreement into practice;
- provides both "in principle" **and** concrete practical rights;
- agrees to a national or local recognition process for any IUF affiliate able to show it represents a significant number of workers - that process to be based on the most expeditious and straightforward steps legally permitted in a country or region of a country that lead to the recognition of that IUF affiliate by the company;
- agrees to recognition of the IUF and its affiliates as a global union organization;
- guarantees the total exclusion of any form of discriminatory action against any worker or union representative in their effort to implement all aspects of this or other applicable union rights/recognition agreements, local law and practice or internationally recognized labour standards;
- states that the company views union membership positively and indicates the mechanisms it will employ to convey that fact to its workforce;
- ensures that information about and respect for the agreement is forcefully implemented through the company to the lowest level of management and steps to be taken should any level of management obstruct or oppose the implementation of the agreement.

IUF TNC Updates

This publication is intended for IUF members only.

Please feel free to distribute widely to relevant shop stewards, plant delegates, local union representatives etc in your organisation.

For more information about specific companies use the email address for the IUF staff member shown under each item.