

Support for Struggle for Justice at Vale

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Submitted by CNM-CUT and Unite the Union

Noting that:

Vale is the second largest mining company in the world. Since Vale acquired nickel miner Inco in 2006, there has been a downward spiral in labor relations. This has taken place at formerly Inco worksites in Canada, Brazil, the UK, Indonesia and elsewhere.

In 2009 labor negotiations with USW, Vale claimed they needed deep concessions. This is despite \$13.2 billion (USD) net profit in 2008 and generous compensation for top execs – Vale paid its top six execs \$33 million in 2008 compensation, a 121% increase over the last two years.

Vale adopted a divide-and-conquer approach by demanding that future workers receive worse benefits than current ones. USW offered to work under the existing agreement but Vale said no. 3,500 USW members responded by going on strike in mid-July. Since USW struck Vale, the company has announced that it will hire replacement workers during the strike.

Vale's strategy is simple. It is attempting to set a precedent for deep cuts in wages, pensions and worker rights worldwide, and use "savings" extracted from workers to finance the company's ambitious plans for expansion. If Vale is successful, it will encourage other company attacks on miners and their trade unions throughout the world.

USW, unions in Brazil including the CNM-CUT, Unite the Union, the IMF, ICEM, ITF and their respective affiliates have been running a global campaign for justice at Vale. This has included campaigning on behalf of Brazilian Vale workers in their struggle for new labor agreements; campaigning for Indonesian workers at Vale in their struggle for fair compensation and to regularize contract employees; striker delegations to the U.S., the UK, Australia, New Caledonia, Germany, Sweden, Indonesia, Korea and Brazil, along with campaign activity in Spain and multiple countries in Africa.

The global campaign has made a difference in improving conditions for workers in Brazil and Indonesia. Unions in Brazil and Indonesia have reported that campaign pressure has assisted them in reaching new labor agreements, getting a bonus payment and achieving regularization of contract employees.

Affiliates resolve:

We will support the ongoing struggle for justice for workers at Vale, including the struggle for fair new labor agreements in Canada, in every way possible, including through:

- expressing support for strikers in Canada
- condemning Vale for its anti-worker, anti-community behavior, and
- participating in actions aimed at supporting Vale workers and pressuring Vale