

METAL WORLD



THE QUARTERLY MAGAZINE OF THE INTERNATIONAL METALWORKERS' FEDERATION



South Africa: A potential for change

FEATURE, PAGE 12

No. 3
2003

Mid-term balance

Two years have passed since the IMF Congress in Sydney adopted a new Action Programme. Halfway through the Congress term, it is time to thoroughly assess our job in order to see where we stand and what we must do in the next two years.

The IMF Action Programme set out three major goals for 2002-2005:

- global structures to meet global challenges;
- solidarity and organising;
- a social dimension to economic globalisation.

Following the programme, the Executive Committee decided to give highest priority to three concrete areas of activities which have characterised our work the last two years:

International Frameworks Agreements, or IFAs, to be negotiated with transnational companies

This issue is crucial in many respects. It is an issue of solidarity, of organising and, first and foremost, of basic human and trade union rights. A lot of work remains to be done in terms of structuring our own procedures as far as the negotiations are concerned.

Furthermore, we need to intensify our work to educate our own people in various countries on the content of IFAs, as well as make sure that everyone concerned is informed and possibly involved in the process of negotiating. This would facilitate the implementation and monitoring of such agreements.

The five agreements already signed have proved to be useful, at least in a couple of disputes, and I am sure that they have been used far more without us knowing it.

Solidarity actions to assist workers and their representatives in trouble

Such a campaign was carried out for leaders of the trade unions in South Korea sentenced to jail terms for their trade union activities. After campaigns were conducted with our

affiliates and other trade union organisations, both at national and international level, we were able to welcome back to freedom our brothers Mun Sung-hyun and Dan Byung-ho, of the Korean Metal Workers' Federation and the Korean Confederation of Trade Unions, respectively.

Our action in support of Honda workers in Indonesia did not bring the hoped for result, and we need to intensify our efforts to build up a strong trade union movement in this country.

The question of mobilising is paramount if we are to succeed with solidarity actions of the kind we've been running in Korea and Indonesia.

More women in IMF structures

The IMF Executive Committee has made a recommendation to our next Congress that the IMF Rules be changed, to increase the size of the Executive to 24 members, of whom at least six must be women. The recommendation will be handled by the Rules Committee, which is to be set up before the Congress, in Vienna in 2005.

We do not know all the details that will be included in the final proposal, but fundamental and most important is that there is strong commitment among IMF affiliates to address the critical under-representation of women in IMF structures.

The work according to our Action Programme continues. Personally, I have high expectations for the upcoming Central Committee in Cape Town in December, where the IMF will not only deepen its debate about alternatives to the prevailing direction of economic globalisation, but also decide on strategies to actually implement an alternative economic programme.



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METAL WORLD is published by the International Metalworkers' Federation (IMF).

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ATAR Roto Presse

Printed by:
ATAR Roto Presse

METAL WORLD is published in English, Russian, Latin American and Japanese editions.

Opinions expressed in the articles do not necessarily represent the views of the IMF.

Cover photo: Eric Miller

CONTENTS

No. 3 • Vol. 4 • October 2003



IMF NEWS

IG Metall elects new leadership

Jürgen Peters and Berthold Huber are taking on the mantle of president and vice-president, respectively, to guide the German metalworkers over the next four years.

9



FEATURE

South Africa: A potential for change

Michael Futshane works at Gearing's Foundry in Cape Town, South Africa. In his country, high unemployment, poor education and hiv/aids create challenges that are unheard of anywhere else globally.

12



SPOTLIGHT

Central Committee Meeting

"Mobilising Toward an Alternative Economic Programme" is the theme of the upcoming Central Committee meeting in Cape Town, South Africa. We introduce you to this and other key items on the agenda.

18



IMF SPECIAL REPORT

EPZs – Globalisation's great deceit

The number of Export Processing Zones in the world has increased six-fold since 1995. Largely unorganised, their employees work under poor wages and conditions. The challenge faced by the trade union movement is to find ways to organise these workers.

22

PEOPLE 27

WORLDWIDE 28

CALENDAR 31

Trusting your members

A short time ago an IMF colleague from one of our offices said to me: "Affiliates in the region are very interested in what is happening in Germany, at IG-Metall." What fascinated the unions was not so much the substance of the conflict (see page 9), but the way it was handled: mostly in public and with intensive, open debate at the congress.

I believe I will not offend anyone by suggesting that what we saw happen at IG Metall is not the typical trade union approach to internal conflicts. The prevalent trade union culture is to smooth over things or contain them behind closed-door sessions, or at least keep up a facade. Because, otherwise...

Yes, otherwise what? This is not to naively suggest that a trade union can or should go public with everything, anytime. There are certainly occasions when timing and politics are critical issues, and the bitter public accusations in the IG Metall "affair" are certainly not a path to follow. But when there is an emerging debate, there is nothing to gain by not communicating with your membership. And it's impressive to see IG Metall's magazine, not only letting outgoing and incoming leadership make their declarations, but also giving ample space to questions and criticism from members.

What many tend to forget is that silence is also communication, and a telling one. Having a teenager who doesn't talk to you, or learning from someone else what your "best friend" wouldn't tell you is nothing more than a clear sign they lack trust in you.

Communicating with your members is to trust them.



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AFFILIATES

VW Mexico agreements save jobs, hike pay

PUEBLA MEXICO In August, the management and trade union at Volkswagen Mexico agreed a deal to avoid 2,000 job cuts at the auto company's manufacturing plant, in Puebla. The settlement, which is valid from August 11, 2003, to February 8, 2004, will see a reduction of the workweek from five days to four, and essentially a production cutback of 20 per cent. It was ratified by 56 per cent of the 9,800 unionised workers at the plant.

Those to be affected most by the shortened workweek are the some 2,000 workers with less than six years' seniority. Their wages and benefits will be cut by 20 per cent: there will be no Friday pay and benefits such as the Christmas bonus, profit-sharing and yearly bonus will be reduced by one-fifth.

The approximate 8,000 workers who have been employed for more than six years will receive 30 per cent of Friday pay. They will also make a joint contribution of 176,000 pesos (US\$16,463) from their Christmas bonus in favour of those affected by the 20 per cent cut in benefits, and the state and federal government will also set up training grants for this group.



The VW plant in Puebla, which is 140 km southeast of Mexico City, is the sole producer of the transnational automaker's "New Beetle" and one of the largest employers in Mexico's auto industry. Since 2000, 2,500 jobs at the plant have been lost as a result of the decline in both domestic and export demand (mainly to the US market). Production for 2003, at approximately 285,000 units, is 30 per cent lower than that of 2000, and 14 per cent less than output in 2002.

In spite of this situation, VW's Puebla management and the union also reached an agreement in August to increase pay for the workforce by 5.25 per cent. With the average inflation rate forecast at 3.5 per cent, this hike represents a real increase. **KL**

GM to trim payroll in Brazil

SÃO CAETANO DO SUL BRAZIL In the wake of the metalworkers' union protest at General Motors' plan to lay off 350 workers at its plant in São Caetano do Sul, the world's No. 1 automaker agreed to set up a programme calling for voluntary layoffs.

The company did not release details of the benefits or pay to be included in the severance package.

Earlier this summer, GM sent the plant's workers home for three weeks

on "group holiday" in an attempt to keep their Brazilian output in line with new vehicle sales, which fell by 8.5 per cent during the first five months of 2003.

The company employs 17,000 workers in Brazil.

Other big automakers in Brazil, such as Ford, VW, Fiat and Renault, are also organising group holidays or reduced work hours to avoid stock pileups. **KL**

AFFILIATES

Numsa strikes deal for the steel industry

JOHANNESBURG **SOUTH AFRICA** In August 2003, members of the National Union of Metalworkers of South Africa (Numsa) ratified a national agreement with the Steel, Engineering Industry Federation of South Africa. The settlement was considered a victory for the union and the 230,000 workers in the industry.

Among items contained in the agreement are the following:

- Wages have been increased by 10.5 per cent for the lowest paid workers and 9.5 per cent for the highest paid, backdated to July 1, 2003.
- A joint strategic planning session to formulate a common view on the industry's training needs will be convened.
- Parties will undertake to establish a pilot project programme for companies which are willing to explore the implementation of the best practice in terms of company HIV/AIDS policy.
- Workers employed by a labour broker will be considered permanent employees of the client company after 12 months.

Strike ends at Hyundai

SEOUL **KOREA** On August 6, after seven weeks of industrial action at Hyundai Motor, the company and trade union reached an agreement which includes a pay raise of 8.6 per cent, or 98,000 won (US\$83) per month, a performance-based incentive worth two months' wages, a one-month regular bonus, and a 1 million won (US\$847) payment in immediate incentives. Union members at the company voted 80.6 per cent in favour of ratifying the settlement, the highest majority in Hyundai union history. Negotiations began on April 18.

- All workers will receive guaranteed 13th cheque bonuses at the end of this year.

Upon reaching the settlement, Numsa said that "workers are not just passionate about wages, but other non-wage issues are vital in addressing inequalities, poverty and unemployment."

...and motor and auto industries

On August 21, Numsa, the Fuel Retailers Association and the Retail Motor Industry organisation concluded a one-year wage agreement covering 180,000 workers in petrol stations, component manufacturing, car dealers and body repair shops. The deal, which became effective September 1, has boosted the wages of motor retail workers in many categories, including rural petrol attendants with 14.8 per cent wage increase.

Earlier in the summer, Numsa and employers in the automotive industry – car manufacturing and assembly plants – reached a settlement which saw a pay hike of 8.7 per cent. KL

According to the Reuters news agency, the pay increase will take Hyundai workers' wages over the \$20-an-hour mark to \$21.05.

The automaker also agreed to allow union participation in management decisions regarding job security and to introduce the five-day workweek from September 1.

Hyundai Motor employs 50,000 people, of whom nearly 40,000 belong to the Hyundai Motor Workers' Union. The union is a member of the Korean Metal Workers' Federation, an affiliate of the IMF. KL

IUE-CWA ratifies GE agreement

WASHINGTON D.C. **USA** IUE-CWA members have ratified the 2003-2007 General Electric (GE) national agreement. The contract achieves the union's goal of holding the line on health care costs. As a result, GE's current 82 per cent share of health care costs will be maintained.

"This agreement is a tremendous victory for IUE-CWA members, other GE workers and all working families," said IUE-CWA President Edward Fire. "We stopped unfair health care cost shifting in its tracks."

The company's disparaging comments and assaults on the union were a major issue at the bargaining table. GE has agreed to no longer attack the union, its leadership or its collective bargaining agreements. Violations of these rules will be subject to mediation.

The agreement will boost wages by 16.5 per cent by contract's end. JN

Labour pact at Wheeling-Pitt

PITTSBURGH **USA** United Steelworkers of America members at Wheeling-Pittsburgh Steel Corporation have endorsed a five-year collective labour agreement. The USWA says that the settlement is expected to allow Wheeling-Pitt to become the first major integrated steelmaker to successfully reorganise and emerge from bankruptcy since the current steel crisis began in 1998.

According to the union, a new labour agreement was one of the conditions set by the federal Emergency Steel Loan Guarantee Board when it approved Wheeling-Pitt's application for a multimillion-dollar guarantee last March. Both the loan guarantee and the new settlement are necessary for the steelmaker to emerge from bankruptcy.

The agreement establishes base wage rates of \$12.28 to \$17.10 an hour, increasing to \$16.39 to \$22.40 an hour in the final year. KL

Restructuring in focus at Mexico auto meeting

MEXICO CITY **MEXICO** Promoting the efforts in Mexico to progress towards strengthened solidarity and jointly developed union strategies, the IMF held a two-day meeting in August, attended by union leadership from the major automotive transnational corporations (TNCs) in the country. To broaden international labour solidarity in the NAFTA countries, the meeting was also attended by representatives from the IMF's U.S. and Canadian automotive affiliates.

Representatives of union workers at Mexican assembly, power train and suppliers plants of VW, GM, Ford and others, shared updates on the outcomes of their recent round of collective bargaining and the trends workers have faced in recent years. The exchange of information high-



Delegates at the meeting

lighted the challenges posed to workers by TNC strategies emphasising outsourcing and restructuring – and therefore the necessity for the unions to move forward on improved information exchange, joint strategies and collective actions.

Participants received updates on IMF activities and priorities, as well as on the state of the global automotive industry. Two professors from Mexican universities provided reveal-

ing information and analysis on the trends affecting the country's workers, its unions, the automotive industry and the Mexican economy. Reports by the IMF affiliates from the U.S. and Canada showed that the impacts of industrial restructuring and NAFTA are affecting autoworkers across the continent.

A declaration of solidarity with VW workers and their union in Puebla was signed by the participating unions, demanding immediate and full compliance by management with the recent innovative settlement achieved on reduced work time to preserve jobs (see article on page 4). There was also agreement by the Mexican union participants to meet again to work towards further progress on their agenda of collective action. **RB**

Framework agreement at GEA

BOCHUM **GERMANY** A declaration on Principles of Social Responsibility has been signed by the management of GEA, the GEA European Works Council and by the International Metalworkers' Federation, represented by its president, Klaus Zwickel.

The agreement at GEA – a company specialised in process technology, thermal and energy technology as well as air treatment and dairy farm systems – acknowledges the company's social responsibility, its support of and compliance with “internationally accepted human rights”, and the basic right of all employees to establish and join unions and employee representations.

Amongst other items, the IFA stipulates that ILO Conventions No. 87 (Freedom of Association) and No. 98 (Right to Collective Bargaining) will be respected.

GEA headquarters are located in the GEA Center in Bochum, Germany. The company, with 15,000 employees in more than 50 countries, employs almost 60 per cent of its staff outside Germany.

Note: The first framework agreement for the metal industry was signed at Merloni Elettrodomestici, in December 2001. Since then, the IMF has signed framework agreements with Volkswagen, DaimlerChrysler, Leoni and now GEA. More are to follow. **KL**

Meeting on FTAA

AMERICAS The fifth meeting of the IMF Working Group on the Free Trade Area of the Americas (FTAA) was held in Brasilia on July 22-23. In addition to participants representing IMF affiliates in Argentina, Brazil, Canada, Colombia, Mexico, Panama and the US, three other global union federations were present.

Among major features which set the framework for this meeting is the new political environment in Latin America, with Lula in command in Brazil and Kirchner in Argentina. This change of political leadership in the region is having a major impact on the FTAA talks, targeted to conclude by January 2005. **KL**

IMF INITIATIVES



Support for Turkish workers

IZMIR TURKEY In late July, the IMF wrote to Turkey's top government officials as well as to management at automotive parts producer Polkima requesting urgent steps be taken at the company to ensure that anti-union practices cease and negotiations towards a fair and just agreement resume.

According to the union, Birllesik Metal-Is, after management had earlier said it would accept wage increases, it reversed itself and withdrew its proposals. Workers then took a strike authorisation vote, whereupon the company refused to bargain collectively and locked out the workers. Wanting to resume operations, the Izmir-based company ended the lockout on July 30 but demanded that the striking workers resign from their union.

Such unethical practices, says the IMF general secretary, Marcello Malentacchi, contravene internationally recognised workers' rights, and with Turkey's interest in joining the European Union, "this is an opportunity for the Turkish government to make perfectly clear that the unethical practices of management at Polkima violate ILO conventions, contradict the provisions and spirit of the European Social Charter and the laws of EU states, and are therefore wholly unacceptable practices in Turkey."

106 of the 130 employees are members of Birllesik Metal-Is.

Among Polkima's customers is Steyr, in Austria. Steyr is part of the CNH group, which is in turn owned by Fiat. In a letter to the CEO at Fiat, the IMF states that corporations which are customers of Polkima should demand that Polkima fully engage in good faith bargaining with the workers. **KL**

IMF's third Summer School

NYON/GENEVA SWITZERLAND During two weeks in May-June, the IMF's third Summer School took place in Nyon and Geneva. 21 trade unionists from 16 countries briefed one another on their respective organisations, discussed globalisation and the challenges for the trade union movement, and paid visits to Swiss metal industries.

Moreover, they discussed the work and policies of the World Trade Organisation. They also observed the 91st Session of the International Labour Conference at the ILO, as well as learned about the work of the IMF.

Participants in the IMF Summer School, outside the IMF building in Geneva: (kneeling) Buddhi Netiprawat, IMF, Bangkok; Raymond Kgagudi, South Africa; Mohammad Hamdan, Malaysia; Katarina Björk, Sweden; Dmytro Stepanyuk, Ukraine; Olga Chistiakova, Russia; Josefine Larsson, Sweden; (second and third rows, standing) Ron Blum, IMF, Geneva; Wycliffe Nyamwatta, Kenya; Yvonne Strid, Sweden; Pichai Kongsab, Thailand; Interpreter; Maku Vondee, Ghana; Aslak Haarahiltunen, Finland; Ghazi Noshie, Australia; Heide Schnare, Germany; Rao Sudhershan, India; Purmanansing Jhoomuck, Mauritius; Lidia Pavlova, Russia; David Seligson, IMF, Geneva; Annick Aerts, Belgium; Lyudmila Zabalotina, Belarus; Lydmila Shetvchenko, Ukraine.

The programme was carried out in cooperation with the Université Ouvrière de Genève (Geneva Workers' University). **JN**

Uniform pay rules

BADEN-WÜRTTEMBERG GERMANY A new pay structure for the metal industry in Baden-Württemberg, which was agreed on June 23 between IG Metall and employers, does away with the previous distinction between blue- and white-collar workers and introduces uniform pay rules. Under this collective wage agreement structure, basic pay will range from €1,529.89 to €4,014.50. For a skilled worker, starting pay – upon completion of vocational training – will be €2,152.55, i.e. €248 more than before.

Wages will consist of the following:

- basic pay (which depends on the job);
- performance pay, which will average 15 per cent company-wide;
- compensation for difficult conditions.

In defining jobs, the following will be taken into consideration:

- know-how/knowledge;
- problem-solving ability;
- responsibility;
- ability to communicate;
- ability to manage staff.

Points will be awarded for each of the above criteria, and the total will determine a given employee's pay group. Employees will be divided up into new groups within the companies. As an aid, IG Metall and employers have drafted 122 standard job descriptions and set pay accordingly.

IG Metall has managed to secure protection for health-risk work and overwork: the paid minimum break for assembly-line workers (five minutes per hour) will remain in force for the North Baden-North Württemberg collective bargaining zone. In addition, rules have been agreed for all pay zones in Baden-Württemberg to protect workers not able to work fulltime.

Companies have until December 31, 2007, to introduce this new collective wage agreement structure. **KL**

Unions fight changes to Danish H&S system

COPENHAGEN DENMARK Proposed changes to Danish rules on the work environment have brought heavy criticism of Employment Minister Claus Hjort Frederiksen. The IMF-affiliated Danish Metalworkers' Federation (Dansk Metalarbejderforbund) is threatening to take the minister to the EC Court if he refuses to retract the proposals, which the union says contravene EU legislation.

The proposed so-called "reforms" involve the voluntary outsourcing of safety and occupational health issues to independent consultants, thereby abolishing a long-standing tradition of in-house divisions (called BSTs) which monitor the well-being of workers. The BSTs are currently supported by mandatory member-

ship dues from 50,000 companies, concentrated in sectors carrying a high risk of accident and personal injury.

The union's environment expert, Jan Toft Rasmussen, says that the move is a throwback to outmoded labour laws that no longer match present-day reality. Another Danish union, the General Workers' Union, has stated in its newsletter to members that BST abolition will systematically sweep away 20 years of hard work.

The EU Commission, in a recent letter to the Danish Metalworkers' Federation, supports the interpretation of the trade union. The federation has now reiterated its demand that the government withdraw the proposal. **JN**

213 "disappeared" trade unionists

BRUSSELS The annual report by the International Confederation of Free Trade Unions documenting trade union rights violations worldwide is out.

The 2003 ICFTU Survey, which covers 133 countries across the globe, reports 213 cases of murdered or "disappeared" trade unionists in 2002. In Colombia alone, there was a record number of 184 assassinations or disappearances.

Also because they stood up for workers' rights against the state or unscrupulous employers, some 1,000 union activists were attacked and beaten, 2,562 were detained, 30,000 lost their jobs and 20,000 were victims of harassment.

The survey points out the stubborn, anti-democratic stance of certain



The ICFTU publication

states and the fierce competition in the global economy, trends which can best be fought through international trade union solidarity.

To read the complete report download the ICFTU Annual Survey 2003 – in English, French and Spanish – from the ICFTU website on www.icftu.org/survey. **JN**

IG METALL

IG Metall elects new leadership

FRANKFURT GERMANY Jürgen Peters and Berthold Huber are taking on the mantle as president and vice-president, respectively, to guide the German metalworkers over the next four years. Their election in August, at the first session of the IG Metall 2003 Congress, follows an unprecedented conflict in the union.

The crisis arose in late June when IG Metall strikes over reduced working time in eastern Germany were called off. The then president, Klaus Zwickel, told reporters that “our struggle has failed and there is no real chance to sustain strikes any further.”

His announcement triggered a public as well as internal debate within IG Metall, which, with 2.6 million members, is one of the world’s largest and most powerful trade unions. Debated was Zwickel’s way of announcing the political defeat, but also who should take responsibility for the failed outcome of the strikes.

Already in April, the IG Metall board had decided to recommend to its Congress later this year that Jürgen Peters (59) be elected new president, to replace Zwickel, who was retiring. Following the defeat in eastern Germany, Zwickel in July said he wanted either Peters – the vice-president, responsible for collective bargaining policy – or the entire IG Metall Executive Committee to step down together with himself, “taking our responsibility” and make way for a new leadership. As this did not happen, Zwickel immediately resigned.

The debate about the future of the union was further driven by a declaration made by Berthold Huber (53) – who the Executive had recommended should be elected new vice-president and be leading the union together

with Peters – that he would not be available for a top position in the union.

But the IG Metall Executive reiterated its recommendation to the Congress, and the election of the leadership was brought forward. A first session of the Congress, on August 31 in Frankfurt, elected Peters and Huber to lead the German metalworkers over the next four years. The 592 delegates gave them 66.1% and 67.1% of the votes, respectively.

During Congress debate, about every tenth delegate took the floor. Many criticised Zwickel’s leadership, and even more the package of social and economic “reforms” put forward by Germany’s Social Democratic federal chancellor, Gerhard Schröder. Many media outlets – especially before the Congress – speculated on a rift between IG Metall factions, allegedly built around Peters and Huber. But not much of that is reported to have been seen at the Congress. In a joint communiqué, Peters and Huber describe their leadership as “not a marriage of love”, but they will look for joint solutions in all important political questions.

JN



Delegates

PHOTO: Metin Yilmaz



Jürgen Peters and Berthold Huber

IMF to elect new president

Klaus Zwickel, the recently resigned president of IG Metall, is also president of the International Metalworkers’ Federation. He will remain so until the IMF Central Committee (in Cape Town on December 3-4, 2003) has elected a new president. The IMF secretariat has initiated the formal nomination process.

Nepal plagued by growing unemployment

KATHMANDU NEPAL Increased unemployment and constant factory closures represent major problems in Nepal. The only alternatives open to the unions are more training and a better level of competitiveness, says Dharendra Kumar Singh, the newly elected president of the IMF-affiliated Nepal Factory Labour Congress (NFLC).

The NFLC has five sections: metalworking, chemicals and energy, textiles, foodstuffs and the public sector. Of its 45,000 members, 7,000 are affiliated to the IMF.

The NFLC together with some 20 other unions form the Nepal Trade Union Congress (NTUC). "Our trade union is one of the oldest among the affiliates of our national centre," says Dharendra Kumar Singh. "It is also

better that we joined forces within a single organisation instead of having five different unions."

Only approximately six per cent of the workforce in Nepal is organised, but Dharendra Kumar Singh reminds us that the trade unions have particularly strong areas of support: "One such area is the industrial city of Biratnagar. Out of the 150,000 inhabitants of that city, 15,000 or ten per cent are members of our organisation. The city is home to important metalworking and textile industries and chemicals factories."

Singh believes it is important to train a new generation of trade union activists and well-informed members. "This is necessary," he says, "because of the need for collective bargaining.



Dharendra Kumar Singh

There are no nationwide collective agreements in this country. Agreements are concluded at company level for one, two or three years at a time."

The Nepalese trade union movement is worried about the rising unemployment. "Every year some 300,000 young Nepalese enter the labour market and many of them never get a proper chance for a job in a situation where one company after

Nepal: a climate of violence

KATHMANDU NEPAL Nepal's national centre saw the light of day in 1947. Demanding respect for human rights and better conditions for the workers has been the main thrust of the national centre's work throughout its history.

But, throughout the sixties, seventies and eighties, Nepal was to all intents and purposes a dictatorship where freedom of association for workers was prohibited. Only when democracy was reinstated at the beginning of the nineties was the national centre able to begin working openly again.

However, the political situation is far from stable. The Nepalese royal family was murdered in the summer of 2001 and the circumstances sur-



rounding that occurrence have never been fully clarified.

Maoist guerrillas have been operating in the rural areas since the mid-nineties, and this was also a point in time at which the new king sidelined the elected parliament. The Nepalese national centre disassociates itself from the Maoist guerrillas in the very

strongest terms. The trade unions have close ties with the Congress Party – which can best be described as Social Democrat – and are demanding that democracy be reinstated as quickly as possible.

The ICFTU annual survey of trade union rights, reporting about events in the year 2002, says that Nepal "continued to be marked by a climate of violence, with hundreds of people being killed by the Maoist guerrillas throughout the year, among whom about 200 members of the Nepal Trade Union Congress. This led the king to take over the whole executive by declaring a state of emergency, and to suspend the fundamental rights and the election process."

another is closed down. This is why a focus on thorough vocational training is a 'must' in a globalised world," says Singh.

He mentions the major challenges from hi-tech companies in Japan and South Korea. They, too, have contributed to the weakened competitiveness of Nepalese companies. "Another phenomenon is increased seasonal unemployment. Far too many people have work for four months and are then out of work for eight months."

Singh thinks that the reasons for the factory closures can be traced to the shortage of raw materials within the national boundaries. "Everything has to be imported from other countries. India, our big neighbour to the south, is our most important export customer, but the problem is the high Indian customs duties. It is a political decision that has put Nepal in a position of not being able to compete with other countries," Singh says.

Child labour is a big problem in Nepal. According to some sources, as many as 2.6 million children under the age of ten are forced to go out to work. Singh recalls that the law in Nepal prohibits child labour. "But, how the law is applied in practice is a completely different thing. Many parents in our country are so poor that they quite simply have to send their children out to work in order to provide for the family."

Dhirendra Kumar Singh says that the Nepalese trade union movement has made major investments in schools and day care for the country's children. The fight against child labour is high on the agenda. "We have received a lot of support from the international trade union movement and from the International Labour Organisation (ILO) for our education projects."

HENRIK HELENIUS

Industrial union in the making

SEOUL REPUBLIC OF KOREA An interesting development is taking place in Korea with the campaign by the Korean Metal Workers' Federation to establish an industrial union in the metalworking industry, called the Korean Metal Workers' Union (KMWU).

At the end of June 2003, a ballot was carried out among a selection of KMWF affiliates, some being small organisations with memberships ranging below 1,000, others much larger. Although so far just a few unions have voted in favour of transferring to the industrial union – representing some 5,000 members out of the KMWF's total membership of 180,000, this is a beginning. One of the unions to approve the shift to the

KMWU is Daewoo Heavy Industry, with a membership of 2,459.

The tally for the largest affiliate to participate in the June ballot, Hyundai Auto, with a membership of 39,100 – of whom 34,836 took part in the vote – was 62 per cent in favour of transferring to an industrial union. As Korean labour law stipulates that, in addition to requiring over half of the union membership to participate in a vote, a two-thirds majority is needed to change the organisation, Hyundai did not pass but nevertheless came within 4 percentage points.

More such votes will take place next year, when perhaps more unions will see the advantage of the industrial union.

KL

Release of Chinese metalworker

TAIYUAN CHINA The recent release after one year's imprisonment of metalworker activist Di Tiangui gives encouragement for international trade union campaigns in favour of basic workers' rights in the People's Republic of China.

Di, a retired metalworker from an engineering plant in Taiyuan, Shanxi Province, was arrested in June 2002 after writing a letter to the then Chinese President Jian Zemin and Premier Zhu Rongji requesting the government allow an independent alliance of retired workers from state-owned enterprises.

For having organised these retirees to press for their pension and welfare benefits, Di was charged with "subversion of state", a crime which carries a maximum sentence of life imprison-

ment or execution. It was reported that during his detention he was shackled and beaten, requiring hospitalisation on three occasions.

Over the years, the IMF and other trade union organisations have been campaigning for basic workers' rights in China, which has the sad reputation of having more labour activists in prison than any other country in the world, and widespread violations of internationally recognised labour rights.

The IMF-affiliated United Auto Workers of America (UAW) has such an ongoing campaign and says that the release of Di represents "a big win and shows how international solidarity can make a difference in the lives of workers around the world."

KL

A potential for change

Michael Futshane works at Gearing's Foundry in Cape Town, South Africa. In his country, high unemployment, poor education and hiv/aids create challenges that are unheard of anywhere else globally.

BY AERNOUT ZEVENBERGER

Michael Futshane, 32, checks numbers, ticks off forms – focused, experienced. He seems a confident man, someone who knows what he is doing. He is meticulous in his work, thorough and serious, speaking only when necessary. Futshane wears a black coat and a blue helmet. When all is to his satisfaction, he loads the goods onto a waiting truck.

In Futshane's workplace the smell of oil dominates, coming from ultra thin layers of the liquid over pressure plates and other inner parts of cars no ordinary driver ever gets to see. The smell of oil mixes with that particular one of molten metal. The mix fills the nostrils when one visits Gearing's Foundry, the workplace of Futshane in an industrial area on the plains of Cape Town, South Africa.

Sparks, fires and a yellow-orange colour light up the hall of Gearing's Foundry. Futshane joined the company in 1995 as a contract worker, left his mark as a good worker and climbed the ladder until the first of several waves of retrenchments hit his company. He had many different jobs within the firm and somehow managed to weather the storms. These days he drives the forklift.

SHOP STEWARD

Within Gearing's Foundry, Futshane is the shop steward. "I deal with labour issues. As the vice-chair for my local branch of the metalworkers' union, I also handle problems of sister companies in the region."

The noises of moulding machines and grinders and the work pressure today make it impossible for us to talk. Targets need to be met, and Futshane puts his work first – a serious man.

It is that same impression Futshane left behind just two days earlier, on a Saturday morning when we visited him at the union building, and later in his home of sheets of corrugated iron in Khayelitsha, a township with an estimated one million inhabitants.

Futshane is the vice-chairperson for the Bellville local branch of the National Union of Metalworkers of South Africa, Numsa. On that Saturday morning, he sat behind a desk in a room full of men, most in their thirties and forties.

In the meeting room the temperature is more comfortable than outside – the warmth of solidarity. Outside, the streets of the neighbourhood of Bellville are deserted. Grey weather, winds and rains take away the view on Table Mountain – Cape Town's famous landmark.

Painted on the wall behind Futshane is a life-size emblem of his union: a giant cog wheel with the shape of a person in the middle. Gathered before him are metalworkers who are worried about their jobs, their salaries and their health.


Quietly, the almost seventy men and a handful of women listen to a speech by a health specialist who came by to inform the metalworkers of the particular risks of their profession. "Protect your health, protect your life – it's the only one you have," he tells them. In the South African metal sector people die as a result of unhealthy working condi-

FACTS ABOUT SOUTH AFRICA

Population: 42.8 million

Capital: Pretoria

IMF affiliates: Federated Mining & Allied Industries Workers' Union (FMU); Metal & Electrical Workers' Union of South Africa (MEWUSA); National Union of Metalworkers of South Africa (NUMSA), and the Steel, Engineering & Allied Workers' Union of South Africa (SEAWUSA).



**“I deal with
labour issues”**

MICHAEL, 32



Michael Futshane is meticulous in his work.

PHOTO: Eric Miller

tions. No one knows how many, but people die. "Health is one of our main issues," explains Futshane later. Unhealthy gases, unhealthy infrastructure, the use of asbestos.

MAKE ENDS MEET

Compared to other African countries, the situation in South Africa appears much better. This country has, as opposed to many other African countries, a functioning government, and most laws are in place and more or less implemented. That, however, does not mean life for a metalworker in South Africa is perfect.

Futshane, for example, has to struggle to make ends meet. His pay at the end of each month is 800 rand, about US\$100. "My electricity costs me 150 rand a month alone." His wife, Elsbeth, makes another 500 rand as a domestic worker. "That leaves us about a thousand rand each month for savings, shopping, transport to and from work, and education for our five-year-old daughter, Wendy. That's a tough life. At least, I think it's a tough life."

The walls of the office of Numsa are full of posters. Some campaign against a policy of privatisation, others warn against South Africa's worst scourge of the moment: hiv/aids. One announces a workshop on the theme of "How to realise a socialist society." The old communist emblems still decorate some, but not all, of them.

Futshane is not so much into these, what he labels 'old' issues. "Capitalism is the game. That's a reality, also in South Africa. I personally think it is the role of a union like Numsa to work at improving our lives within that system. That struggle will be a permanent one of profit versus the quality of life. And that is a daunting task."

LIBERATION

The topics on the posters show the interests of Numsa members: pensions, welfare benefits, rights, retrenchments, wage negotiations. Gone are the days when the main agenda of unions in South Africa was political: the fight against the white minority rule of apartheid and its

discriminatory laws. That fight came to a peak in the late eighties, early nineties, and resulted in the liberation of South Africa from terror and dictatorship.

The national umbrella organisation for labour unions, Cosatu, has been in alliance with the government of the African National Congress (ANC) since it gained a ruling majority in the first democratic elections of 1994. Many within the unions are not too happy about that alliance.

SOCIAL RENEWAL

The ANC government has followed what some call a neo-liberal economic policy since 1994, while at the same time implementing a programme of social renewal. It had to open up the country to its majority of blacks who had been sidelined by apartheid. Schools and houses had to be built. Electricity and running water were to be provided. The black majority had to be offered entrance into the economy.

But, in the ten years since majority rule began, blacks have grown poorer by 15 per cent, as was reported in a recent scientific study done in Cape Town, while whites have gained 19 per cent in their income. "Giving the ethnic groups of South Africa their share of its economy is one of the most important issues for labour unions and government alike," says Albert Miller, chairperson for Futshane's branch of Numsa.

For the metal sector, that goal is difficult to reach, argues Daan Rossouw. Rossouw is the human resources manager at Gearing's Foundry, and Futshane's main counterpart at his own company. "Quality-driven modernisation of the sector and the global economic downturn make retrenchments necessary. Our order book is now only half of what it was last year."

South Africa is losing its competitive position, according to Rossouw. Other emerging economies are taking over, like India and Indonesia. "Our labour is not as cheap as it used to be." Gearing's Foundry is about to lay off 72 of its over 280 workers, of whom close to 210 are Numsa members.

The last to come in is the first to go out. This means with a policy of 'black empowerment', which recently opened doors of (especially) management to blacks, those blacks are also to be retrenched first. Rossouw: "That's a problem no one has been able to tackle so far..."

South Africa has an unemployment rate of just over forty per cent – an army of unemployed which would, under raw conditions of social-economic relations, undermine the power base of any union. The alliance of Cosatu with the ANC government, however, has created a strong legal framework for labour to organise.

"However, don't underestimate the outlook of those who hold power in our economy," warns Albert Miller of Numsa.



Gearing's Foundry, Cape Town



Metalworkers ask Futshane about jobs, salaries and health.

"Many of the employers still have the old apartheid and authoritarian attitude."

A huge proportion of that army of unemployed people received bad education as a result of apartheid policies. For decades the best schools in the country were open 'only for whites' – 'slegs vir blankes'. Those in employment need training and retraining. Futshane: "Another big issue on our agenda is education of workers."



Rain pours down. Michael Futshane in his Khayelitsha township.

Here is how several issues come together within the complicated society that is South Africa: unemployment, education and hiv/aids. That triangle creates challenges which are unheard of anywhere else globally.

AIDS CAMPAIGN

Four million people out of a population of forty million are infected with the aids virus. Supplying them with anti-retroviral medication to help fight off the virus will cost the government a fortune. But potentially losing so many people to the aids scourge undermines the economic potential of this country.

For employers it creates, apart from all the moral dilemmas, the almost impossible situation of whom to select for training and further education. As Rossouw points out: "We are training the worst affected group within our company: people between their early twenties and early forties." That group is supposed to be the future of a company, or even of a nation. With aids around, is that particular group still the future?

Futshane, as a Numsa activist, sees the training of workers as one way of creating better circumstances for them individually to climb the corporate ladder, to plan a professional career.

How people plan their lives and how they live their lives are related matters. Having a clear-cut aids campaign is essential for any union in South Africa, and is also to the benefit of employers. The free distribution of condoms within companies is something management and labour do not have to fight about for too long.

"Think ahead", "plan your life" might sound patronizing in other societies; in South Africa it is a role unions want to play, and need to play as well. The apartheid regime never took an interest in the quality of life of the majority of its population. Raising awareness amongst citizens about all kinds of issues was for decades on the list of 'unwanted activities' since awareness and an anti-apartheid stance were seen to be identical.

Futshane somehow escaped the grip of that suffocating system. He makes conscious choices. "My wife and I have one child only. It is just too expensive in this country to have more."

We have moved to his corrugated house in Khayelitsha, a neighbourhood plagued with crime. This is where Futshane built his own, small home. The door to the kitchen can't open anymore. He apologises and walks to the other entrance.

LACK OF SAFETY

Futshane will not be showing us around. His wife doesn't feel well and is resting. His bedroom must measure about 8 by 8 feet. The living room is just about big enough for a cupboard, three armchairs with old upholstery and a small coffee table. Church choirs compete on television in a national contest. The volume has been turned up. Daughter Wendy plays and chatters in Xhosa, offering to share her toys with anyone who joins her.

Futshane: "Life in Khayelitsha? It's not bad. Well, that depends on how you define 'bad' I guess." He wears a neatly ironed pair of trousers and a tie beneath a sweater. "Crime is sky-high here; it governs our lives. It is not safe to walk around at night. Not safe at all."

As Futshane said, lack of safety sets the stage for all and everything – for how people socialise and meet friends or relatives, for how people travel to work, for expenses accrued.

Futshane has to spend 6 rand a day, 164 rand a month, on transport. "When I have to start work at seven in the morning, it's still dark out there. When it's dark you don't walk. You take a minibus to the train station. There it is also dark, and unsafe. Robberies can take place anytime you're there – day or night. Armed or unarmed."

He talks about crime as if it's a normal part of life – which, in South Africa, it is. Especially for the poor. They lack the money to provide themselves with adequate security. Gangs rule their areas. Police officers stay out or "are on the pay".

The living conditions in the townships make for despair, and nihilism. To many, life seems as tough and unalterable as the pressure plates Futshane deals with every day. The unemployment rates and the remainders of the 'philosophy' of apartheid – the rule of the strongest – on a daily basis attack the fundamentals of local society. Futshane seems to accept those living conditions up to a certain point only, namely as a reality that cannot be escaped.

Whereas many others in his neighbourhood have fled into nihilism, Futshane sees a need: "I want my daughter to have a better life" – and a potential for change. Just as he did in the workplace.

"When in the nineties I started working, we had to face a lot of discrimination in pay, positions and promotions. Labour legislation hardly existed, and where it did it was in favour of the employers and not us, workers.

"We engaged our employers. In those days we were dealing with the old style of managers, people who were raised and bred by the apartheid system. They took up tough positions, chose a conflict mode. Those things have changed over time. Nowadays we can talk about issues, resolve them in other ways. Strikes are not the first thing to come to mind when we're faced with seemingly unsolvable problems."

His counterpart at Gearing's Foundry, Daan Rossouw, concludes the same. "I have been in industrial relations for the last fifteen years, and things are fundamentally different from before. Up until a decade ago, conflicts were political in nature, with strikes almost always looming. During the last year or so, 95 per cent of

strikes nationwide are about potential retrenchments or wage negotiations. South Africa has moved from conflict to debate and negotiations. You won't hear any union-bashing from me. We in management need them."

A LONG WAY

Rain pours down on the roof of Futshane's home, turning his corrugated sheets into an orchestra. His neighbour is doing his Saturday home improvement, adding to the sounds of the church choir and chattering Wendy. Futshane likes things neat and orderly, so he grabs a piece of cloth from the kitchen to remove the circles left behind by the teacups on the coffee table. He leans back in his faded armchair.

"We have come a long way. That is not to say we have solved all problems. There still is a lot to be done. We might be ready for a debate on where we want to go, and how we can further educate our members in socialism. To debate how we can continue the struggle for the betterment of the quality of lives of workers. As I said before, that fight will stay with us forever. Profit versus the quality of life."



Molten metal

Cape Town, December 2003: Discussion guaranteed

Little time remains before the IMF's Central Committee meeting in Cape Town, South Africa. For those of you who will attend, but maybe even more for those who won't, we introduce you to some of the main items on the agenda.

BY JESPER NILSSON

At the end of November, delegates from IMF affiliates will hurry to Cape Town for an array of IMF meetings: an African Conference for affiliates in the region, a Finance Committee meeting, an Executive Committee meeting, and – above all – a Central Committee meeting. This is not to mention the hundreds of informal and often very important discussions which take place between affiliates and individual delegates.

Following a change in our Rules, it is now two years between Central Committee meetings, not one year as it used to be. The last venue was Sydney, preceding our 30th World Congress in November 2001 and the one after Cape Town will be held in conjunction with our next Congress, in Vienna in 2005.

The IMF and its affiliates are now halfway through the 4-year Congress period and the Action Programme for 2002-2005. Traditionally, the IMF Secretariat will give the 300 delegates a report of what has been accomplished so far.

In the following pages, we will introduce you to three of the agenda items, beginning with probably the most exciting of them all: a discussion about concrete action for economic alternatives that would challenge globalisation and its negative effects on workers.

Use these few pages as a tool of preparation or as a means to discuss IMF activities with delegates from your union – both prior to and after the meeting. Starting a few days before the meeting, you will be able to follow the Central Committee on the IMF website, at www.imfmetal.org.

The three highlights are:

1. Alternative Globalisation

“Mobilising Toward an Alternative Economic Programme” is the theme of the Central Committee, and its main focus. We give you a brief background.

2. Affiliation Fees and Voting System

A report and proposal will be presented; discussion guaranteed.

3. Report from the Secretariat

The IMF Action Programme forms the basis of the report.

Note: The order of the presentation is not necessarily the same as on the CC agenda.

The full Central Committee material will – as is always the case – be sent to delegates well in advance of the meeting.

CENTRAL COMMITTEE IN A NUTSHELL

Date: December 3-4, 2003

Place: Cape Town, South Africa

Venue: Holiday Inn

Theme: Mobilising Toward an Alternative Economic Programme

Elections: IMF president and Executive Committee members

No. of delegates: approximately 300

1. ALTERNATIVE GLOBALISATION



Trade union rally, Sydney, 2001

PHOTO: Simon Freeman

The **theme** of the Central Committee is “Mobilising Toward an Alternative Economic Programme.” Or, less obscure: How does the trade union movement go beyond verbal critiques of globalisation, programmatic pronouncements and lobbying at the national and global level? How do we **mobilise** affiliates to see it happen?

In Sydney, the Congress decided to support the Action Programme’s emphasis on the impact of globalisation and its effects on our members. This placed a great responsibility on our organisation to support **concrete action** for economic alternatives that would challenge globalisation and its negative effects on workers.

To assist a discussion at this year’s Central Committee meeting, the IMF Secretariat has produced a **background paper**, tentatively named “IMF Strategies for an Alternative Globalisation.” The paper is based on the four familiar pillars of an **economic programme**, as follows:

- job creation and purchasing power;
- regulation of capital movements, including a Tobin Tax;
- debt cancellation, and
- reform of the World Trade Organisation (WTO) and international financial institutions (IFIs).

Policies on economic alternatives have been extensively discussed, debated and agreed upon by the IMF and the **Global Unions** for some time now. The paper is a reflection

of these policies as well as a background document to assist us in our discussions on how to mobilise our affiliates in support of such economic alternatives.

Clearly, such mobilisation has to be carried out in conjunction with the ICFTU and – says the paper – we should make every effort to elicit the support of the other Global Union Federations (GUFs) as well.

Essentially, there are three ways in which **alternatives can be realised**:

- directly **implementing alternatives** to market- and corporate-driven globalisation. Measures that can be directly implemented by trade unions and social movements include dealing with **transnational companies** (TNCs).
- **lobbying governments and global institutions** to implement policies that fully recognise the social and environmental dimensions. This approach must be seen **in conjunction with**:
- **mobilising workers** together with social movement forces to pressure governing institutions to implement our alternatives.

The Central Committee should **set targets and earmark the required funds** for activities to be implemented in 2004 and leave to the Executive Committee to decide on actions for 2005.

2. AFFILIATION FEES AND VOTING SYSTEM

What should a **fair and stable** affiliation fees model for the IMF look like? And how should the voting system be linked to the model?

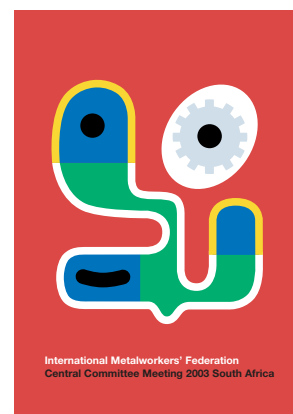
These are the two main questions that the IMF Working Party on affiliation fees and voting system, set up by the Sydney Congress, will try to answer at the Central Committee.

The **fundamental principle** of the IMF is to finance its activities with dues from affiliates. In the sixties, when metalworkers' unions around the world were growing rapidly, the IMF increased its revenues considerably. The IMF laid down a solid financial base and dues remained unchanged for a long time.

In the eighties, when trade unions around the world started to face recruiting problems, the IMF started to use its reserves. Dues were gradually raised from 0.80 Swiss franc

per member per year to **1.10 Swiss franc**. The latter level was reached in 1990 and has remained since then. Consequently, the IMF today has one of the **lowest dues** amongst the Global Union Federations.

Affiliates in **developing countries** pay 60 per cent of the fee level. In addition, the Executive Committee has the authority to decide other amounts, due to the economic and/or political situation in the country and for the union concerned. The Rules have a provision for **exoneration** from full or partial payment.



Central Committee poster

As a consequence of this system, the total affiliation fees **income has remained the same** for a very long time. Total

Marcello Malentacchi, does the IMF have a money problem?

Answer: No. But we have run into deficits these last years, and this situation cannot continue. And for a long-term perspective, we need more resources to be able to fulfil our obligations according to the Action Programme.

Q: *Why are we having deficits?*

A: Our interest income has decreased considerably due to the downturn in the financial markets. And our affiliation income has also decreased, due to the loss of members in many rich countries.

Q: *Is the current system fair?*

A: No, it's not. One reason is that the classification – 100 per cent or 60 per cent dues – is based on country, not on affiliate. But we can have poor affiliates in rich countries, as well as rich affiliates in poor countries. Another reason is that we judge

every developing country alike, for example India on the same level as Taiwan.

Moreover, the current system gives ample space to caprice, and is hard to control.

Q: *What happens if the IMF does not raise its income?*

A: It will be very difficult to carry out the Action Programme. We'll have to reduce our activities accordingly, instead of increase them. But I hope we won't find it necessary to embark on this path. We are a strong organisation; we have clear goals and tasks.



Q: *Also affiliates are pressured. How could they handle an increased fee?*

A: The report of the Working Group is about the fee system, not primarily the fee level. But I want to stress that international trade union work also strengthens the unions domestically.

And let me be frank. There are countries with quite strong unions that do not yet contribute much to the IMF income, for example affiliates in Eastern and Central Europe. As the standard of living rises in those countries, they should contribute more. Another example: Numsa is one of the few unions in developing countries that pays a full fee, which is 60 per cent. I expect affiliates in other countries, for example Brazil, Taiwan, Singapore and South Korea, to do the same.

affiliation fees in 1990 were CHF 9.1 million, while those in 2000 were unchanged at CHF 9.1 million. The significant increase in the membership – depending on how you count, 50 per cent-100 per cent more members now than in 1989 – did not result in an increased income from fees.

If all IMF affiliates paid either 100 per cent or 60 per cent (developing countries) of their dues, the IMF would have approximately **twice as much** financial resources to carry out activities than it has today.

The Working Party **will propose a change** to the current model, in order to simplify the setting of dues. It has

looked into different models used by other Global Union Federations, amongst them giving different fees to affiliates based on the per capita GNP/GDP of their respective countries or based on the purchasing power. All models have their advantages and disadvantages. A final proposal was not at hand when this issue of *Metal World* met its deadline.

The problem with the current **voting system** is to determine the number of eligible votes for those affiliates that do not pay full membership dues. The Working Party has also looked into this and will come up with a proposal in Cape Town.

3. REPORT FROM THE SECRETARIAT

This Report of the Secretariat details the activities of Head Office Teams and Regional/Project Offices towards the goals of the IMF Action Programme.

The year 2002 saw important work in the **restructuring of IMF World Councils**, a key aspect of our drive to respond to the challenges of the transnational corporations. There were a number of **regional automotive meetings** and **international meetings** at company level, as well as international-level activity in **aerospace and electrical & electronics**. The principal goal of these meetings, especially at company level, is of course **International Framework Agreements**, and 2002-2003 saw the signing of agreements with five major corporations, including **Volkswagen and Daimler-Chrysler**.

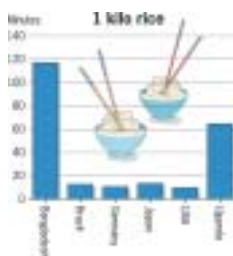
The IMF has also been busy building up **global structures**. By the end of 2002, the IMF's regional and **sub-regional** structure was complete. **Country councils** continue their work, too, and new country councils were established in a number of countries, including Mexico and Argentina. The



South Korea Action Day



Auto meeting



Purchasing power report

IMF also continues to **enhance cooperation** between trade unions at national level, particularly through **training and education**. At national level in 2002, the IMF helped strengthen unions through dozens of activities, from shop stewards' training in Angola to union-building workshops in Thailand.

The IMF has taken action to **aid collective bargaining**. It has mounted successful international solidarity **campaigns**, notably in support of jailed South Korean trade unionists. And it has run projects with the goal of **organising the unorganised**, for example amongst non-manual workers and in Mexico's maquiladora zone.

The IMF attended the third **World Social Forum** in Porto Alegre in January 2003. It has taken action on **Core Labour Standards**, and on making world trade fairer, especially by engaging with plans for a **Free Trade Area of the Americas (FTAA)**. It has worked on the question of **reform** of international financial institutions. And it has demonstrated its commitment to **equal rights**, in particular by taking steps to improve **women's participation** in IMF structures at all levels.

... AND MUCH MORE

In addition to the discussions concerning mobilisation toward an alternative globalisation, the dues and voting system, and reporting of the IMF's activities, there will be much more to keep delegates busy. Guest speakers, the election of new Executive Committee members and a new IMF president, applications for affiliation, a task force on organising, setting up of Congress committees, etc., are also on the agenda.

EPZs – Globalisation's great deceit

The number of Export Processing Zones in the world has increased six-fold since 1995. Largely unorganised, their employees work under poor wages and conditions, with little or no access to unions. The challenge faced by the trade union movement is to find ways to organise workers in EPZs.

BY JENNY HOLDCROFT

The Export Processing Zone of San Pedro de Macorís, east of Santo Domingo in the Dominican Republic, is restricted with gates, razor wire and armed guards. Workers are locked in all day, including during the half hour they are permitted for lunch, and kept there at night until work quotas are completed.

At maquiladoras in Tijuana, Mexico, workers earn around US\$1 per hour, wages so low that workers are forced to live in houses they build from packing cases, in communities without sewerage or running water. Women work 3½ nightshifts per week of 12 hours each. During each shift they are allowed one 10-minute break and one half-hour meal break.

These are two – unfortunately typical – snapshots from the increasingly growing practice of Export Processing Zones. These zones may carry different names – “Maquiladoras,” “Free Zones,” “Free Ports” or “Special Economic Zones,” but they are mainly about two things: tax and duty breaks and cheap, unorganised labour.

The concept of EPZs is not a new one, but in the last 10 years there has been a rapid expansion in the

number of countries with EPZs, in the overall number of EPZs, and in the number of workers employed there (see table on page 25).

The main industries operating in EPZs are electronics and garments, while automotive companies also have a significant presence. Major transnationals, including General Motors, Ford, Toyota, Nissan, Fiat, General Electric, Siemens and Philips, have a presence in EPZs, not to mention the many smaller companies that supply them. According to the OECD, transnationals employ most of the workers in the world's export processing zones.

It is a typical characteristic of EPZs that trade union rights are restricted. Whether this is by law or by a lack of enforcement of existing laws, the result for workers is the same. Few unions have been able to successfully organise EPZ workers.

PROMOTING EPZs

Various groups have been formed to promote the EPZ concept, including the World Federation of Free Zones, the World Economic Processing Zones Association and many country level associations. To sell EPZs to investors they make



IMF SPECIAL REPORT

EXPORT PROCESSING ZONES

frequent reference to the 'bureaucratic procedures' and 'red tape' that can be avoided by creating and investing in EPZs. Naturally, they do not mention that these bureaucratic procedures, to be avoided at all cost, include labour laws to protect workers and guarantee them their rights.

In fact, the impact on workers' wages and conditions is not a question that is considered as a cost of investment in EPZs. Proponents of the EPZ model boast of 'Profitability for All Parties: The Investor, the Economy and the Region' – the workers who contribute their labour to generate the profits are not considered to be among the parties whose interests are at stake.

And yet the impact of EPZ employment on workers' rights, on their pay and conditions is enormous.

IMPACT ON EMPLOYMENT

The International Labour Organisation is sufficiently concerned about the economic and social effects of EPZs that for over 20 years it has monitored their impact on employment. It has also questioned their role in social and economic development in the host countries, noting the lack of information available on whether jobs generated by EPZs are of a long-term nature and the real extent of skills transfer. The ILO has found that in Mauritius over the past 10 years 35 firms have opened in EPZs each year, but the same number have closed down.

In the maquiladoras of Mexico, 250,000 jobs were lost between January 2001 and June 2002, some 15 per cent of the maquila workforce. The companies simply packed up and moved to where wages are even cheaper. The \$1.20 hourly rate in Tijuana cannot compete with the 40 cents per hour that workers in China make. Likewise in other low-wage countries such as Indonesia, Thailand and even Vietnam, China is setting the benchmark for low wages and substandard working conditions that many companies simply cannot resist. The pressure is on countries to compete on wage costs or risk losing vital foreign investment to the lowest bidder.

And this is the great deceit of globalisation. The promise that transnational corporations will bring infrastructure, skills development and economic growth to the countries they choose to invest in gives way to the reality that there are few lasting benefits and devastation when the corporations leave.

CHALLENGING THE DOGMA

Unions are fighting against the persistent dogma of the business community that decent wages and conditions are barriers to investment.



Working in high tech...



...living in shacks

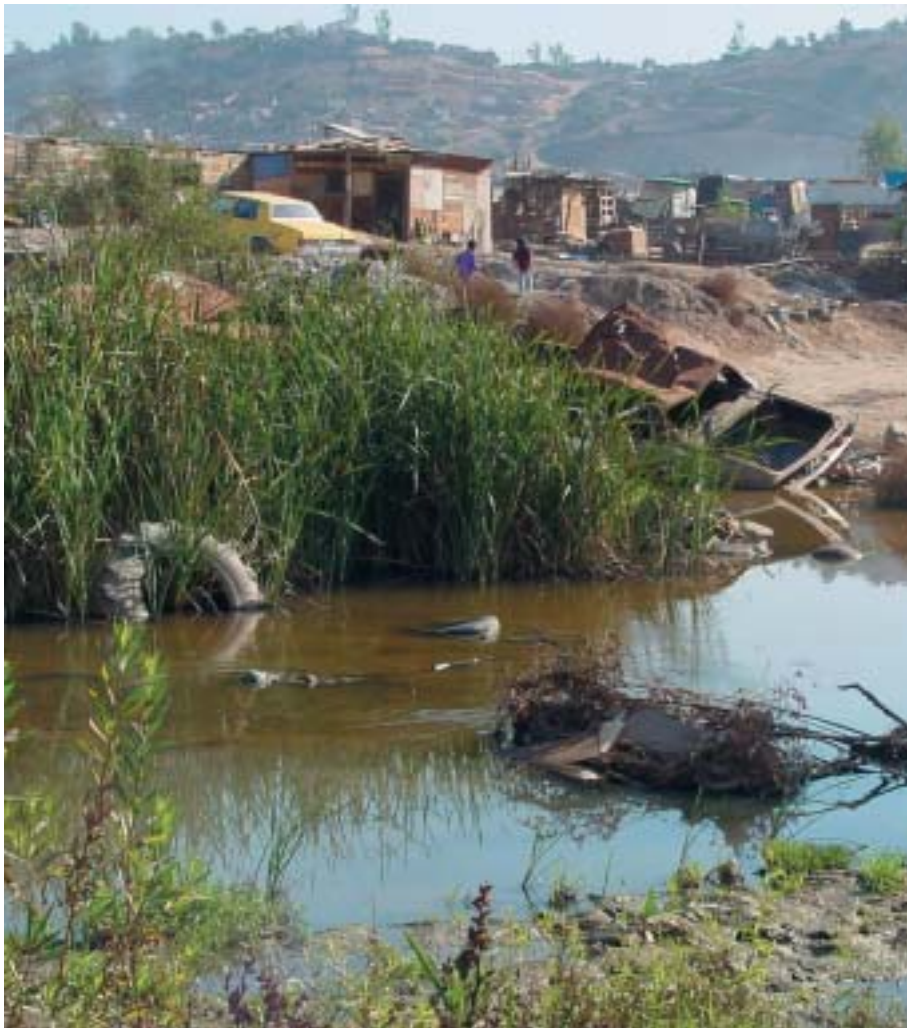
When the Malaysian government set up EPZs, it banned the formation of national unions in the electronics industry as an incentive to foreign electronics companies to invest in the development of that sector. According to the Trade Union Advisory Committee to the OECD (TUAC), 96 per cent of all workers in seven EPZs are employed by foreign transnationals, and electrical and electronics firms account for 65 per cent of all EPZ employment. There is still no national electronics union in Malaysia.

TUAC also points out that minimum wages are not enforced in Malaysian EPZs on the grounds that foreign investors would relocate. Similarly, a UN report stated that:

"It is primarily in the EPZs that workers' rights to join a national union for collective bargaining and/or to strike are largely restricted by governments, based on the belief

IMF SPECIAL REPORT

EXPORT PROCESSING ZONES



Living environment for maquila workers,
Tijuana, Mexico

PHOTO: Jesper Nilsson

that unions will discourage foreign direct investment in the industry.”

Yet the ILO has found that companies are quite capable of adapting to local conditions where countries have an established trade union presence in EPZs and collective bargaining takes place. In fact, such countries “do not appear to have suffered any loss of investment and have the same investor profile as countries which lack trade union infrastructure. In the Philippines, for example, 59 per cent of zone investment is in the electronics sector, and many of the leading electronics firms have increased their investments despite the presence of trade unions in the zones.”

The Global Unions’ group [including the International Confederation of Free Trade Unions (ICFTU), the Global Union Federations (GUFs) and the Trade Union Advi-

sory Committee (TUAC) to the OECD] has endorsed a statement submitted by national unions to their governments for the 5th WTO Ministerial Conference in Cancún in September 2003. Among other measures, it calls for a clarifying statement to the effect that the weakening of internationally recognised core labour standards in order to increase exports, as in EPZs, is an illegitimate trade-distorting export incentive that is not permissible under WTO rules.

Acceptance of such a statement would be a huge change of heart for the WTO, whose director-general in 2001 said that “I see the reflection of the free zones in almost every part of the world actually as a testimonial to the importance of the free zones to facilitate free and fully competitive trade, which is one of the principles of the World Trade Organisation.”

IMF SPECIAL REPORT

EXPORT PROCESSING ZONES

While workers in EPZs in general face low pay and poor working conditions, EPZs are notorious for their exploitation of women workers, who account for as many as 90 per cent of the workforce in some zones.

WOMEN WORKERS

Typically, women's wages are 20 per cent to 50 per cent lower than those of males working in the same zones. Long working hours coupled with overtime and nightshifts lead to women leaving EPZ employment before they reach the age of 25. Accounts of women being forced to undergo pregnancy tests abound.

The Sri Lankan government spent millions on providing infrastructure for companies in EPZs but they did not build any hostels to house the influx of migrant workers, mainly from rural areas all over the island. A women's organisation working in the zones says "the majority of these migrant workers are young women in their late teens and early twenties who are herded together inside small rooms in temporary structures. The majority sleep on the floor."

Legislation restricting night work for women in Malaysia has been cancelled to allow factories to operate 24 hours a day. Women in EPZs work excessive hours: more than 90 per cent work more than 48 hours per week and in some instances they are required to work a further eight hours' overtime after their eight-hour shift. Promotion prospects are low for women, who are predominantly employed as semi-skilled or unskilled workers.

HARD TO ORGANISE

Existing labour laws either don't apply or are flouted with impunity by employers. In Bangladesh, the zones are

exempted from the Industrial Relations Ordinance and investors are informed of the absence of unions as an incentive to invest (see also article on page 30).

The companies that choose to locate in EPZs are looking for cheap labour and exemptions from social obligations, good reasons to strongly resist union attempts to improve wages and conditions. In Sri Lanka, the law requires that unions be recognised in a workplace if 40 per cent or more of the workers belong to the union; yet employers still manage to refuse to recognise properly registered unions, in violation of the national law and of ILO Conventions Nos. 87 and 98. The Free Trade Zone Workers' Union (FTZWU) has formed eleven branches of which only one has been legally recognised. Of the ten branches pursuing recognition through the courts and through campaigns, four have been crushed.

EPZs are often set up in economically deprived areas where labour is cheap and workers are more fearful of losing their jobs if they make demands. Many workers in the maquiladoras of northern Mexico have relocated from even more economically deprived areas and can even less afford to put their jobs at risk.

The predominance of women in EPZ employment is a further barrier to union organisation.

TRADE UNION RESPONSES

Organising in EPZs calls for ingenuity and flexibility to overcome the not inconsiderable obstacles put in the way by governments and employers who would rather keep unions out of the zones.

In Maharashtra, India, a small woman in her thirties, Sanjita Jabwala (name changed), is an organiser in the

A rapid expansion

The International Labour Organisation (ILO) has adopted a broad definition of what may constitute an EPZ, namely 'industrial zones with special incentives set up to attract foreign investors, in which imported materials undergo some degree of processing before being (re-)exported again'. Under this definition, EPZs can include free trade zones, special economic zones and maquiladoras in Mexico.

'Special incentives' take a range of forms, but typically include tax breaks, duty free imports and exports, and provision of infrastructure. EPZs tend to be located in regions where workers are plentiful and wages are low.

In the last 10 years there has been a rapid expansion in the number of countries with EPZs, in the overall number of EPZs, and in the number of workers employed there (see table).

Table 1: Estimates of the development of export processing zones

	1975	1986	1995	1997	2002
No. of countries with EPZs	25	47	73	93	116
No. of EPZs	79	176	500	845	3,000
Employment (millions)	n.a.	n.a.	n.a.	22.5	43
– of which China	n.a.	n.a.	n.a.	18	30
– other countries for which figures available	0.8	1.9	n.a.	4.5	13

Source: ILO Governing Body Committee on Employment and Social Policy agenda paper, March 2003. Data available for 108 countries.

IMF SPECIAL REPORT

EXPORT PROCESSING ZONES



“Business info Bangladesh”:
Absence of unions as
an incentive to invest.

Santa Cruz EPZ. She can freely enter the area, thanks to an identity card that the union has managed to get her. Organising workers in the EPZ is a difficult and dangerous task as Sanjita has to face the hostility of the employers and the mafia-like yellow unions.

In the Dominican Republic, IMF affiliate FENATRAMIM has a method of organising in the EPZs that involves making contact with the workers outside of the workplace. Two or three leaders are identified in each factory who then get the home contact details of the other workers on the pretext of inviting them to a fiesta. Once the initial contact has been made in a social situation, organisers visit the employees at their houses to discuss the union.

Brazilian affiliate CNM/CUT is involved in a project in the Manaus EPZ to strengthen the presence of the union in Nokia. The project starts by training 15 workers who could become union representatives in the workplace and aims to eventually form a World Council of Nokia members and to negotiate an international framework agreement (IFA) with the company. The intention is that the union organisation will be able to spread to other companies within the Manaus EPZ.

In some countries unions specialising in organising within EPZs have been formed, such as the Free Trade Zone Workers' Union in Sri Lanka and FENATRAZONAS in the Dominican Republic.

EPZs are one of the most difficult organising challenges faced by unions. Persistence and a certain amount of creativity are urgently needed to reach this exploited group of workers. Transnational corporations will take advantage of low labour standards and wages to increase their profits to the extent to which they are able. The labour movement must unite to raise labour standards across the globe and prevent corporations from playing one country's workers off against another's.

That is why one of the IMF's priorities is to implement international framework agreements (IFAs). These are agreements between the global labour movement and transnational corporations (TNCs) at a world level. Most EPZ employment is with TNCs and IFAs provide an opportunity to influence their employment practices in the zones.

But IFAs alone are not enough. The best way to improve conditions for workers, especially women workers, trapped in these low-wage jobs is to build a strong labour movement throughout the world.

ON TO NEW JOBS



Fefelov to lead AFW

RUSSIA In June, the Automobile and Farm Machinery Workers' Union of the Russian Federation (AFW) elect-

ed a new president, Andrei Fefelov. Fefelov is the successor of July Novikov, who retired as AFW leader on June 1.

Andrei Fefelov, aged 42, is a graduate of the Moscow automotive technical school. He was formerly employed as a toolmaker and became a foreman at the ZIL plant in Moscow, where he was elected shop steward. In the local trade union at the ZIL plant, he worked as an economic and social expert, then in health and safety and later was elected vice-chairman of the local. In 2000, he became a vice-president of the AFW, serving in this post until his election as president in June 2003.



Tony Woodley

GREAT BRITAIN On May 31, Tony Woodley was elected to succeed Bill Morris as general secretary of the 850,000-strong Transport & General Workers Union, Britain's third largest trade union. Woodley, 54, will take over as T&G chief upon the retirement of Morris later this year.

Referred to as a "left-winger", Woodley says he aims to put labour back into the Labour Party.

Woodley is an experienced trade union negotiator in the automotive industry, having dealt with companies such as Ford and Vauxhall.



Thorkild E. Jensen

DENMARK On September 10, Thorkild E. Jensen was elected president of the 150,000-strong Danish Metalworkers' Federation, Dansk Metal. He is succeeding Max Baehring, who will retire.

Thorkild E. Jensen has been the vice-president of the union, and in that respect responsible for collective bargaining.

Max Baehring will stay on as president of the Nordic Metalworkers' Secretariat until June 2004, and as such continues to represent the Nordic unions in the IMF Executive Committee.

IN MEMORIAM



Claudio Sabbatini

ITALY Claudio Sabbatini, passed away on September 3 in his hometown of Bologna, at the age of 65.

General secretary of the Italian metalworkers' union FIOM-CGIL from 1994 until 2002, Claudio was for many years in the national leadership of the trade union confederation CGIL. From 1994 to 1997, he also served as a member of the IMF Executive Committee.

Claudio was greatly valued as a trade unionist. In a letter of condolence to the FIOM-CGIL, Marcello Malentacchi, IMF general secretary, said: "For me personally, the death of Claudio represents the loss of a friend."



Sohan Lal Passey

INDIA Sohan Lal Passey passed away on May 13, 2003, at the age of 77.

S.L. Passey was a key person in organising steelworkers in the trade unions of Jamshedpur, served as secretary of the Tata Workers' Union, and for over ten years was president of the Rourkela Steelworkers' Union and a national secretary of the Indian National Trade Union Congress.

Devoted to trade union education, health & safety and the environment, Passey established a steelworkers' institute in the early 1980s together with the Tata Metalworkers' Union, to train trade union leaders on safety and health conditions in the workplace, and helped the IMF with its health and safety programmes in India.

CNM-CUT utilizes DaimlerChrysler IFA

SÃO BERNARDO BRAZIL The IMF Brazilian affiliate CNM-CUT has started a campaign to negotiate union representative bodies which ultimately aim to cover 35 contracted companies within DaimlerChrysler's São Bernardo plant. The campaign utilizes the "freedom of association principle" in the DaimlerChrysler International Framework Agreement, one of the five IFAs signed so far by the IMF.

The left-wing Lula government is working on a reform of Brazilian labour law which is expected to include action on ILO Convention No. 87, on freedom of association, which has not been ratified by Brazil. However, the DaimlerChrysler IFA says "...freedom of association will be granted even



in those countries in which freedom of association is not protected by law."

Valter Sanches, CNM-CUT representative at the São Bernardo plant, explains that CUT "in practice" already represents the 1,200 workers at the contracted companies, helping them in their struggles, bargaining with the companies, etc. But the workers may not, under the current law,

be members of the CNM-CUT, and other unions keep collecting fees from them without effectively representing them.

This practice will not be changed only by the election of truly representative bodies within the contracted companies. Nevertheless, says Sanches, "their autonomous organisation will be improved." CNM-CUT has already reached agreements with three of the 35 companies in this respect.

The DaimlerChrysler IFA has also proved to be helpful when two major DC suppliers recently fired some union representatives. "Among other means we used was the DC IFA, to put pressure on the suppliers to rehire the unionists. And they did," says Sanches.

Trade union networking

SÃO PAULO BRAZIL Why are transnational companies still so important today and why does the trade union movement need to study them? This was the main question asked by the representative of the French trade union center CFDT, Thierry Dedieu, during the first day of the Seminar on Trade Union Networking and International Framework Agreements, which took place in August in São Paulo, Brazil. During the two-day seminar, trade union leaders from transnational companies from all over the country met.

The international relations officer of the Brazilian trade union center CUT, João Vaccari Neto, asked why foreign companies want to operate in Brazil under Brazilian law rather than under the laws or rules which govern where their headquarters are based; as far as Brazilian companies operating abroad are concerned, they prefer Brazilian law to that of

other countries where they have business.

Jeroen Strengers, representing the Dutch trade union FNV Mondiaal, mentioned the need for organising workers at international level. "In many cases, we have to face transnational companies which have international structures and decision guidelines. In my opinion, the trend in the trade union world should also be towards globalisation. As companies do, we should globalise and create global trade unions," declared the Dutch trade unionist.

These were some of the important issues which, in addition to other analyses, doubts and experiences, contributed to the seminar debates organised by the CUT/FNV programme on how to deal with the challenge of transnational companies.

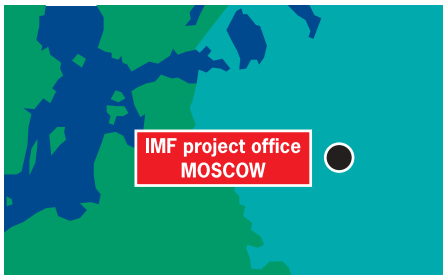
Workers from 26 transnationals operating in Brazil were present. In addition to the Brazilian Petrobrás and

Bradesco, there were those employed by companies such as Unilever, DaimlerChrysler, Santander, ABN Amro Bank, Colgate-Palmolive, Akzo Nobel, ThyssenKrupp and Ahold. During the two-day meeting, trade union leaders exchanged experiences in creating information networking for workers and negotiation of global agreements with their company headquarters.

To help describe the situation of workers with regard to transnationals, there was an assessment of International Framework Agreements and their negotiation. This was the main topic addressed during the meeting by Pieter Sijbrandij, from Observatório Social, and discussion concerned the growing increase in the globalisation of production and the fact that transnational companies behave differently according to the country in which they are operating.

*Reported by V. Pedro,
Observatório Social*

Four years of fruitful work



SAINT PETERSBURG RUSSIA With the completion of the first IMF project in Russia, results were summed up at the final seminar which took place in Saint Petersburg on August 25-27.

During the four-year period, 18 project participants, members of the Automobile and Farm Machinery Workers' Union, studied the experience of the Finnish Metalworkers' Union in the field of occupational health and safety. The training programme included learning about the "Elmeri" system, teamwork and dia-

logue in the workplace, a zero accident approach and health and safety practice. The participants produced training material, taking into consideration the particularities of Russian industry, and an edited version of this information will soon be available on the IMF's Russian-language website.

But the most important result of the project is that the union gained 18 well-prepared specialists in the sphere of occupational health and safety, who will share their knowledge with their colleagues and prepare new trainers in this field. For this purpose, new seminars will be organised. So, although the project has been completed, the work, on the contrary, is to be continued and intensified.

David Seligson, IMF director for Education and Projects, Jukka Kärnä, chairman of the Council of the Finnish Metalworkers' Union, and Wiking Husberg, senior specialist for



Seminar participants

Occupational Safety and Health at the ILO Moscow Office, attended the final seminar, as did representatives of the following IMF Russian affiliates: the Miners & Metallurgical Workers' Union of Russia, the All Russian Defence Industry Workers' Union and the Machine Builders Workers' Union.

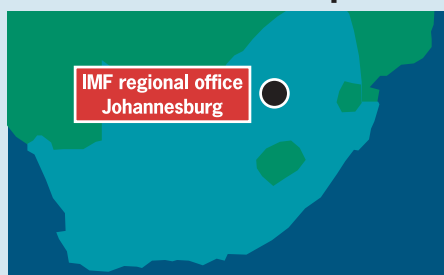
Southern Africa priorities

MAPUTO MOZAMBIQUE On June 10-12, 2003, about 30 delegates – of whom 10 were women – from 8 countries representing 12 IMF affiliates met in Maputo, Mozambique, for an IMF Southern Africa Sub-Regional Committee Meeting.

The meeting focused on developing priorities and an action plan for the region, guided by the IMF Action Programme. This meeting also discussed challenges facing the labour movement in the region, especially the metalworkers, and the economic situation in the sub-region.

The meeting resolved priorities for the region which included:

- building strong, democratic, workers-controlled unions;
- building unions which will be involved in developing a stronger labour movement in the region, a



movement which can influence the current discussions on economic and political changes on the continent;

- unions working closely with other civil society movements;
- improving communication among IMF affiliates and the regional office;
- building women's structures in the unions, as well as the capacity of women workers to take leadership positions in unions;

- the regional office putting increased effort in uniting metalworkers and unions in the region.

The meeting also developed a timeframe for all these decisions to be implemented.

For the short-term, the meeting decided what the affiliates should focus on during the rest of 2003. Two examples were: to ensure that governments in the respective countries comply with ILO core labour standards, and to use the international framework agreements signed by the IMF to put pressure on transnational companies and their suppliers to improve conditions for workers.

The Southern Africa sub-region consists of Angola, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe.

Shipbreaking project launched

MUMBAI INDIA The IMF project “Organising Metalworkers in the Shipbreaking Industry in India”, reported on in the last issue of Metal World, has been formally launched in Mumbai (previously known as Bombay).

This project, which starts in Mumbai and is planned to extend later on to the much larger shipbreaking sites in Alang and Sosiya, will attempt to address the fundamental problems of the workers by providing them some basic services and motivating for organising.

The pilot project was launched in the presence of T. Dyvadheenam, the regional representative for the IMF South Asia Office; Shanti Patel, president of the Steel, Metal & Engineering Workers’ Federation-India (SMEFI); and Vidyadhar V. Rane and Sanjay S. Vadhavkar, president and general secretary respectively of SMEFI-Maharashtra.



IMF regional representative T. Dyvadheenam (centre) discussing with shipbreakers.

The trade unionists also visited the Darukahana shipbreaking worksite in Mumbai, where the IMF regional officer listened to workers’ grievances and noted the difficulties they are facing. Dyvadheenam described the

project liaisons made with the Port Authority of Mumbai, Health and Safety Authority, St. John Ambulance Brigade Authority, etc. for the purpose of providing safe drinking water and first aid facilities to these workers.

EPZs: Bangladesh government in dilemma

DHAKA BANGLADESH The government of Bangladesh is in a dilemma over whether to allow trade unions into the export processing zones (EPZs) from January 1, 2004, a deadline set two years ago.

The indecision stems from threats made by a number of foreign investors who have warned they would withdraw from the EPZs and go to court if trade unions were let in. They point out that when they invested in the EPZs the government promised in writing that unions had no place in the specialised zones.

On the other hand, the United States recently reminded the Bangladesh government of its promise to the U.S. trade representative (USTR) to allow trade union activities. The U.S. reminder came after the American



Federation of Labor – Congress of Industrial Organizations (AFL-CIO) reiterated in the beginning of this year an earlier petition to the USTR to deny Bangladesh special trade benefits unless it reverses discriminatory labour policies.

According to the Daily Star newspaper in Dhaka, the executive chairman of the Bangladesh Export Processing Zone Authority (BEPZA)

asked: “How can we allow unions in the EPZs since foreign investors were assured by the government that the zones were free of such activities?” He also said he needs more time to allow trade unions in the EPZs.

Reports indicate the government has formed a committee to hammer out ways for delaying the January 1, 2004, deadline. There is a risk that the right to organise trade unions in the EPZs is back to square one, unless a popular intervention will come.

The first EPZ in Bangladesh was set up in Chittagong in 1983. In the following years trade unions began to function, but their activities raised eyebrows among the foreign investors. Due to their pressure, the government banned trade unions in EPZs in 1986.

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 is representing 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 2001, 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 18 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 world-wide activities are coordinated with a network of regional 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.

The IMF has also developed regional and sub-regional structures for Africa, Asia and Latin America. In these three regions, the IMF has altogether 11 sub-regions which meet regularly. 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. In addition, there is a standing working party on work organisation.



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

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Calendar 2003

SEPTEMBER

- 23 - 24 SKF World Union Council
Luton, UK
- 24 IMF Working Party on Affiliation Fees and
Voting System
Geneva, Switzerland
- 25 IMF Working Party on International
Framework Agreements
Geneva, Switzerland

OCTOBER

- 1 - 2 IMF/SPMI National Meeting for Women
Indonesia
- 5 - 6 IMF World Aluminium Conference
Montreal, Canada
- 6 - 8 IMF Asia-Pacific Auto Conference
Bangkok, Thailand
- 9 - 11 IMF-Indonesian Women's Workshop
Jakarta, Indonesia
- 13 - 17 Tanzania/Numsa Exchange Activity
Dar Es Salaam, Tanzania
- 17 - 19 IMF/SASK/TEAM Workshop
Bangkok, Thailand
- 23 IMF Women's Committee Meeting
Geneva, Switzerland
- 30 IMF Workshop on Organising Women
Workers in East Asia
Seoul, Korea
- 31 IMF East Asia Sub-Regional Committee
Meeting
Seoul, Korea

NOVEMBER

- 4 - 5 IMF Asia-Pacific Regional Conference
Coordinating Committee Meeting
Kitakyushu, Japan
- 6 - 7 Steering Committee Aerospace
and Working Group Airbus-Boeing
Hamburg, Germany
- 8 - 9 IMF Workshop on Formation
of Philippine Metalworkers' Alliance
Manila, Philippines
- 10 - 11 Seminar on Non-Manual Workers
Geneva, Switzerland
- 12 Working Group on Non-Manual Workers
Geneva, Switzerland
- 28 - 29 IMF African Regional Conference
Cape Town, South Africa

DECEMBER

- 2 IMF Finance Committee Meeting
Cape Town, South Africa
- 2 IMF Executive Committee Meeting
Cape Town, South Africa
- 3 - 4 IMF Central Committee Meeting
Cape Town, South Africa

IMF

Workers win two-year dispute

An industrial tribunal has found in favour of workers who charged their employer with unfair dismissal.

SHEFFIELD GREAT BRITAIN The longest running industrial dispute in Britain, at William Cook Foundry in Sheffield, ended in August. After being on strike for well over two years, 39 workers won their case against their employer for unfair dismissal and will be compensated.

The clash began in April 2001 when, after little or no wage increase for years, company management demanded a pay cut of £80-£120 per week. The workers decided enough is enough. They resolved to try negotiations but to also put plans in place for industrial action. When the company heard about plans for a ballot, they tried to threaten the workforce – sign up to the new contract or you're sacked! Incensed, the workers staged a one-day strike on April 12, 2001. When they tried to return to work the following day, they had been locked out, and were told they could not come back unless they signed the bosses agreement.

Thus began the long strike.

SCAB LABOUR

The pressure to drop the action began immediately. Scab labour was brought in, and the sackings began. The workers went through the official appeals procedure. But the message from the company remained the same all along: "We don't need you, we've employed other people, we're not having you



The solidarity rally in June gathered hundreds of supporters.

back." They had no other option but to keep up the picketing and take their case to an industrial tribunal.

After two years of waiting, and a total of seven industrial tribunal dates, most of which never got off the ground, the tribunal finished hearing evidence late this spring. Awaiting the verdict, Amicus and other trade union members and activists gathered on June 7 in Sheffield to give solidarity to the workers from the foundry. Several hundred supporters from around Britain marched throughout the town before congregating in the main square for a rally with speakers addressing the meeting from the town hall steps.

At the rally Eddie Grimes, William Cook's trade union convenor, thanked people for their support and for all the help they had received over the last two years. Derek Simpson, general secretary of Amicus-AEEU, condemned the lack of employment

protection for workers in Britain, compared with those in Europe.

He also condemned the slow pace of the tribunal process. "It is a scandal that the workers at Cook have had to wait over two years for justice," he said.

UNFAIR DISMISSAL

In August, at last, the industrial tribunal found in favour of the workers, who had charged their employer with unfair dismissal.

In a press release issued by Amicus, the union's joint general secretary, Derek Simpson, stated that he welcomed "the tribunal decision in support of our members which vindicates our position that the employer acted improperly. It's also another nail in the coffin for the law that enables an employer to sack workers if they've been on strike for more than eight weeks."

DES HEEMSKERK