

# METAL WORLD



THE QUARTERLY MAGAZINE OF THE INTERNATIONAL METALWORKERS' FEDERATION



## ORGANISING IN INDIA

PAGE 12

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2006

## Flexibility equals precarious jobs

If there was any doubt about what employers were aiming at when they started seeking more flexibility at work in order to make companies more competitive, now we know for sure that it was only about reinstating the old fashioned model of hire and fire as they please.

The latest events in France clearly showed that some governments also share the employers' view and are ready to help companies improve their profits by making working conditions and employment relationships more difficult for workers.

The French trade unions together with the student movement were successful in resisting the changes and forced the Government to back down. While the people of France massively rejected their government's attempts to make young people more vulnerable than they are already, in many parts of the world, including France, new forms of employment have already been introduced with the same consequences for workers.

Today there is a growing trend of displacement of workers from permanent jobs to less secure employment. Contract work, temporary work, self-employed workers, home workers and other forms of employment are becoming increasingly more common.

Worse still, a great number of these contracts are not signed between the individual worker and the company he or she is working for, but with agencies that provide workforces to other companies.

Today, the largest employer in the U.S. is not one of the famous transnational corporations, but Manpower, a labour hire agency. The strong relationship that once existed between workers and a company is seldom found today.

In this issue of Metal World the feature article on India illustrates how precarious work impacts people and trade union responses to the situation. The pressure on workers in India and the increasing casualisation of work serve as an example that is not dissimilar to the situation found in many other countries on all of the five continents of the world.

And without people resisting and taking action, this is going to continue. So what can we do?

There are two main steps that trade unions at the local, national and international level must do.

First, organise workers that are in precarious jobs in the same way we do with permanent workers.

Second, make sure that workers in precarious jobs are offered protection through collective bargaining agreements.

The worst thing that can happen to trade unions is to be forced to consider workers differently from one another just because their employment conditions differ.

Once again we must go back to our roots, just as we did when employers tried to split skilled and unskilled workers. We managed to build a strong common front then, let's do the same today.



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## A focus on India

In this issue of Metal World we go to India to explore the challenges of organising workers. Here less than ten per cent of workers belong to a union and trade unions are confronted by tremendous difficulties when organising. Work is often precarious, dangerous and in short supply. The feature follows a report to the IMF Executive Committee in May on trade union structures in the South Asia region. The report described fragmented and politically divided trade unions. A renewed focus must be found if unions in India and elsewhere are to address these weaknesses found within, a subject referred to by Sanjeeva Reddy on the back page.

Precarious work is not unique to India and the IMF special report illustrates the nature of the problem and examines how unions are tackling it. The employment relationship between a worker and a company will be discussed at this year's International Labour Organisation conference in June. Copies of this special report on precarious work will be made available at the conference.

On pages five and seven read about the latest IMF campaigns on two major issues of trade union rights:

the fight for the reinstatement of illegally fired Toyota workers in the Philippines and the struggle to end government interference in the affairs of the miners' union in Mexico. For the latest information and news updates go to the IMF website at [www.imfmetal.org](http://www.imfmetal.org)



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Editor  
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## AFFILIATES

### French make gains in youth labour battle

**FRANCE** On April 10, just days after unions and students threatened more mass protests around the country, French President Jacques Chirac withdrew the controversial First Employment Contract (CPE) law that would have given businesses the right to fire young workers without cause.

The government's back down is a huge victory for labour. Chirac plans to propose a new measure that will be directed at disadvantaged young workers in an effort to address the country's staggering 22.2 per cent unemployment among young people.

The CPE law was designed to make it easier for businesses to fire workers under 26 years of age during the first two years of employment without explanation. Unions objected to the law on the basis that it would threaten hard-won labour rights and make it more difficult than ever for young people to find long-term jobs.

Millions of demonstrators took to the streets in outrage over the law, pushed



FO Métaux rally against law PHOTO: FO Métaux

through parliament by the prime minister in early April. Universities and high schools were blockaded for weeks as students joined workers in organised protests throughout the country.

Bernard Thibault, President of IMF affiliate Fédération des Travailleurs de la Métallurgie (FTM-CGT), said the union will now focus on the removal of the so-called CNE job contract.

Like the CPE, the Contract for New Hires (CNE) permits companies that employ fewer than 20 workers to fire employees without cause during their first two years of employment. **KP**

### IG Metall wins pay increase

**GERMANY** After 19 hours of intense bargaining, German metalworkers made big gains in wages, avoiding a widespread strike. Leaders of IG Metall and representatives of the metalworking and electrical industries reached a pilot agreement after marathon negotiations won a three per cent wage increase in the western state of North Rhine-Westphalia.

Under the 13-month contract, workers will receive a wage increase over 10 months from June to March 2007, plus a

one-time payment of €310 (USD \$382) for March, April, and May of 2006. The one-time payment can be adjusted on a company-by-company basis.

The agreement set a pattern for industry-wide contracts in all other regions throughout the country in the following weeks of negotiations.

International Metalworkers' Federation and IG Metall president Jürgen Peters called the deal "a result we can live with very well." **KP**

AFFILIATES



## TOYOTA PHILIPPINES REINSTATE THEM NOW

**GLOBAL** Toyota Motor Philippines Corporation, the target of a global campaign, is refusing to reinstate 136 illegally dismissed workers, despite Supreme Court and International Labour Organisation (ILO) rulings in the workers' favour.

In response, the IMF launched a campaign to win reinstatement of the illegally fired workers.

In March 2001, Toyota Philippines fired 227 workers and suspended 64 others for taking part in a peaceful union assembly.

The workers were protesting against the company's refusal to collectively bargain with the union, the Toyota Motor Philippine Corporation Workers Association (TMPCWA). Of the original group illegally fired, 136 are still seeking reinstatement.

In September 2003, the Supreme Court of the Philippines ordered Toyota management to begin collective bargaining. Two months later the International Labour Organisation (ILO) called on Toyota management to reinstate the workers and

bargain in good faith with the TMPCWA. Despite both of these rulings Toyota Philippines has not recognised the union, reinstated the workers or negotiated a collective bargaining agreement.

The Reinstatement Now campaign will keep affiliates informed of the situation and new developments in the Philippines, as well as help coordinate action to help win the reinstatement of the workers. For full campaign details go to [www.imfmetal.org/toyotaphilippines](http://www.imfmetal.org/toyotaphilippines) **KP**

### Swedish union sues Ericsson

**SWEDEN** IMF affiliate IF Metall charged the telecom giant, Ericsson, with failing to fully compensate employees for their profit-earning ideas. According to IF Metall, the company failed to justly reward two employees from the Ericsson Gävle plant whose proposal for improvements earned Ericsson 80 million kronor (US\$ 10.95 million).

In 1999, two Ericsson workers submitted a proposal that significantly reduced the time that machines were standing idle while material for new circuit boards was being fed in.

The local collective agreement at the time stated that if an employee's idea generated valuable improvements, any resulting profits would be shared between the company and the person who made the suggestions.

While the employees have received some payment for their idea, IF Metall says it is not enough and is calling on Ericsson to pay 20 million kronor (US\$ 2.7 million) to each employee. **KP**

### International solidarity helps organise workers in Turkey

**TURKEY** When IMF affiliate Birlesik Metal Is started organising workers at two Bosal plants in Turkey, management responded with illegally firing 24 key union supporters. Birlesik was prepared for such action, and within hours began an international solidarity effort to win union recognition and to get the workers reinstated.

Birlesik immediately contacted CCMB Belgium with news of the firings and together, through federation and works council channels, alerted unions representing workers at Bosal Belgium and abroad. CCMB remained in close communications with central management in Belgium and Birlesik Turkey relaying in-the-plant updates and countering misinformation from local management.

Their rapid response and international coordination paid off. With the

threat of mass protests at Bosal plants and possibly the involvement of major auto manufacturers, central management forced local management in Turkey to negotiate with the union and reinstate the workers.

Bosal is a leading manufacturer of exhaust systems headquartered in Belgium. The company operates 32 manufacturing plants in 21 countries. This case is now being used to introduce an International Framework Agreement at Bosal.



May Day 2006

PHOTO: Birlesik

## AFFILIATES

### Belarus union leader jailed

**BELARUS** Just days before a May Day event, Aliaksandr Bukhvostau, leader of IMF affiliate, REPAM, was arrested and sentenced to 15 days imprisonment.

The court charged Bukhvostau with participating in an unsanctioned rally and sentenced him to two weeks in jail following the labour leader's two minute long speech at a rally honouring the 20th anniversary of the Chernobyl disaster on April 26. Police claim the demonstration had been unlawful.

However, it appears organising May Day events was the more probable reason for this second wave of arrests since the election in March when 25 union activists were arrested just prior to Belarus President Lukashenko's tainted election victory. REPAM members report that days before his arrest, Bukhvostau and another opposition leader also detained, Sergey Kalyakin, had asked Minsk municipal authorities for permission to hold a union rally on May Day to protest the government's contract system.

May Day organisers suspect the arrests were an attempt by the Lukashenko



Belarusians march on 20th anniversary of Chernobyl disaster PHOTO: photo.bymedia.net

government to squash the public event however the union proceeded with May Day events as planned. An unexpected 2,000 demonstrators turned out for the event. **AI**

### Estonian unions under attack

**ESTONIA** On May 25 unions in Estonia protested against new national legislation that dramatically threatens the work of trade unions and strips union shop stewards of existing rights and protections.

Some specific problems with the Employees' Representatives Act include:

- Union shop stewards are excluded from information and consultation and all of their existing rights and guarantees have been taken away
- Trade union representatives will lose protection of dismissal, as required

by ILO Convention 98

- Time allowed for shop stewards to carry out union duties was drastically cut

The Estonian government is pressing to transfer shop stewards' rights and responsibilities to "employee representatives" who are often handpicked by company management.

At its meeting in May, the IMF Executive Committee condemned the Estonian government's attack on trade union rights and called on IMF affiliates to send letters of protest to the government in solidarity with Estonian unions. **KP**

### KMWF president jailed for 78 days

**SOUTH KOREA** Jeon Jae Hwan, president of the Korean Metal Workers' Federation (KMWF) was arrested by police on February 25 at a toll-gate in Incheon where he lives. First detained in a local police office, Jeon was then transferred to the Youngdeungro Detention House in Seoul and released on May 11.

According to reports from the KMWF, the prosecution was demanding four years imprisonment at the April trial. Jeon was given a two year suspended sentence with three years of probation.

Jeon was arrested on the charge of breaking the law of public assembly for participating in a rally against a proposed bill on non-regular workers, which unions argue will increase the number of working poor and deepen the social divide between the rich and the poor.

He served as acting president of KCTU for about half a year and was elected president of KMWF in April 2005.

The IMF wrote to Roh Moo-hyan, the President of South Korea, calling for Jeon's immediate release and called on all IMF affiliates to send similar letters of protest to the South Korean President. **AG**



Protesting non-regular workers bill

## AFFILIATES

### IMF pledges support to Mexican miners



Protesting the murders of two Mexican steelworkers

**NORWAY** Meeting in Oslo, the IMF Executive Committee vowed to support Napoleon Gomez Urrutia and the Mexican miners' union in their fight against government interference in union affairs. Unable to attend the meeting, Gomez sent a video message to the committee with an update on the current situation in Mexico.

Gomez was removed from his position as general secretary by the Mexican government in March after speaking out in response to a tragic mine accident in

Pasta de Conchos. Gomez's legitimacy as the democratically elected general secretary was reaffirmed by the membership, who voted overwhelmingly in favour of his leadership at a union congress held in May. Despite this, the government has not recognised Gomez's position in the union and continues to interfere in the union's affairs.

The IMF Executive Committee decided to send an IMF mission to Mexico to investigate the situation faced by the National Miners' and Metalworkers' Union (SNTMMS). Starting in June, the IMF will investigate both the circumstances surrounding the accident at the mine and the government interference in union affairs.

The IMF and its affiliates will also continue to provide solidarity support to the Mexican union. **AG**

### Two killed while striking in support of Gomez

**MEXICO** Workers at the Sicartsa steel plant were attacked with tear gas and bullets as police tried to break a three-week strike protesting the illegal dismissal of Napoleon Gomez, elected general secretary of the IMF-affiliated Mexican metalworkers' union.

Members of the National Miners' and Metalworkers' Union (SNTMMS) had taken over the steel plant on April 2 to show their support for Gomez and to challenge the Mexican government's move to interfere with union activities.

"The IMF is shocked by the recent actions taken by the Mexican government against unions and the workers they represent," said International Metalworkers' Federation general secretary Marcello Malentacchi.

"The fact that the authorities and the companies they collaborated with would rather negotiate with bullets than reason underscores how important the struggle our Mexican union brothers and sisters are facing. The IMF and our affiliates will continue to campaign for an end to the violence against Napoleon Gomez and the members of SNTMMS." **KP**



Police storm Mexican steel plant

### IMF complaint to ILO against Mexico

**MEXICO** The IMF has launched a complaint with the International Labour Organisation against the Mexican government, protesting the government's recent action to illegally discharge the head of the IMF-affiliated Mexican metalworkers' union.

Napoleon Gomez Urrutia, the democratically elected general secretary of the National Miners' and Metalworkers' Union (SNTMMS), was forcefully removed from his position on March 1 after speaking out against the Mexican government and mining company in response to a tragic mine accident in Pasta de Conchos that left 65 miners dead, many of them members of SNTMMS.

Gomez, who launched an independent investigation into the mine explosion, was illegally replaced by a government-appointed representative, Elias Morales.

Citing Conventions 87 and 98, the ILO complaint is based on rights violations by the Mexican government including:

- Illegal intervention by the Mexican government in independent union activities
- Forced dismissal of union leadership
- Seizing union assets
- Government appointment to union elected positions.

The IMF, joined by many affiliates throughout the world, also wrote to the President of the Republic of Mexico calling on him to intervene in the matter and to put a stop to the Minister of Labour's interference in the trade union's affairs. **KP**

METALS & MINING

## Steelworkers protest at Gerdau shareholders' meeting

**CANADA** Steelworkers employed at Gerdau's steel mills in Canada, Chile, Brazil and the U.S. met at Gerdau-Ameristeel's annual shareholders meeting in Toronto to call on the company to end demands for concessions, stop union busting, and negotiate fair contracts.

Concessions put forward by the company include multi-year wage freezes, two-tier wages, pension reductions, cuts in retiree health care, forced overtime and cuts in overtime pay, and vacation cutbacks.

"Union workers have proved over the years to be loyal and dedicated. We are skilled and conscientious. We want Gerdau to be profitable. Our future depends on it. Whether you like it or not, we are partners," said Pete Savoy in a statement read to shareholders. Savoy is president of United Steelworkers (USW) Local 8586 in Beaumont, Texas.

Currently, collective agreements are open at more than half a dozen Gerdau-Ameristeel locations. More will come due over the next year.



Workers demonstrate at shareholders' meeting

PHOTO: USW

KP

## Steelworkers sue Alcoa IMF on OECD steel meeting

**USA** The United Steelworkers (USW) has filed a class-action lawsuit in federal court challenging Alcoa's move in January 2006 to start charging health insurance premiums to retirees who worked at 15 Alcoa and Reynolds Aluminium plants now sold or closed.

For the 2,500 to 3,000 affected retirees and their families, some have had to pay health care insurance premiums of up to \$450 monthly. The lawsuit seeks monetary and injunctive relief on their behalf on the grounds that they are exempt from paying premiums under a 2001 agreement that does not expire until January 1, 2007.

"Alcoa has a contractual obligation to continue providing agreed upon health care benefits to retirees and their families who have given their work lives to building this company into the world's premier aluminium producer," said USW district 7 director Jim Robinson.

The company, that recently announced record-breaking quarterly earnings, a reported \$608 million, employs 131,000 workers at 350 plants in 43 countries.

KP

**INDIA** Government, industry and trade union officials met in New Delhi in May to discuss the future of the world's steel industry. The IMF used the meeting of representatives from economies accounting for over 95 per cent of world crude steel production to emphasize the need to consider the human costs of consolidation and globalisation.

The global steel industry is in the midst of massive consolidation. Recently, Mittal Steel announced its latest \$27 billion offer to acquire rival Arcelor SA. Mittal is the world's largest steel producer, with an annual production capacity of around 70 million tonnes. Arcelor follows in second place with an annual shipment capacity of around 47 million tonnes.

The IMF challenged recommendations proposed by the OECD regarding international steel production. IMF director for steel, Rob Johnston, charged the group with failing to take into account employment relationships, and argued that governments and employers must consider workers' rights when mapping out a future for steel globalisation.

"We respect the work of the OECD, but I'm disappointed by its failure to identify the human cost that globalisation has had on employment. More should be done to stabilise employment and promote workers' rights."

KP

## AUTO

## Honda workers in India strike

**INDIA** The 4,000 contract workers at Honda Hero Motors Gurgaon operation just outside New Delhi ended their five-day strike on April 15. Worker representatives reported that management agreed to a salary hike of 30 per cent with at least two holidays per month, but the company has refused to abolish contract labour.

Half of the contract employees have worked at Honda Hero for more than six years. A permanent worker at the Honda Hero Gurgaon operation can draw a monthly wage of up to Rs 40,000 (US\$ 886) compared to only about Rs 6,700 (US\$ 115) for contract workers,

with some earning only Rs 2,200 a month. Three enterprises act as labour brokers.

Several thousand workers participated in the strike, many with only temporary contracts, demanding higher wages and permanent employment at the factory.

Honda Hero Motors, India's largest motorcycle producer, is 26 per cent owned by Honda Motor Co. The Gurgaon factory makes about 6,500 units a day.

In July 2005, a clash between police and striking workers at the factory of Honda Motorcycles and Scooters India, the wholly owned Indian unit, which is also in Gurgaon, left several workers injured. **RB**

## Ryton closure violates global agreement

**UK** PSA Peugeot Citroën did not act in accordance with provisions of the recently signed international framework agreement (IFA) when it publicly announced plans to close the Ryton, UK plant without informing and consulting with trade unions and employee representatives prior to the decision.

Closure of the Ryton plant by July 2007 would result in 2,300 workers facing redundancies. Further loss of jobs could occur at component supplier operations in the Coventry area and elsewhere. The company commits in the global agreement "to inform and consult with employee representatives in a timely manner in the event of changes in the company's business."

The IFA, signed less than two months prior to the Ryton announcement, states that "PSA Peugeot Citroën acknowledges the right of employee representatives to be informed of and consulted on major decisions affecting the life of the company."

According to the global agreement, "In the event of changes in the business, PSA Peugeot Citroën agrees to inform the relevant national authorities beforehand and

to cooperate with them in order to better consider local interests." Observing the provision is important for workers at the Ryton plant, at supplier companies in the Coventry area and for people throughout the community. **KP**



Workers leave Ryton factory in Coventry, UK  
PHOTO: Rui Vieira/PA/EMPICS

## Delphi files motion to tear up union agreements



Workers protest against Delphi  
PHOTO: Paul Sancya/AP/EMPICS

**USA** Delphi filed a motion on March 31 asking the U.S. bankruptcy court to let it tear up collective agreements in its bid to severely slash wages, cut tens of thousands of jobs and close more than two dozen U.S. plants.

UAW President Ron Gettelfinger and Vice President Richard Shoemaker issued a statement on the motion filed by management. "Delphi's misuse of the bankruptcy procedure to circumvent the collective bargaining process and slash jobs and wages and drastically reduce health care, retirement and other hard-won benefits or eliminate them altogether is a travesty and a concern for every American."

"Delphi's proposal goes far beyond cutting wages and benefits for active and retired workers. Delphi's outrageous proposal would slash the company's UAW-represented hourly workforce by approximately 75 percent, devastating Delphi workers, their families and their communities."

Delphi employs about 33,000 hourly workers in the U.S., about two-thirds represented by the UAW. **RB**

## IMF ACTIVITIES

### IMF launches China section on website

**GLOBAL** The IMF went live May 17 with the launch of a new China section on its website, providing metal-specific information on China and Chinese labour.

The site is part of an overall effort by the IMF to work more closely with Chinese workers in transnational corporations operating in the metal sector in China. The content and themes of the website are consistent with the aims expressed in the IMF “Declaration on China” adopted by the IMF Executive Committee at the 2005 Congress in Vienna.

The site, located at [www.imfmetal.org/china](http://www.imfmetal.org/china), will serve as a resource-rich hub of information including:

- Research on violations of worker and human rights and trade agreements
- Information about working conditions

- in China
- Research papers on China relevant to metalworker sectors and companies
- Reports on China-related activities being undertaken by IMF affiliates
- Commentary from affiliates about the IMF’s role in China
- News about Chinese metal industries and worker rights
- An introduction to the IMF translated into Chinese.

“China is currently experiencing structural transformation. It is urgent that further action be taken in order to fulfil international standards regarding workers’ and human rights. The developments in this area and the working conditions of employees in China will have a significant impact on employees all over the world,” stated the IMF declaration. **KP**



### IMF to hold conference on IFAs



**GERMANY** On September 26 and 27 the IMF will be holding a conference in Frankfurt on the future direction of international framework agreements (IFAs).

The conference will begin with an overview of current IFAs focussing on the range of content included in existing agreements and looking at the industry and regional spread and the strategic value of signed agreements.

The question of why IFAs are worth pursuing will be addressed in a panel session, followed by a discussion on questions such as:

- Which companies should IMF target and why?
- Can we reach agreements with

reluctant companies and TNCs not based in Europe?

- What preparations with affiliates should occur prior to negotiations?
- What opportunities exist for cooperating with other global union federations on IFAs?

Drawing on the examples of existing agreements, the question of effective implementation of IFAs will also be debated, along with the subject of how to enforce agreements.

It is intended that the conference will result in a set of clear recommendations on the future direction of IFAs for consideration by the IMF Executive Committee. Invitations to attend the conference have been sent to affiliates.

## IMF ACTIVITIES

## Metalworkers on NAMA

**PARAGUAY** Latin American metalworker unions expressed concern about the effects that further trade liberalisation may have on sustainable development and the living and working conditions of workers.

In a statement from metalworker unions affiliated to the IMF in Argentina, Brazil, Chile, Paraguay and Uruguay the unions call for unity and solidarity in the fight for quality jobs.

The statement, which was adopted at the end of an IMF seminar on trade, employment and development on April 22, argues that the current proposals of the developed countries for non-agricultural market access (NAMA) would mean greater casualisation and more unemployment.

The current proposals would also harm industrial policies and development, without ensuring greater access to the agricultural markets of developed countries.

"In the light of these conclusions, we believe the united struggle of metalworkers' unions to be fundamental for quality jobs and the key to unity and solidarity between workers of all countries, in both the North and South," the statement said.

The meeting was the first of a series of regional meetings to be held by the IMF in 2006 and was aimed at developing common strategies and building union capacity to engage with governments, employers and other institutions on trade, finance and development policies.

A copy of the statement in English and Spanish is published on the IMF website.

AG

## IMF Executive Committee in Norway

**NORWAY** Jens Stoltenberg, President of Norway, opened the IMF Executive Committee meeting in Oslo in May. In his short address to the committee the President argued that strong trade unions and a well organised labour market are not an obstacle against growth and efficiency, but an important partner in achieving growth with social justice.

At the meeting the Executive Committee took the decision to send a mission to Mexico to investigate the situation faced by the National Miners' and Metalworkers' Union (SNTMMS) and to continue to provide solidarity support to the union.

The committee also condemned the attacks on trade union rights by the Estonian Government, urging reconsideration of the draft employees' representative act and offering full support to the Estonian unions and their plans for a demonstration on May 25.

The IMF website on China was

launched and a progress report on the work on China was given to the meeting. The committee also heard a report and discussion on trade union structures in South Asia. Here

it was resolved that new impetus needs to be found to strengthen metalworker trade unions in South Asia.

The Executive Committee also welcomed the affiliation of three new unions to the IMF:

- Machine and Instrument-Making Workers of Republic of Armenia (RBUMIWRA)
- Steel and Engineering Workers' Union of Nigeria (SEWUN)
- National Engineering Workers' Union (NEWU) of Zimbabwe

AG



Jens Stoltenberg  
PHOTO: Vidar Gronli

## IMF report on India's shipbreakers

**INDIA** Ground-breaking research revealing the working conditions, wages, and economic status of shipbreaking workers in the world's most dangerous industry was published by the IMF in April. Completed as part of the IMF shipbreaking project, funded by FNV-Bondgenoten, the report is based on a survey of over 1600 workers from the shipbreaking industry, located in Mumbai and Alang, India.



PHOTO: Christophe Press

India is a world leader in shipbreaking, accounting for between 25 and 38 per cent of all shipbreaking activities in the last

four years. At full employment a potential of 6,000 shipbreakers are employed in Mumbai, and another 60,000 work in Alang.

Because the industry mainly employs migrant workers with little education or legal protection, shipbreakers are easily exploited with no voice to defend their most basic rights, suffering grave repercussions should they try to improve their lot.

"What this survey now provides is an overview of the exploitative situation that up to 60,000 workers confront, exposed to extremely dangerous and unhygienic working conditions, the majority of workers earning less than Rs 50 (US\$1) per day," said Marcello Malentacchi, general secretary of the IMF.

KP



# Organising in India

*More than 375 million people, representing over 90 per cent of India's workforce are engaged in informal work and only a handful of these workers belong to a union. Highly fragmented and politically divided, many unions are struggling to turn their attention to the vast and growing number of workers in India.*

*In the metal sector, unions have traditionally focused on the state-run steel plants and engineering companies. The stories of Kanhyalal, Nuncharaiah and Ankush illustrate some of the hurdles unions must overcome when organising precariously employed metalworkers.*

**TEXT AND PHOTOS: ANITA GARDNER**



## FACTS ABOUT INDIA

**Location:** Southern Asia

**Population:** 1,095,351,995

**Capital:** New Delhi

**Labour force by occupation:** agriculture 60%, industry 17%, services 23%

**Unemployment:** 9.9%

**Population below poverty line:** 25%

Kanhyalal Yadav, shipbreaker in Mumbai

**K**anhyalal Yadav, 27, normally works as a gas cutter in the Darukhana shipbreaking yard in Mumbai, India. He first came to the over-crowded yard on the shore of the Arabian Sea looking for work at the age of 14. He arrived hoping to escape the poverty of his homeland in Utta Pradesh over 1,000 kilometres away to the northeast. It was Kanhyalal's uncle, working as a mukadam (supervisor) in the yard, who suggested that he make the journey to find work.

"I first began working as an assistant to a gas cutter, carrying gas cylinders. But due to my small size the work was very difficult," said Kanhyalal. After a short time he left the yard and spent two years working in a plastics moulding company, returning to the shipbreaking yard 10 years ago to work in a cutting shop.

### MIGRANT WORKERS

The shipbreaking workers and their families, 98 per cent of whom are migrant workers, normally live in tiny huts constructed along a series of dirt tracks and roads that run directly adjacent to the yard. Like most migrant workers, Kanhyalal came to Mumbai alone. He has since married and he and his wife now have two young daughters.

When times are good, up to 6,000 workers are engaged in recycling old ships at the yard. A further 20,000 people work in downstream industries such as re-rolling mills, small foundries, oxygen plants and metal trading. The yard consists of 19 plots, where an average of 300 workers per plot are engaged in different jobs such as gas cutters, oil removers and crane operators in what is regarded as one of the world's most hazardous occupations.

"In the last ten years I have worked for many different employers at various plots, sometimes for six months or a year," said Kanhyalal. Initially his wages were around 40 rupee per day (US\$0.89). More recently he has been earning 70-80 rupees per day (US\$1.50 - 1.80). However for the last six months there have been no vessels at the yard in Mumbai and therefore no work. "For me, no work also means no house and my wife and children have returned to her mother's home," said Kanhyalal.

For now Kanhyalal has left the yard to take up whatever employment he can find elsewhere, sleeping on the street at night while he waits for the next ship to come in. Kanhyalal remains confident that there will be work at the yard again in the future and committed to his decision taken three years ago to join a union. "I am not even thinking of leaving the union," said Kanhyalal, a member of the Mumbai Port Trust

& Dock General Employees' Union (MPTDGEU).

The MPTDGEU, an affiliate of the Steel, Metal & Engineering Workers' Federation of India (SMEFI), undertook the task of organising workers in the shipbreaking yard as part of an IMF project funded by FNV-Mondiaal.

"I decided to join because I believe that we will only get the facilities we require through the union," said Kanhyalal. "Before the union came we were without drinking water and today there is some. Before the union formed, if someone died there was no compensation. Now with the help of the union families get compensation," he said.

### THE STRUGGLE TO ORGANISE

When Kanhyalal's employer first discovered he had joined the union, he told him not to return to work the next day, a threat that was repeated to other workers at the yard. Through solidarity and the threat of widespread action in the nearby ports, the bosses backed down and Kanhyalal and his colleagues returned to work as union members.

"Around the time the union began organising I was staying with a family in the vicinity and the local mafia was troubling my friend's wife. My friend complained about the situation and then was beaten by the mafia in his own house. So the family



Many of the shipbreaking workers' children are now attending a school based at the MPTDGEU's office building nearby

decided to approach the union for assistance. With the voice of the union behind them this time the police cooperated and arrested the people who were troubling my friend's wife.

"This is the way we have got confidence in the union, that the union is doing something for us," he said. "Now the majority of people in the Mumbai yards are in favour of the union. About 10 per cent are not talking good about the union. They are always talking against the union, especially the mukadam. But not my uncle, he is a member of the union!" said Kanhyalal.

The union has not stopped working to maintain the confidence of the ship-breaking workers. In July 2005 many of the shipbreaking workers lost their homes due to a large flood. The union was first on the ground providing emergency relief and then, in partnership with non-government organisations, helped the workers to rebuild their lives.

Vidyadhar V. Rane, SMEFI Vice President and MPTDGEU Secretary and Project Coordinator, reports that 650 shipbreaking workers have joined the union. The substantial decrease in shipbreaking work in the last two years has caused unemployment and under-employment giving rise to increased exploitation and problems for the shipbreaking workers. As workers go elsewhere in search of work, the union is continuing to offer assistance, chasing various employers outside the yard for unpaid wages and workplace problems that arise.

### ORGANISING IN THE PUBLIC SECTOR

The struggle to organise workers and improve labour standards in India is not limited to the largely unregulated private sectors like shipbreaking. Travelling 700 kilometres southeast from Mumbai to Hyderabad in the state of Andhra Pradesh, a group of contract workers are continuing their ten-year struggle to gain regularised employment at BHEL, a state-owned engineering plant.

BHEL is a national power generation equipment manufacturer with operations in seven of the 28 states of India. The company employs 62,000 permanent workers and approximately 10,000 contract workers nationally. At the

Hyderabad plant, there are 4,000 permanent workers and 2,000 contract workers.

A. Nuncharaiah joined BHEL as a contract worker at the Hyderabad site in 1983. At that time he was a bachelor and happy with his situation in life. Then in 1992 he got married and for the first time started thinking about his wages and working conditions. "I realised I would not be able to meet the demands of a growing family," he said. "So I looked into the situation and came to know that the contractors were not paying good wages according to the law," said Nuncharaiah.



A. Nuncharaiah, contract worker at BHEL

Nuncharaiah decided he wanted to fight for better wages and for a permanent job. "I knew that to do all these things I would need the support of a union," he said. Although almost all of the permanent workers are organised by the five different unions at the plant, none were representing contract workers.

So in 1994 a group of contract workers decided to establish their own union and sought assistance from the permanent workers' union that belongs to SMEFI, a federation of the national trade union centre, Hind Mazdoor Sabha (HMS).

"Most of the unions at the site were not taking an interest in contract workers at this time. We decided to approach the HMS union because it is independent and not aligned with a political party," said Nuncharaiah.

A yearlong struggle ensued, during which time management refused to negotiate with the contract labour union leaders. However with solidarity support from HMS and the intervention of the government labour department, the BHEL Contract Progressive Workers' Union (BCPWU) was finally established in 1995.

In gaining union recognition at the plant the workers also gained payment of statutory minimum wages and for the first time they were issued with a company name badge. This small victory gave the contract workers some confidence, which in 1997 led them to take 33 days of strike action in support of further improvements. Through the strike the workers got the four rupee per day pay rise, payment of social benefits and the health and safety equipment they were seeking, but did not get their central demand of permanent recognition.

“We didn’t achieve all our demands but the contractors and management now realised they had to negotiate with us. Some of the benefits we gained were material, some were psychological,” recalled Nuncharaiah, a founding member of BCPWU and now General Secretary.

### WORKERS DIVIDED

However the strike also exposed divisions between the contract and permanent workers. Permanent workers at the site earn between 10,000 and 20,000 rupees (US\$ 225 – 445) per month depending on skill level, while contract labour, undertaking similar jobs including skilled work, earn between 3,000 and 3,500 rupees (US\$ 67 – 78) per month. Aside from the support of the HMS union members, currently 25 per cent of the permanent workers on site, the permanent workers do not identify with the contract workers and are not interested in supporting them. Worse still, many of the permanent workers did the job of the contract workers during the strike and asked management to employ their children as contract workers.

“Permanent workers and contract workers are working together. We are working on the same machines, we are working for the same organisation. Why is it that they don’t understand that we are also fellow workers? Why is it that permanent workers are not able to get this feeling for us - a fellow worker feeling for us?” asked Nuncharaiah. “That hurts us, it is very painful that they are not responding to our needs,” Nuncharaiah added.

Divisions in the labour movement also limits union influence on public policy and labour law. For example, at the time of the strike in 1997 the labour law in India allowed for regularisation of employment if contract workers were able to demonstrate a continuity of relationship with the principal employer. But in August 2001 a Supreme Court judgement was handed down that nullified the understanding that any employment relationship exists between contract workers and a principal employer.

The consequence of this decision has had a devastating effect at least for the 1,200 of the 2,000 contract workers at the BHEL plant who can easily demonstrate continuous



Ankush Chavan, union organiser from Pune

employment at the plant over many years. And the union remains steadfast in its determination to achieve its objective of permanent employment for all of its members.

### INDUSTRY-WIDE ORGANISING

Back in the state of Maharashtra at the industrial centre of Pune, 163 kilometres inland from Mumbai, SMEFI is organising metalworkers as part of a second IMF project in India. The project, funded by the LO/FTF from 2000 to 2005 and now SASK and LO-TCO, is taking place in five states of India and involves SMEFI and the Indian National Mineworkers’ Federation (INMF).

Overall the project has three main aims: to increase membership, to build the state and federal capacity of the union on an economically sustainable basis, and to educate members in health and safety, trade union issues and economic issues to

strengthen the federations and national centres.

Ankush Chavan, one of the project’s union organisers, is based at a union camp office in Pune. Ankush is a metalworker and was sacked in January 2003 by Mulgaonkar Engineering, an auto parts supplier to Telco, for trying to establish a union at the plant. While still fighting for reinstatement he is using his experience in organising at other plants.

Ankush spends each day visiting different areas of Pune, meeting people, helping them to address workplace problems and convincing them to join a union. “It can take up to ten or fifteen visits, meeting people, sharing and talking with them before they will even consider joining the union,” he said. But the last two years of work is beginning to pay dividends. “People are starting to come to the office for all kinds of problems. Even if they are not members of the union, they are approaching the office for help,” he reports.

Ankush estimates that about 2,000 people have joined the union through his efforts so far. Some of this growth in the number of members has been through approaching small independent unions operating in the area at companies such as Thermax Kamgar Sangathan, Duke Metalics and Mulgaonkar Engineering, convincing them to join SMEFI and HMS.

### BARRIERS TO ORGANISING

In Ankush's experience the main barriers to organising are fear of the local mafia and job losses. As most of the workers are engaged on contract they can be easily dismissed. Sanjay Vadhavkar, SMEFI General Secretary and coordinator of the organising project in Maharashtra explains that in the situation of an employer terminating the workers, the union used to use the strategy of getting a stay order, demonstrating an employment relationship in court. But since the Supreme Court decision of 2001, this recourse is no longer open to the union. "This has become the weakest link in organising contractual or casual workers," says Sanjay.

The contractual nature of work is related to the issue of the local mafia. Sanjay explains, "The problem is local political pressure. The mafia and powerful local people join hands with the employer to keep the union out. There is a link between the employer and local powerful people to give them a contract. So the local powerful people will become a contractor and prohibit a union from forming."

To overcome this fear when organising, Ankush tries to convince people of their united strength. "I try to explain to people that the local mafia is usually only one, two or four people. That our strength is in our unity," he explains.

### ORGANISING AT TNCs

The link between local powerful people and companies is also a barrier when it comes to organising metalworkers in transnational companies (TNCs) operating in India. "When a TNC comes to India they first approach the government or political leaders and they promise that in setting up the

plant they will employ a certain number of people. And the problem today in India is unemployment. To get employment, people will sacrifice anything," said Sanjay.

"These local leaders in turn become a contractor and they have an arrangement to stop unions forming," explains Sanjay. "This happens at the local level. So though the union might be strong at the national level, going and fighting this out with the local people is very difficult. The workers themselves don't cooperate. Because they say 'we are not bothered whether we are with the union or not, because we want the job'," explains Sanjay.

According to Sanjay, in India, 99 per cent of unions at TNCs are independent unions or worse, yellow unions that serve the interests of the company not the workers. "The TNCs make sure to stop outside unions from coming and organising," said Sanjay. "We are trying to take the help of those independent unions who are real unions, not yellow unions, to get their help as well to organise in TNCs. And we know the tools through the IMF, such as international framework agreements, that can help us," said Sanjay.

Despite enormous challenges, the stories of Kanhyalal, Nuncharaiah and Ankush show that little by little unions can improve the daily lives of precarious workers. If more workers are to benefit, unions in India must continue to build and improve their capacity to organise at the local level and represent workers nationally.

## The trade union situation in India

The unionisation rate in India is around eight to nine per cent of the 403 million people estimated to be engaged in work. There are about 65,000 unions registered in India under the Trade Union Act. The average number of members per union submitting returns is 740 (1997). Fifteen organisations claim to be national centres, out of which five qualify for recognition through having more than one million members and representation in at least five states and five industries.

The national centres consist of national and state level bodies. Each has industry-wide federations such as metal and engineering, transport and mine workers' federations. The national centres are comprised of plant level unions. Union dues are collected by plant level unions, of which a major share is kept and only a little is transferred to national centres or federations. Some plant level unions can be financially stronger than national centres.

New patterns of unionisation points to a shift from organising workers in a region or industry to the emergence of independent unions at the enterprise level with no forum to link them with national federations that could secure a voice at national policy making levels. Several studies also point to a shift in employment where those who work for the organisation do not have an employment relationship, but a contractual relationship.

## Bert Thierron



**GERMANY** Bert Thierron, director of the international department of IG Metall since 2001, retired in January 2006. Bert was general secretary of the European Metalworkers' Federation (EMF) between 1978 and 1995, playing a leading role in establishing European Works Councils in the metal industry.

Born in Belgium, Bert first began working with the Belgium Metalworkers' Union in 1965. Six years later he was elected assistant secretary of the European metal industry organisation of the World Confederation of Labour and then assistant general secretary of the EMF.

## Horst Mund



**GERMANY** Horst Mund is the new head of the international department of IG Metall. He brings 15 years of international experience to the position gained while working

at the Friedrich-Ebert-Stiftung, most recently as the coordinator of its international programme. He first began working with FES in 1988 as a project assistant on Kenya and as a country representative in Guinea and India.

Between the years of 2000 and 2003, Horst was head of division at the German Confederation of Trade Unions (DGB), responsible for Africa, Asia and Latin America.

## Changes at the IMF

**SWITZERLAND** Alex Ivanou and Kristyne Peter join the communications department at the IMF head office in Geneva.

Employed as a communications officer, Alex Ivanou will be responsible for developing and maintaining the IMF website. He will also assist the IMF in liaising with its Russian speaking affiliates. Alex joins the IMF from Belarus, where he worked as the head of the international department of IMF affiliate REPAM, translating documents and providing interpretation during seminars. Alex is fluent in Russian, English, French and Italian.

Kristyne Peter, employed as a communications officer, is responsible for writing and editing news for the website and Metal World. She is also assisting the IMF on solidarity issues. Kristyne worked as an international representative of the United Auto Workers (UAW) in the U.S. with a particular interest in solidarity issues. She has worked on a range of solidarity campaigns, producing publications and web-based materials.

Jesper Nilsson, director of communications, left the IMF in May to take up a new job in Sweden and is replaced by Anita Gardner. Svetla Shekerdjieva, the IMF representative in Moscow, also decided to leave the IMF and has taken a position with the International Labour Organisation (ILO) in Budapest.

## Jang Soek chun and Son Jong heung



**KOREA** Jang Soek chun was elected president of the IMF-affiliated Federation of Korean Metalworkers' Trade Unions

(FKMTU) in April 2006. Jang has been in the Korean labour movement for almost twenty years, starting out as a worker for the LG Electronics company. Jang replaces former FKMTU president Lee Byung gyon from Daewoo Electronics.

Son Jong heung has been elected as new FKMTU secretary general.

### IN MEMORIAM

## Charles Pandor



PHOTO: Gisela Ortner

**ZAMBIA** Charles Pandor, head of the education department of Zambian affiliate, the National Union of Build-

ing, Engineering & General Workers (NUBEGW), has passed away.

Born on October 16, 1950, Charles started out at J.D. Corbishely Ltd., a Kitwe-based company specializing in repairing radiators, refrigerators and air conditioning equipment.

In 1985 he was elected Branch Trust and three years later the union appointed him assistant secretary for Workers' Education. In 1992 the union promoted him to director of the education department, a position he held until his death on March 5, 2006.



# Confronting the inequalities of precarious work

BY RON BLUM & KAREN BALKE

Permanent full-time jobs and the basic security they provide workers and their families are under constant pressure around the world. It comes in part from employers adopting labour practices and governments imposing laws that put vast numbers of people's livelihoods, jobs and working conditions in a precarious state. Transnational companies' drive to reduce their permanent workforces to a minimum, while governments de-regulate and weaken labour and social protections, has led to a lack of security not just for temporary contract workers, but for all workers.

Outsourcing, subcontracting, the use of private employment agencies, labour brokers and daily hire, all contribute to excluding workers from positions of permanent employment and consigning them to the growing ranks of precarious work. It is not just a matter of whether a worker will have a job the next day or next month; precarious jobs often mean dangerous working conditions, and for millions of workers, a complete lack of labour and social protections.

Workers increasingly confront and resist the inequalities of precarious work. In France, trade unions and students together defeated government efforts to weaken basic employment protections. In Korea, unions and the Democratic Labour Party fight for basic rights and protections for all workers, including those in irregular employment.



Workers protesting against non-regular workers bill in Seoul, Republic of Korea, Feb 2006

Indonesian unions have taken to the street protesting unacceptable changes in law, and in India, thousands of contract workers went on strike at Honda Hero demanding permanent jobs. Tripartite national negotiations in Spain produced complete social and labour benefits for temporary

contract workers, many of them immigrants, while across the U.S., immigrant workers demand fair treatment, not punishment.

Here we take a closer look at two metal working industries, consumer electronics and motor vehicles, and the challenges of employment practices that create precarious work and point to union strategies that confront the inequities of precarious work.

## ELECTRONICS SUPPLY CHAINS

In the consumer electronics industry, brand name companies like IBM, Dell and Hewlett Packard do not own or operate manufacturing facilities to make computer equipment. Production is outsourced to contract manufacturers - including Flextronics and Solectron among other multinationals.

These global contract manufacturers go further: they contract out for "labour services". Thus by utilising recruitment agencies, brokers and other "labour service providers", the brand name companies dominating the hardware industry have put in place two intervening layers of commercial con-

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tracts - via the contract manufacturers and the employment agencies.

This contracting arrangement is used to sever or obscure obligations to ensure workers who make the brand name computers sold to the public are treated justly and fairly. The effect is to treat labour as a commodity, like machinery or steel bought and sold by companies in the marketplace. Awareness of the low wages and often-dangerous working conditions for those on the other side of the two intervening layers is far from consumer eyes.

### ELECTRONICS WORKERS IN MEXICO

In the race for higher profits and the widening precariousness of work that increasingly results, little room is left for decent and secure jobs for many metalworkers. In Mexico's electronics sector, contract manufacturing is extensive and poor working conditions the rule. Recruitment practices by employment agencies, often degrading or humiliating in the use of pregnancy and blood tests, questioning of neighbours and the like, are discriminatory and designed to weed out "troublemakers".

Working conditions are no better. Pay rates do not provide a living wage, long working hours exceed the legal maximum, and employment contracts run between one to three months, continuously "rolled over" for up to several years. Employer resistance to union organising and collective action is systematic and unrelenting all across the production chain. Temporary employment recruitment agencies play a key role, as does the lack of protections in the "maquila" processing zones.

Despite tremendous odds, metalworkers in Mexico's electronics industry struggle to organise authentic unions, though overcoming violent threats and entrenched barriers is difficult. Real change requires effective government enforcement of basic rights of workers to form unions of their own choice and bargain collectively.

Precarious conditions are most prevalent and extreme in Mexico and other developing countries where the fight for decent employment for everyone needing work comes first. A companion article in this issue of Metal World vividly describes that reality for metalworkers in precarious jobs in India.

### U.S. AUTO OPERATIONS

The growth of non-permanent contract work is a global phenomenon. In the U.S. automotive industry, research from the Upjohn Institute shows temporary work appears most pervasive in plants owned by foreign-based companies, which mostly locate in states where laws make union organis-



Women in the electronics supply chain

PHOTO: ICFTU

ing difficult. For example, Toyota several years ago decided to stop hiring employees directly at its non-unionised Kentucky assembly complex. The only way to get a job came through Manpower, one of the world's largest temporary employment agencies. After one or maybe two years at most, or so workers were promised, they would get on Toyota's payroll.

Temporary workers fare far worse than permanent employees though doing similar work, often side by side. Wages are about half - which is above the legal minimum but still cannot sustain a family - with no benefits paid and only a few days off. Toyota implemented a strategy of not renewing the temporary contracts after two years, though workers can be re-employed after a six-month break but again at the starting wage. As serious as this is, it pales with the situation at Toyota's sprawling complex in Thailand, where a third of the workers have been employed on fixed contracts or via agencies.

At a South Carolina operation of Faurecia, the parts making subsidiary of automaker PSA Peugeot Citroën, about a third of the workers making interior door and instrument panel modules delivered to BMW's nearby assembly plant were employed by a temporary staffing agency charging Faurecia a rate of US \$12 per hour (just over twice the legal minimum). Rather than hire workers onto its payroll after three months, Faurecia used them as long-term temporaries.

Similar strategies exist around the world. The "hire and

fire” flexibility of precarious work, compounded by the substandard conditions, create insecurities that ultimately impact all workers, not just those occupying precarious jobs.

### TRIANGULAR EMPLOYMENT RELATIONSHIPS

Industrial restructuring at Hyundai in Korea illustrates how management strategically attempts to use “irregular” workers and subcontracting to maximise profits, divide workers and resist unions. In the wake of the 1997 Asian crisis, the company drastically rationalised the supply chain. It cut permanent jobs sharply, dramatically reorganised workflow and operational structures and formed a separate parts subsidiary, Hyundai-Mobis (H-M), as a system module producer.

The structure of H-M is complex but its labour practices are clear. Except for managers and limited number of permanent white-collar employees, it uses contract workers via dispatch labour and private agencies. The Korean union representing Hyundai workers refers to H-M as a “virtual company” where a top level of managers and administrators direct a vast supply chain of contract workers.

The International Labour Organisation (ILO) calls such labour contracting a “triangular employment relationship”. One point of the triangle is H-M as the “principal company” using labour services; the second point is the private agencies contracted to supply labour serving as the “employer”; and the triangle’s third point are contract workers providing their labour for the ultimate benefit of the principal company, though remaining “employees” of agencies.

As is typical with “triangular” arrangements, contract workers as compared to permanent employees receive far lower wages, have fewer or no benefits, work longer hours, and face higher risks of injury and accidents. Most plants comprising the supply chain of H-M are non-union. Management fiercely resists organising, aiming to keep separate and divide contract workers in the supply chain from the highly unionised workforce of Hyundai Motor Company.

### IMPACT ON WORKERS

These are not exceptional cases. Employers globally have gained broad flexibility and increased profits using contingent workers on an “as needed and lower cost” basis, often ignoring or denying their human need for security, sustenance and safety.

Women are especially affected by precarious work. Their jobs tend to be more precarious in general: prone to having less security, lower pay, fewer benefits and weaker social protection than men. The chance to find regular permanent employment further decreases if you are a younger or

migrant worker. Migrant workers are much more likely to end up being employed through day hire and other forms of casualised work.

Companies use employment practices that create precarious jobs to undermine, weaken or resist workers’ rights to freely associate, form unions and collectively bargain. They can do so by:

- Simply avoiding a permanent workforce all together and hiring only by way of agencies, brokers, contractors and the like;
- Threatening dismissal by not renewing fixed-term contracts combined with dangling promises of possible permanent work if workers “behave”;
- Creating such poor conditions for non-permanent workers that high turnover and a constant churning of the workforce results; and/or
- Fragmenting unions by exploiting sector or geographic legal barriers that inhibit continuity in worker representation and collective bargaining.

All of the above are made possible when companies can exploit weak or non-existing labour and social security protections for workers in precarious jobs. Ultimately this means increased vulnerabilities for all workers. And the scope of the challenge is global given today’s combination of corporate-driven flexibilisation, governments’ push for neo-liberal policies, and the “Washington Consensus” imposed by the International Monetary Fund, World Bank and the WTO.

### WORKER & TRADE UNION RESPONSES

Metalworkers and trade unions are responding to the challenges of precarious work through strategies incorporating collective bargaining, organising and union building, and mobilising for government policies that address the inequities and unfairness of precarious work.

In collective bargaining, union objectives regarding precarious work include ensuring non-discrimination, guaranteeing equal pay for similar work and ensuring trade union rights for all. Converting precarious jobs into permanent ones, reducing or limiting allowable time periods, and protecting against dismissal are also important avenues for improvements negotiated with the employer at the principal company and its contractors.

Organising workers in precarious jobs is essential, though obstacles exist that must be overcome. The most basic is widespread denial or lack of enforcement of rights and protections for those in precarious jobs, a reality ultimately undermining conditions for all workers. Mobilising for legis-

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lative change needs to limit and reduce the length of contract work and make jobs permanent, protect against dismissal and provide complete access to social security benefits.

How can unions best organise and represent temporary contract workers? Who should organise and represent these workers? Which union structures and rules are most effective? Fundamental to answering these questions is building worker and trade union solidarity to effectively confront employer and government efforts to divide workers, whether permanent or temporary, immigrant or local. This is especially so given employer attempts to play workers off against one another, claiming inequalities inherent in precarious work are necessary to support or secure permanent jobs and the competitiveness of enterprises.

Actions by trade unions not only include recruiting workers into existing or new unions. Educating members and workplace union officials on the challenges and response to precarious work, providing legal counselling, and ensuring workers on temporary contracts can participate in all trade union activities are also important.

The IMF is working with affiliates to respond to the challenges of precarious work. At the ILO's annual International Labour Conference in June (see box), the IMF will work alongside the International Confederation of Free Trade Unions and other Global Union Federations when delegates address the employment relationship. Action on triangular employment relationships is particularly important to that discussion. A survey of IMF affiliates on employment practices and precarious work is also underway.

In consumer electronics, the IMF is working with the Catholic Agency for Overseas Development (CAFOD) and

a Dutch centre for research on multinational companies (SOMO), non-governmental organisations (NGOs) that have raised public awareness of poor working conditions in the supply chain. Efforts have focused first on coordinating information exchange on research and strategies among active groups, be they unions or NGOs, and where feasible, working together. Later this year, IMF will host a meeting of affiliates to address organising workers in global electronics supply chains.

For the automotive sector, the IMF continues working with affiliates to build and strengthen links across the global production chains of the auto companies. Temporary contract employment exists all along that chain though precarious conditions are more pronounced in the component supply industry. That's why it is important to utilise trade union leverage of the better-organised transnational assemblers and large suppliers.

International solidarity, strengthening union structures, mobilising workers and utilising tools such as international framework agreements and networks are all vital to bring just and fair treatment and respect for workers rights ... and all are needed to confront the inequalities of precarious work.

*Karen Balke, a student of the Global Labour University's masters programme, worked as an intern at the IMF head office during February and March 2006.*



ILO building in Geneva, Switzerland PHOTO: ILO

## The ILO and the International Labour Conference

standards in the form of Conventions and Recommendations setting minimum standards of basic labour rights, such as freedom of association, the right to organise and to collectively bargain.

The annual International Labour Conference (ILC) plays an important role within the ILO structure. It establishes and adopts international labour standards, among other things. This year, the ILC will address the employment relationship. The Philadelphia Declara-

tion, a founding ILO document asserts that "labour is not a commodity" and so the employment relationship goes to the heart of the matter:

The upcoming ILC will address a proposed recommendation that if adopted, encourages governments to pass legislation that provides all workers the labour and social protections under national laws, regardless of their employment relationship as regular or non-regular workers.

## This is the IMF

**The International Metalworkers' Federation (IMF) represents workers in the metal industry. The IMF was founded in 1893 and has its head office in Geneva, Switzerland. Currently the IMF represents the interests of 25 million metalworkers in 200 affiliated unions in 100 countries.**

The IMF endeavours to build a strong metalworkers' movement throughout the world. The Action Programme adopted by the last IMF Congress, in 2005, presents four major areas of activities: working for an alternative economic programme, organising the unorganised, promoting solidarity and fighting for human and trade union rights.

The highest decision-making body of the IMF is the Congress, which meets every four years. Between Congresses, the Central Committee, consisting of the delegates of all affiliated unions, meets every second year. The Executive Committee consists of 25 members elected by the Central Committee and usually meets twice a year.

The IMF head office, where the Secretariat is located, is in Geneva, Switzerland, where worldwide activities are coordinated with a network of regional and project offices:

- East and Southern Africa - Johannesburg, South Africa;
- South Asia - New Delhi, India;
- Southeast Asia and the Pacific - Kuala Lumpur, Malaysia;
- Latin America & Caribbean - Santiago, Chile and Mexico City, Mexico;
- CIS - in Moscow, Russia (project office).

The IMF has also developed regional and sub-regional structures for Africa, Asia and Latin America. In some countries, the IMF-affiliated unions have formed Country Councils.

To coordinate activities in specific industrial sectors, the IMF has industrial departments for the following sectors: aerospace, automotive, electrical and electronics, mechanical engineering, shipbuilding, and iron, steel and non-ferrous metals.



**For the address of the IMF head office in Geneva, see page 2. The addresses for regional and project offices are:**

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## Calendar 2006

### JUNE

- 1 - 16** International Labour Conference, ILO, Switzerland
- 5 - 6** IMF East Asia Sub-Regional Committee Meeting, Japan
- 19 - 24** IFA Training Meeting, South Africa
- 26 - 27** IMF Southern and East Africa Regional Seminar on Trade, Employment, and Development: a Strategy for Trade Unions, South Africa
- 26 - 27** IMF Mittal Central and Eastern European meeting, Romania

### AUGUST

- 16 - 17** IMF LACRO Meeting on the Challenges and Prospects of the Integration of New Trading Blocs, Mexico

### SEPTEMBER

- 6 - 7** IMF South-East Europe Sub-Regional Committee Meeting, Serbia & Montenegro
- 11 - 13** SKF World Union Committee Shanghai, China
- 25** IMF Women's Committee, Germany
- 26 - 27** IMF World Conference on International Framework Agreements, Germany

**PLEASE NOTE: IMF Summer School, scheduled to take place in July, has been cancelled due to a low number of enrolments.**

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## Building trade union strength in India

*Sanjeeva Reddy hopes trade unions in India will overcome political differences and find greater strength in unity. In the meantime, organising 350 million unorganised workers remains a more urgent task.*

**NEW DELHI INDIA** India's trade union movement is over 100 years old and its history is deeply rooted in the country's struggle for independence from British colonial rule. This link between the independence movement and trade unions gave birth to a generation of highly committed trade union leaders, including Dr. Gongalla Sanjeeva Reddy, M.P., who started out as a freedom fighter.

"When the British ruled this country, the trade union was born to fight for independence," explains Sanjeeva. He first joined the trade union movement in 1948, one year after India gained independence. Today, Sanjeeva is president of the Indian National Metalworkers' Federation (INMF) and the Indian National Trade Union Congress (INTUC) and a member of the IMF Executive Committee.

"Unfortunately the biggest weakness of the Indian trade union movement is that we are politically divided," said Sanjeeva. The problem is directly linked to the movement's history, for after the formation of national government, trade unions began splitting along political lines. Many became closely aligned with political parties, creating an enduring source of disunity in the labour movement.

"In some cases our boss is not a worker. Our boss is a political party," Sanjeeva said, speaking frankly about the problems the Indian trade union movement faces. "We

want to liberate the trade union movement from the clutches of the political parties so that an independent trade union movement can be built in this country. This is our ambition," said Sanjeeva, reporting that negotiations and discussions on this subject are taking place.

While achieving unity remains an important goal, for Sanjeeva the more urgent task is organising the 350 million unorganised workers engaged in informal work in India. "Informal employment has two faces, urban and rural," he explains. "In urban areas we are able to organise to some extent. And in rural areas we have had some success, for example with beedi (cigarette) workers and similarly with forestry workers. But we are struggling to even get near agricultural labour and other rural workers," said Sanjeeva.

A recent government initiative known as the rural employment guarantee scheme may help in this area. Aimed at reducing the extreme poverty experienced in many rural areas of India, the scheme will provide unemployment relief to rural workers unable to gain at least 100 days of employment per year. "This is a big step towards helping the informal and rural sector," said Sanjeeva. "This way we may be able to organise the working class into the trade union by ensuring proper implementation of the scheme and that workers get the full benefit," he said.

In the metal sector, Sanjeeva reports on mixed success. "In the Indian auto industry, such as Tata, we have got a union and in some other places like Suzuki we have got some members," said Sanjeeva. However Sanjeeva believes that when it comes to multinationals, getting members is much more difficult.

"Multinationals initially are vehemently opposed to the formation of a union. When we try to form a union they victimize the workers leading the effort," said Sanjeeva. "When they see our union coming on very strongly, then they start their own union,



Sanjeeva Reddy hopes for an independent trade union movement in India

an internal union. They strongly oppose the national centre unions, they will only accept a company union, an in-house, yellow union. But we are not leaving, we are struggling and to some extent we are succeeding," he said.

Sanjeeva believes that political divisions in the labour movement are also affecting the trade unions' capacity to organise. Gaining freedom for the country is where it all began for Sanjeeva. Achieving a united and independent trade union movement is where he hopes to finish.

Anita Gardner

### DR. G. SANJEEVA REDDY, M.P.

**Age:** 75 years

**Country:** India

**Position:** President of INMF and INTUC  
Member of IMF Executive Committee