



International Metalworkers' Federation
**Survey on Changing Employment Practices
and Precarious Work**





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Practices and Precarious Work**

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Introduction

Metalworkers globally confront a deepening challenge as employers attempt to make the terms and conditions of employment more precarious. Many national governments and international financial institutions promote policies that would, if enacted, weaken rather than strengthen social and economic protections. This tendency is pronounced and clearly identified by metalworking unions around the world with forms of employer pressures to outsource, sub-contract and use contract and temporary labour instead of employing permanent workers. Ninety per cent of the unions that responded to this survey indicated that the share of precarious workers in the metal sector had increased during the last five years.

It is a challenge that starts with the powerful transnational companies situated at the top the sector's production chains that reach globally across their suppliers, contractors, sub-contractors and labour brokers. Two out of three unions responding to the survey said companies in their country were shifting from directly employing temporary workers to hiring them through agencies or brokers. In today's corporate-led globalisation, these transnational companies are the real "principle employers" in the sector, greatly influencing the employment practices used and the consequent terms and conditions of work.

Among the things that this IMF Survey on Changing Employment Practices and Precarious Work shows is that confronting the realities of precarious work means taking on the ideas, practices and policies driving the inequalities that increasingly threaten to divide our world, impacting our work places and communities in fundamental ways. The survey confirms to what extent employers evade their obligations to precarious workers with respect to social security and pensions, maternity and family leave, overtime payments, vacation and holidays, and occupational health and safety. It also points to how precarious conditions disproportionately impact young workers, women workers, those with limited or no skills, and migrant workers, and how wages of precarious workers are much less than for permanent workers.

The focus of the IMF Central Committee in November 2007 is "Global Action Against Precarious Work", and what unions have indicated in their responses to this survey is how pressing our need is for collective action to respond to the challenges. Nine out of ten unions indicated workers in their country feel less secure as a result of changing employment relations. Metalworking unions are responding concretely on multiple fronts, through collective bargaining, through organizing and education and through legislative and political change. This survey helps focus on the critical parts of our strategy. Metalworking unions' collective action against precarious work is a foundation for our solidarity and achieving our collective goal of a more just and sustainable world for all.

Marcello Malentacchi
General Secretary

I. Summary of survey results

In total, 54 unions responded whose combined members represents 62 per cent of the global IMF membership. All geographic regions of the IMF are represented, with all but one region having multiple respondents.

The survey had three main parts. The following summarizes the finding for each of these. Detailed findings are provided in section III of this report.

1. Extent and nature of precarious work

- Nine out of ten respondents replied that the share of precarious workers in the metal sector had increased during the last five years.
- One-third of the unions indicated that precarious jobs comprised up to one-fifth of the workforce in their country's metalworking sector. Another 44 per cent said such jobs accounted for between one-fifth and a half of their nation's metal sector workforce. And for 13 per cent of respondents, precarious work makes up more than half their respective employment in the sector.
- Each of the industries comprising the metalworking sector has been affected by changing employment practices. The electrical and electronic industry was identified most frequently among unions as relatively more affected by precarious work, with 58 per cent of the replies indicating this. The automotive industry was the second most frequently cited, with half the respondents sighting it. Steel/nonferrous was identified by 40 per cent of the unions, mechanical engineering by a third of respondents, shipbuilding industries by 29 per cent and aerospace by 11 per cent.
- Practices identified as most extensively used by principal companies to shed and/or exclude workers include on-site contracting, direct hire on temporary labour contracts, hiring in labour via agencies or brokers, and outsourcing (off-site). Among the practices most extensively used by contractors and subcontractors are direct hire on temporary labour contracts, on-site contracting, and hiring in labour via agencies or brokers.
- Two out of three unions responding said that companies in their country were shifting from directly employing temporary workers to hiring them through agencies or brokers.

2. Challenges facing precarious workers

- Survey results confirm that precarious conditions disproportionately impact young workers, women workers, those with limited or no skills, and migrant workers.
- Employers are evading their obligations to precarious workers across all the areas identified by the survey including social security and pensions, maternity and family leave, overtime payments, vacation and holidays, and occupational health and safety.
- Nine out of ten unions responding indicate workers in their country feel less secure as a result of changing employment relations.
- Wages of precarious workers are much less than for permanent workers, said two-thirds of respondents. Among the unions replying that this is so, one-third indicated that wages of

precarious workers were less than 50 per cent those of permanent workers. Another quarter of the respondents indicated that wages of precarious workers were from 50 per cent to less than 75 per cent that of permanent co-workers.

3. Trade union responses

- Survey findings indicate that collective bargaining objectives of trade union responses to precarious work exist in three groups. The top group of collective bargaining objectives includes converting precarious jobs to permanent, guaranteeing equal pay for similar work, and ensuring trade union rights. A second group of such objectives includes ensuring non-discrimination, protection against dismissals, and reducing / limiting allowable time periods. Finally, a third level objective for responding includes training and upgrading skills.
- As regards trade unions legislative objectives to respond, the top two objectives include ensuring social security protections, and protecting against dismissal. The next objective noted is reforming laws to facilitate organizing. A lower-ranked legislative objective is reducing / limiting allowable time periods.
- The obstacle to union organizing of precarious workers most identified in the survey is government legislation. Union membership opposition, or union rules and structures, tend not to be viewed as significant obstacles to organizing precarious workers.
- The actions identified as most important among union strategies regarding precarious workers include first and foremost recruiting these workers into existing unions. The next most important action is educating members on precarious work. A third set of actions include educating workplace union officials, ensuring participation of precarious workers in all union activities, and providing legal counselling. Including a provision in International Framework Agreements on principal employer responsibilities on precarious work was also identified as an important action. Supporting and assisting precarious workers to build their own unions is generally not among the identified strategies in use.

II. Terms and concepts used in survey questionnaire

Precarious work is the result of employment practices by employers designed to limit or reduce their permanent workforce to a minimum, to maximize their flexibility and to shift risks onto workers. Resulting jobs typically are non-permanent, temporary, casual, insecure and contingent. Workers in such jobs often are not covered by labour law and social security protections.

Employment practices associated with precarious work include the following:

- Direct hire on temporary labour contracts for fixed or limited term or fixed task,
- Hiring in labour via employment agencies or labour brokers,
- Contracting out functions to other companies (off site or on-site),
- Personal labour contracts as bogus 'self-employed' workers,
- Abusive probationary periods,
- Disguised employment training contracts,
- On call / daily hire,
- Illegal or involuntary part-time work, or
- Homeworking.

Types of companies in the "contracting chain":

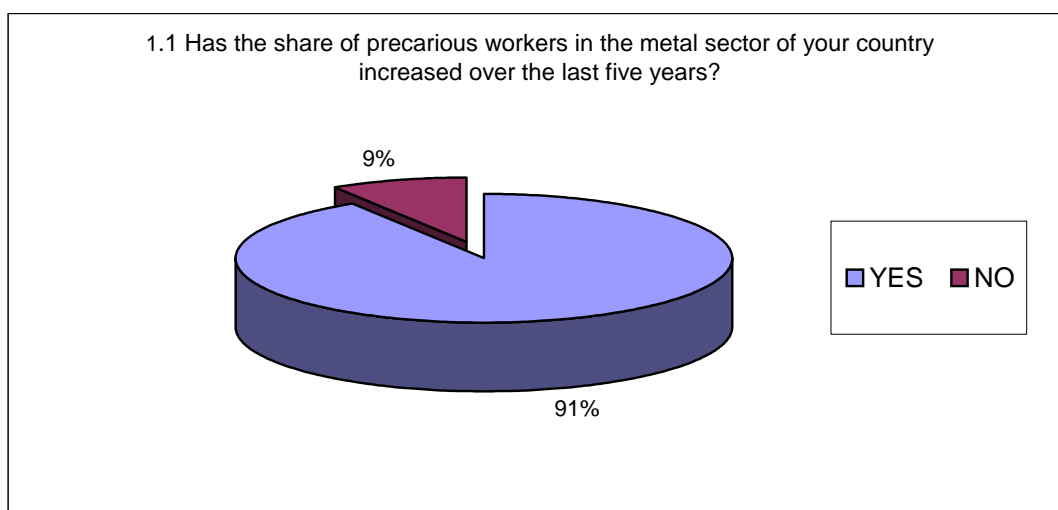
- *Principal company* - The company that is at the head of the contracting chain. In many cases in the metal working industries, the principal companies are transnational corporations that control their respective global production chains comprised of suppliers and a distribution network. Principal companies can also of course be national or local in scope.
- *Contractor* - A company that has a commercial contract to undertake work for a principal company. This includes operations formerly owned by the principle company and sold or split off. Contractors can range from transnational corporations to national and locally based companies.
- *Subcontractor* - A company that has a commercial contract from a contractor; often subcontractors themselves subcontract thus creating third- and fourth-party contracting.
- *Contracting out* - A company enters into a commercial contract with another company to provide products or services over a period of time.
- *Outsourcing (off-site)* - Functions are contracted out to a service or manufacturing company operating off-site. When the work goes to other countries, 'off shoring' results.
- *On-site contracting* - Operations continue to take place on-site; the difference is the workers are no longer employed by the principal company but by a contractor.

III. Detailed findings

1. Extent and nature of precarious work

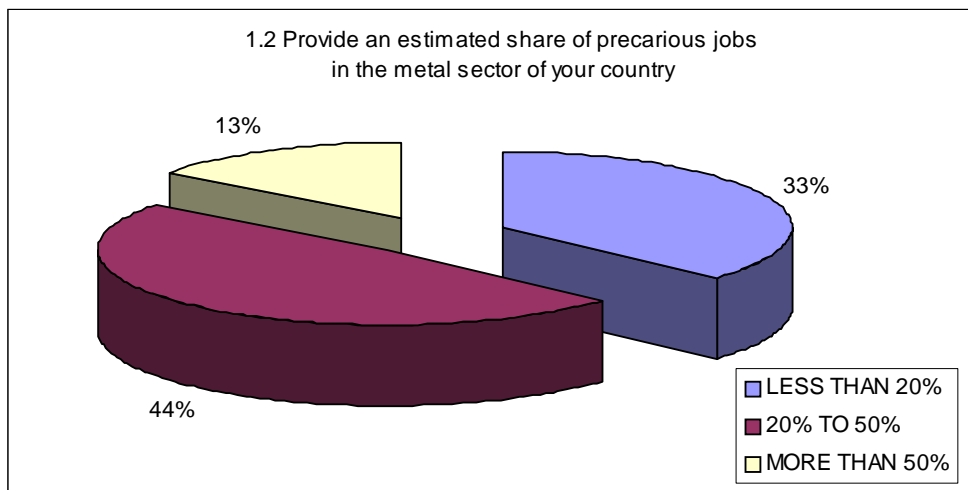
1.1. Has the share of precarious workers in the metal sector of your country increased over the last five years?

YES	91%
NO	9%



1.2. Provide an estimated share of precarious jobs in the metal sector of your country:

LESS THAN 20%	33%
20% TO 50%	44%
MORE THAN 50%	13%



"Including workers with precarious links and outsourced workers. Outsourcing is the most common practice that jeopardizes work in the Brazilian Metal Industry."

CNM-CUT, Brazil

"Around 37,400 temporary women workers are in the sectors represented by the GMTN (around 10 per cent of the total occupation are in the Metal Industry.)"

GMTN, Austria

"24.72 % (data from the 2nd quarter 2005 from the Active Population Survey issued by the National Statistics Institute)."

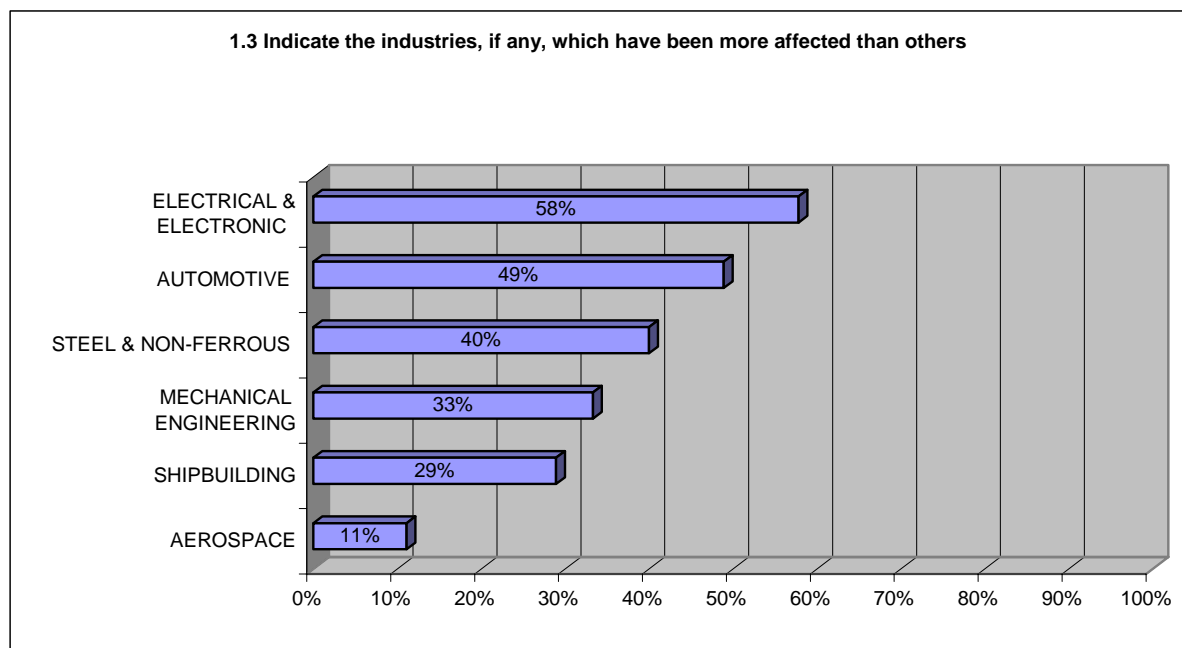
MCA-UGT, Spain

"Less than 5 % (in shipbuilding industry)."

SWU, Russia

1.3. Indicate the industries, if any, which have been more affected than others:

Electrical & Electronic	58%
Automotive	49%
Steel & Non-Ferrous	40%
Mechanical engineering	33%
Shipbuilding	29%
Aerospace	11%



Comments:

"The most affected industries have been included in the CNAE 35 which is known as "other transportation equipment" that comprises the following sub-sectors and rate of temporary employment in each:

<i>Shipbuilding</i>	<i>37.19%</i>
<i>Aerospace industry</i>	<i>28.02%</i>
<i>Production of motorcycles and bicycles</i>	<i>67.51%</i>
<i>Production of railway equipment</i>	
<i>Production of other transportation material</i>	

The overall rate of temporary employment in this group has been 32.53 %.

MCA-UGT, Spain

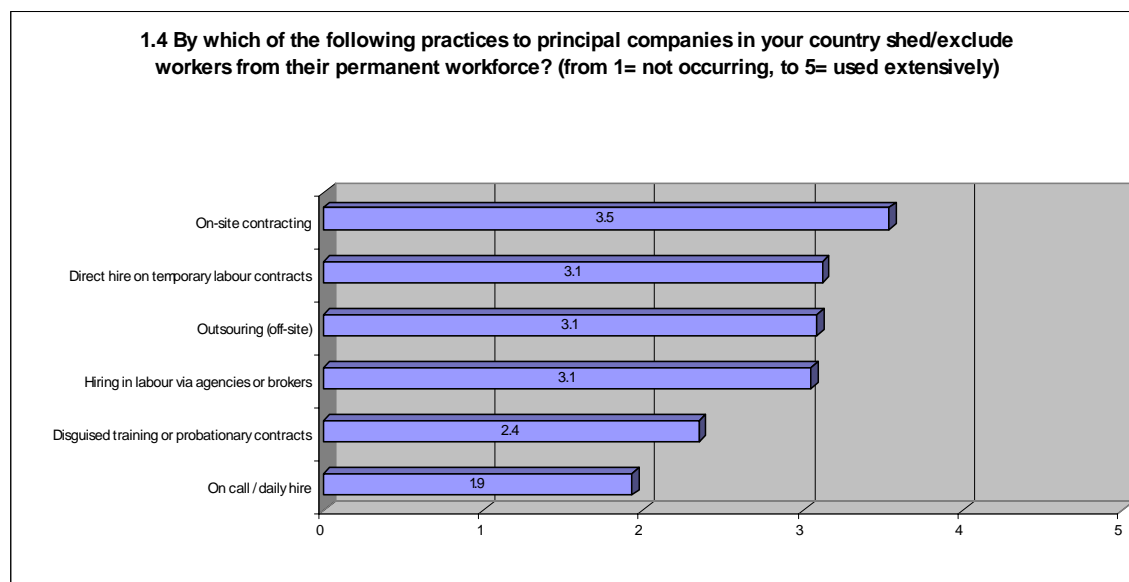
“We do not have any specific data showing the extent to which industries listed in the survey are affected by new forms of hiring labor. From what we know, however, precarious employment is practiced in sea transport and construction.”

MMWU, Russia

1.4. By which of the following practices do principal companies in your country shed / exclude workers from their permanent workforce?

From 1= not occurring, to 5= used extensively:

On-site contracting	3.6
Direct hire on temporary labour contracts	3.1
Hiring in labour via agencies or brokers	3.1
Outsourcing (off-site)	3.1
Disguised training or probationary contracts	2.4
On call / daily hire	1.9



Company examples / comments:

“Nezhinselmash Agricultural Machinery Works OAO "Lutsk, Bearing plant".”

AAMWU, Ukraine

“Buttercup Bakeries; Qantas Defence Services; Qantas.”

AMWU, Australia

“Kenya vehicle manufacturers, General Motors, Sameer Africa, Kenya Grange Vehicle Industries.”

AUKM, Kenya

“Automotive: This industry is now creating its own side industry. Almost all works done depending on control and permission given by mother company. Electronics: Works are given to home. Due to market is very competitive work conditions are very much precarious.”

BMI, Turkey

“Quddus Metal Industries, Kalla Re-Rolling Mill.”

BML, Bangladesh

“Auto assembly at GM, Ford, DC, plus Auto parts generally we see skilled trades work contracted on-site. Non-union auto assembly (Toyota, Honda) we see extensive use of “on-call” workforce. Auto parts, particularly non-union, we see extensive & growing labour agency use.”

CAW, Canada

“Alcatel.”

CEPU, Australia

“Daikin works with temporary workers and proposes their service during the wintertime to another company of the food industry.”

CMB & CCMB, Belgium

“The Automotive Industry is undergoing a very intensive process of production outsourcing at both internal and external levels. Temporary work or for a limited period has also expanded in all sectors of the Metal Industry. The problem is especially serious among youth and women. Another way of precariousness has been the “Transformation” of workers who now work on their own, hardly creating one-worker companies (judicial person), which provide services for hiring companies. This practice is very common in sectors that need to provide permanent technical assistance to their customers, such as the lift industry.”

CNM-CUT, Brazil

“Matsushita (Panasonic companies), JVC, JVC video, Power cables.”

EIWU, Malaysia

“Mainly electronic industry.”

EMA, Estonia

“Ex. Sofomeca - Ex. Stumetal - Renault.”

FGME-UGTT, Tunisia

“Hindustan Shipyard Ltd., Private Steel Companies, Automobile Companies.”

INMF, India

“Employing young science graduates as Junior Officers paying less salary than workers and prohibited from joining unions and using them as operators like ordinary workers.

Employing contract workers through contractor against permanent post.”

INMWF, India

“Lanka Ashok Leyland (Indian), Ceylon Heavy Industries (Korea).”

JSS, Sri Lanka

“Although it is common, agency hiring (dispatch work) is currently illegal for production work in the metal industry. Thus we left this line blank. Hyundai Motors has about 20,000 on-site contracting workers (compared to about 43,000 regular workers); about 150 different contractors (hiring about 30-100 workers each for 6 month-1 year periods) operate within Hyundai Motors; Disguised contracts (“special employment” or the Korean form of “freelance contractors” who really ought to be classified as employees) are used in logistics and transport. Day labourers are used for construction work. Also, college students work as temporaries during school vacations.”

KMWU, South Korea

“1. Cigading Habram Centre (Cilegor, Banton), 2. Pt. Swadaya Agung Perkson (Jakarta), 3. Pt. Siemens Cilegon (Cilegon), 4. Pt. Evox Rija (Batam)”
Lomenik-SBSI, Indonesia

“1. Tata Motors Ltd., 2. Steel Atmourity of India, 3. Maruti Udyog, 4. Larsen+Toubro Ltd., 5. Kec International Ltd., 6. Blue Star Ltd., 7. Ashok Leyland Ltd., 8. Siemens India Ltd., 9. Goa Shipyard Ltd.”
NTUI, India (not affiliated to the IMF)

“M/S Bharat Heavy Electrical Limited (BHEL), Medak, A.P. A large public sector company extensively outsourcing and on-site contracting. 1/3 of the workforce is precarious workers.”
SMEFI, India

“Matsushita Singapore Component (Batam) Epson (Bekasi).”
SPMI, Indonesia

“Aluminium and corrugated iron and steel industries; Building materials/products industries.”
TUICO, Tanzania

“Paz del Río. Diaco Ltda., ISA.”
ULTRAMMICOL, Colombia

“Widespread use of contracting out of office support services such as information systems and healthcare and pension administration. Payroll services and customer support is being contracted to firms that specialize in providing these services. In the factory maintenance and cleaning services are being contracted-out. In the steel industry examples include slag recovery and pit cleaning in basic steel plants. Companies try to contract-out other than routine plant maintenance claiming not to have the equipment or expertise. Some equipment can be purchased with maintenance contracts and companies hide behind these contracts to take work away from the bargaining unit.”
USW, USA

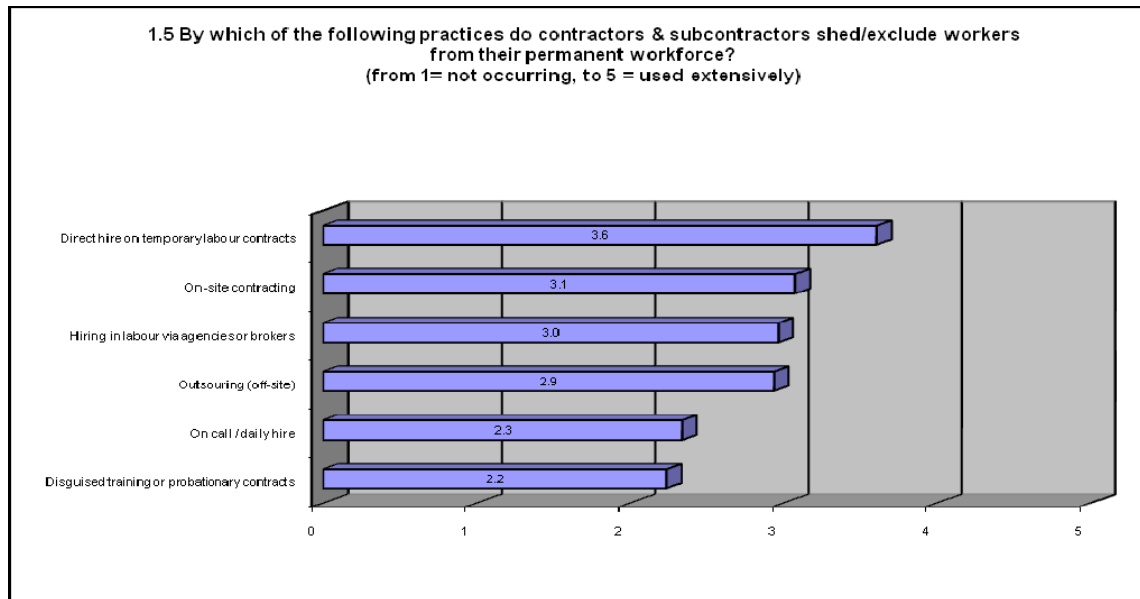
“Hiring in labour via agencies at Elcoteq and NOKIA.”
VASAS, Hungary

“Simpson&Co., Cleaning Civil Maintenance, Security Work.”
WPTUC, India

1.5. By which of the following practices do contractors & subcontractors shed / exclude workers from their permanent workforce?

From 1= not occurring, to 5= used extensively:

Direct hire on temporary labour contracts	3.6
On-site contracting	3.1
Hiring in labour via agencies or brokers	3.0
Outsourcing (off-site)	2.9
On call / daily hire	2.3
Disguised training or probationary contracts	2.2



Company examples / comments:

“Professional Force Personnel.”
AMWU, Australia

“Labour agencies use very precarious workforce, daily or very short-term hire.”
CAW, Canada

“Panasonic companies, JVC, JCV video.”
EIWU, Malaysia

“At all enterprises of the electronic industry.”
EMA, Estonia

“Manpower, etc.”
FGME-UGTT, Tunisia

“Jindal, Essar Steel, Hyundai cars, Mahindra&Mahindra and Shipbuilding units.”
INMF, India

“Directly giving contract through contractor to run mines to avoid benefits/ and denied basic amenities as permanent workers, to save cost.”
INMWF, India

“Ceylon Omartrys Ltd.”
JSS, Sri Lanka

“1. Pt. BCS Cilegon, 2. Pt. Pan United Batam, 3. Pt. Muramed Electronic Belesi”
Lomenik-SBSI, Indonesia

“None of the jobs in metallurgy are precarious. We may assume that precarious work accounts for about 30 percent of work time with our contractors and subcontractors.”
MMWU, Russia

“1. M/S Mahindra and Mahindra automobile manufacturer extensively uses outsourcing and on - site contractors. The contractors and sub-contractors in turn outsource and on-site contracts to others. 2. M/S Khaitan Fan LTD. Fan manufacturing company also does the same.”

SMEFI, India

“Matsushita Singapore Component (Batam) Epson (Bekasi).”

SPMI, Indonesia

“Steel rolling industries; Garages and metal workshops; Small scale iron metal industries.”

TUICO, Tanzania

“Employees are hired by project so they are short-term employees with little chance for seniority or long-term benefits.”

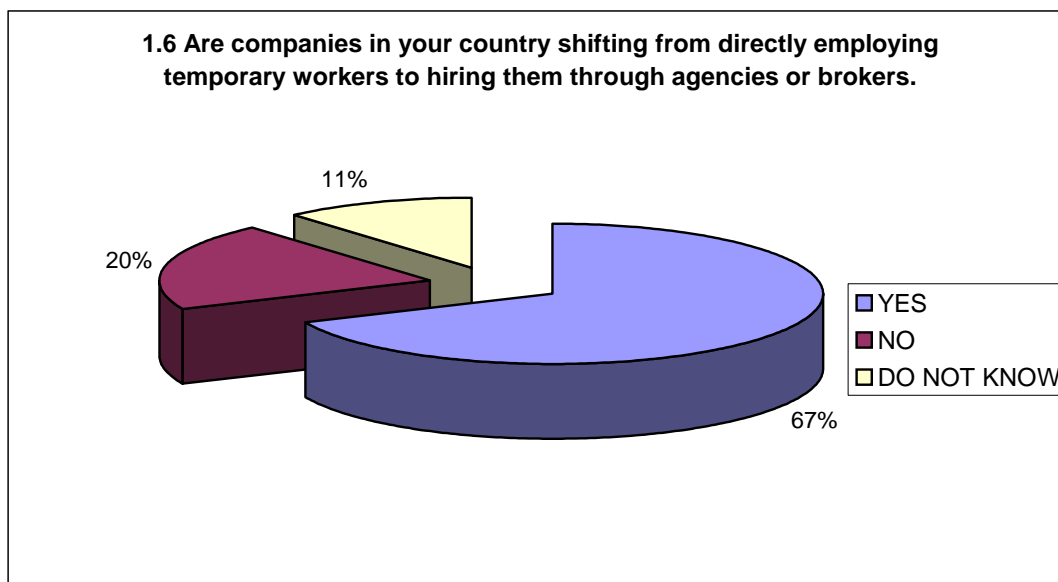
USW, USA

“Simpson&Co.”

WPTUC, India

1.6. Are companies in your country shifting from directly employing temporary workers to hiring them through agencies or brokers?

YES	67%
NO	20%
DO NOT KNOW	11%

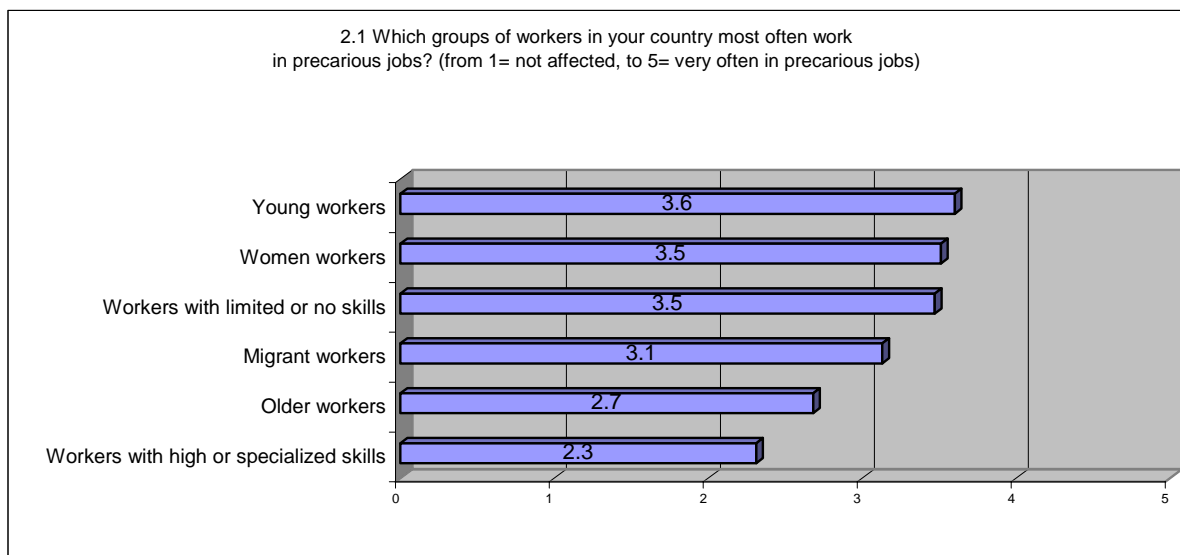


2. Challenges facing precarious workers

2.1. Which groups of workers in your country most often work in precarious jobs?

From 1= not affected, to 5=very often in precarious jobs:

Young workers	3.6
Women workers	3.5
Workers with limited or no skills	3.5
Migrant workers	3.1
Older workers	2.7
Workers with high or specialized skills	2.3



Comments:

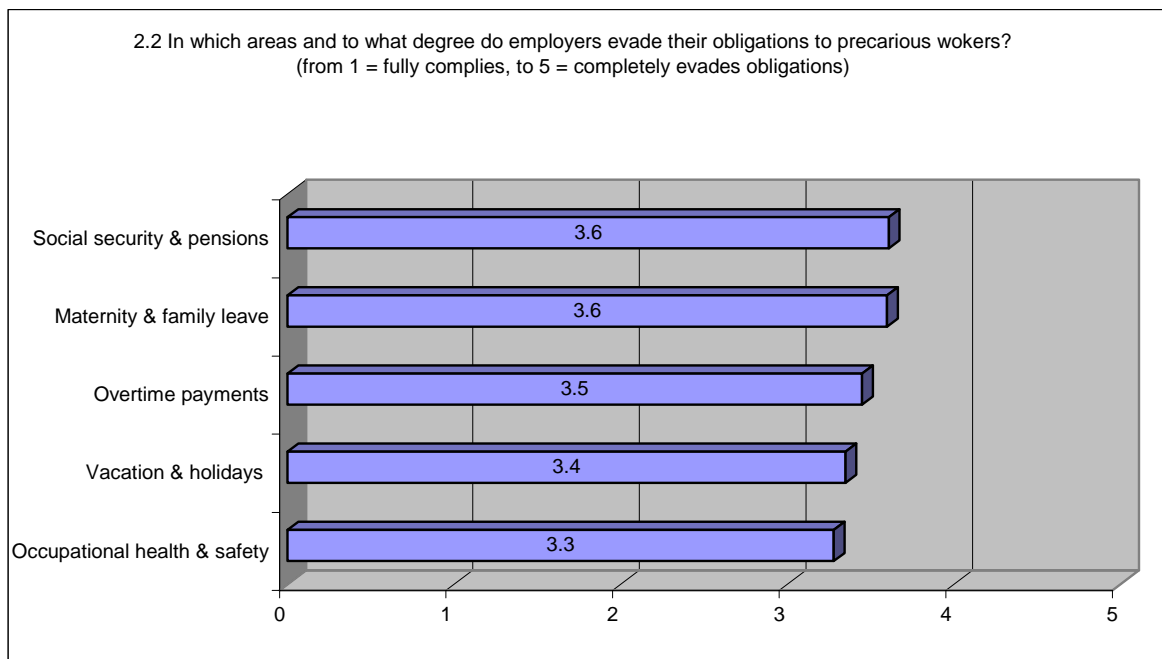
“All workers are subject to precariousness, but the groups that are most hard hit are youth and women. Precariousness seldom affects highly skilled workers. Those that have a certain level of specialization are also affected to a certain extent. With this precariousness in the Brazilian Metal Industry there are practically no immigrants.”

CNM-CUT, Brazil

2.2. In which areas and to what degree do employers evade their obligations to precarious workers?

From 1= fully complies, to 5=completely evades obligations:

Social security & pensions	3.6
Maternity & family leave	3.6
Overtime payments	3.5
Vacation & holidays	3.4
Occupational health & safety	3.3



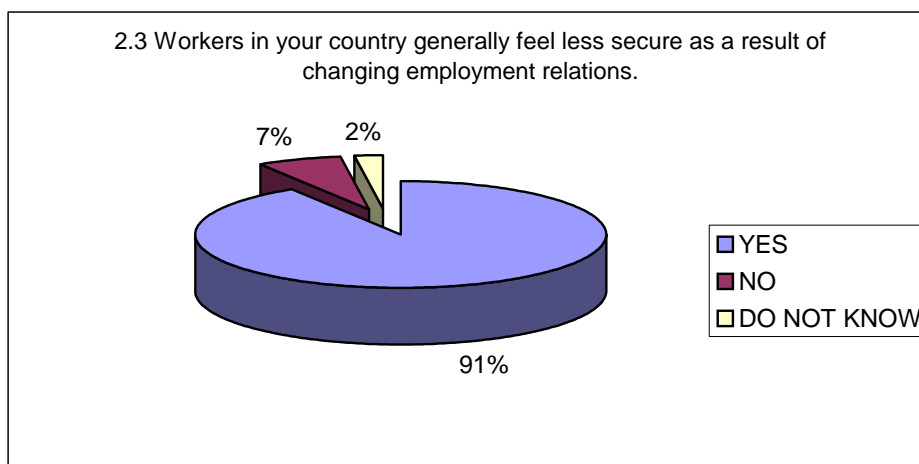
Comments:

“The main problem of precariousness is particularly the issue of workers’ rights who are protected by contracts and collective agreements. When they are hired by thirds or by small size companies with less power of mobilization, they usually have agreements that provide less security.”

CNM-CUT, Brazil

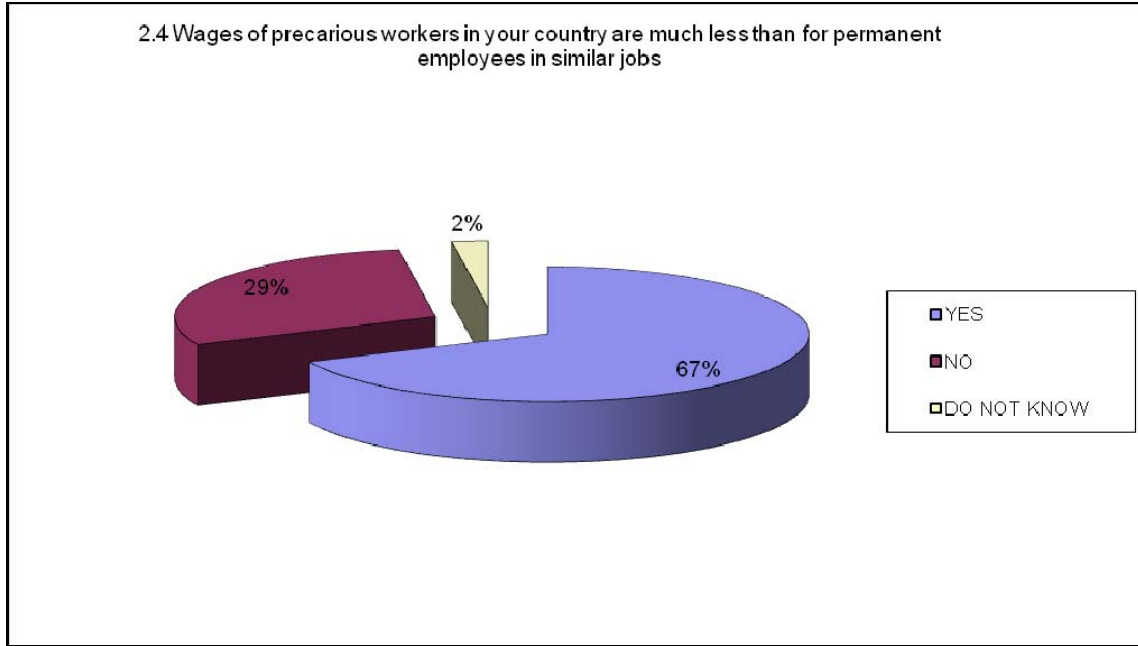
2.3 Workers in your country generally feel less secure as a result of changing employment relations?

YES	91%
NO	7%
DO NOT KNOW	2%



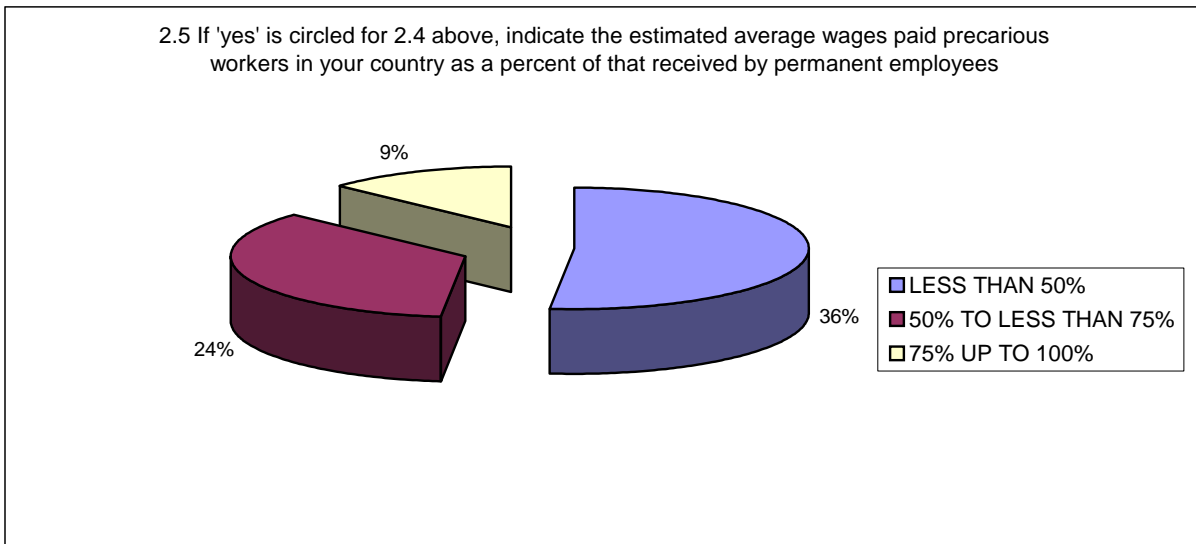
2.4 Wages of precarious workers in your country are much less than for permanent employees in similar jobs.

YES	67%
NO	29%
DO NOT KNOW	2%



2.5 If "yes" is circled for 2.4 above, indicate the estimated average wages paid precarious workers in your country as a percent of that received by permanent employees

LESS THAN 50%	36%
50% TO LESS THAN 75%	24%
75% UP TO 100%	9%

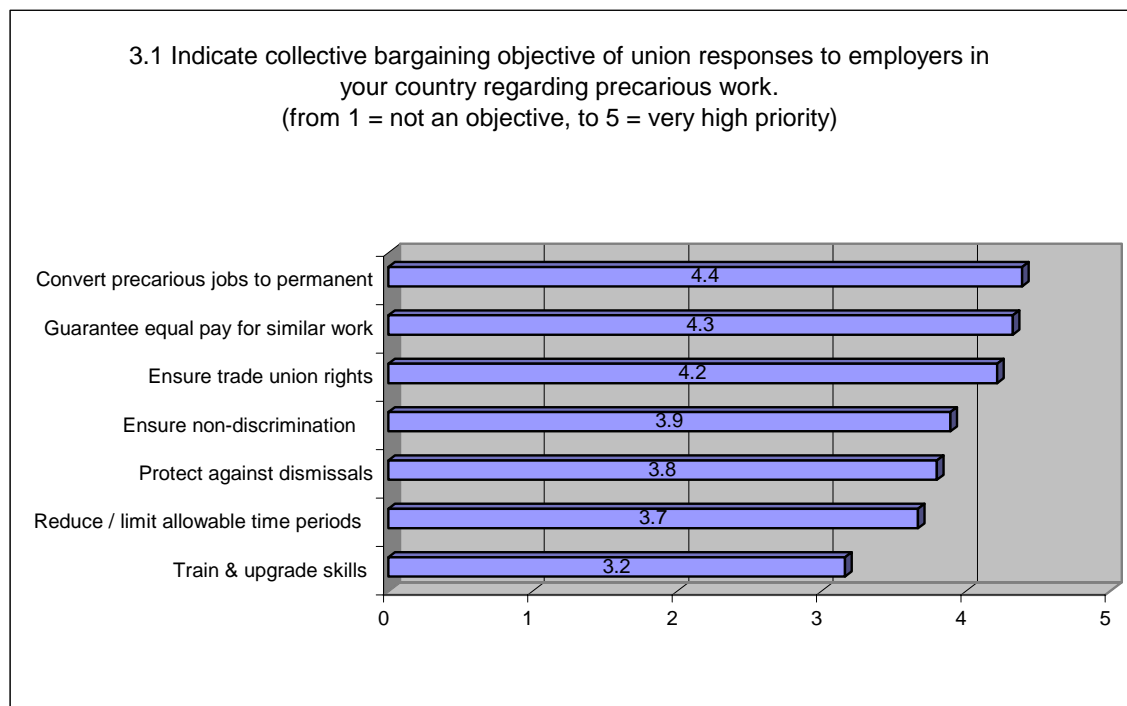


3. Trade union responses

3.1. Indicate collective bargaining objectives of union responses to employers in your country regarding precarious work.

From 1= not an objective, to 5= very high priority:

Convert precarious jobs to permanent	4.4
Guarantee equal pay for similar work	4.4
Ensure trade union rights	4.2
Ensure non-discrimination	3.9
Protect against dismissals	3.8
Reduce / limit allowable time periods	3.7
Train & upgrade skills	3.2



Other objectives (explain):

“Expand “work-ownership” concept to prohibit outsourcing or use of agency workers.”
CAW, Canada

“Alignment of wage conditions of reference allowance of temporary women workers.”
GMTN, Austria

“We usually bargain for 1) restricting overall conditions for which employer hire a person as an irregular (under most conditions they should be hired as regular, permanent workers), then 2) for legal protections, then 3) for guarantee of basic labour rights, then 4) for reducing discrimination against irregular workers and then 5) for regularization of irregular workers.”
KMWU, South Korea

“The state run trade unions of Belarus do not lead fight against precarious employment, they agreed to introduction of the fixed-term labour agreements. The authorities do not enable the trade union REPAM to bargain collectively as they do not register t.u. organisations.”
REPAM, Belarus

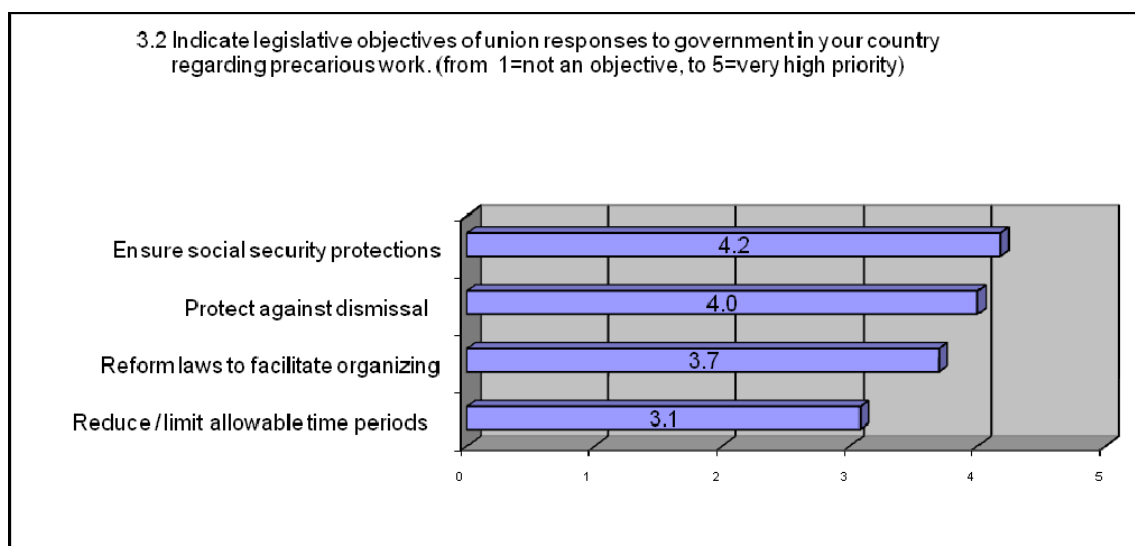
“The unions of permanent workman generally do not espouse the cause of precarious workmen. Unions especially formed by precarious workmen themselves represent their cause. Given the situation the above questionnaire is filled in the perspective of the precarious workman's unions their objectives and working methods.”
SMEFI, India

“There's government's regulation, but only from 01.01.06, to regulate these in collective agreement is not characteristic.”
VASAS, Hungary

3.2. Indicate legislative objectives of union responses to government in your country regarding precarious work.

From 1= not an objective, to 5= very high priority:

Ensure social security protections	4.2
Protect against dismissal	4.0
Reform laws to facilitate organizing	3.7
Reduce / limit allowable time periods	3.1



Other objectives (explain):

“Easy integration of employees in general compulsory insurance.”

GMTN, Austria

“We argue that irregular workers should be hired as regular, permanent workers unless there are exceptional conditions (e.g. filling in for someone on maternity leave) ? this is what we call "restriction by reason for hiring as irregular" and is a little different from reducing the time periods (restriction by reason, not time period).”

KMWU, South Korea

“Our union, like other trade unions of Russia, believes that a law on "labor leasing" (or precarious employment) is much needed.”

MMWU, Russia

“The unions of precarious workmen are demanding the government for a) regularisation b) social security. Of late the judiciary is coming down heavily on the working people. Judgements are against the workman to suite the capital.”

SMEFI, India

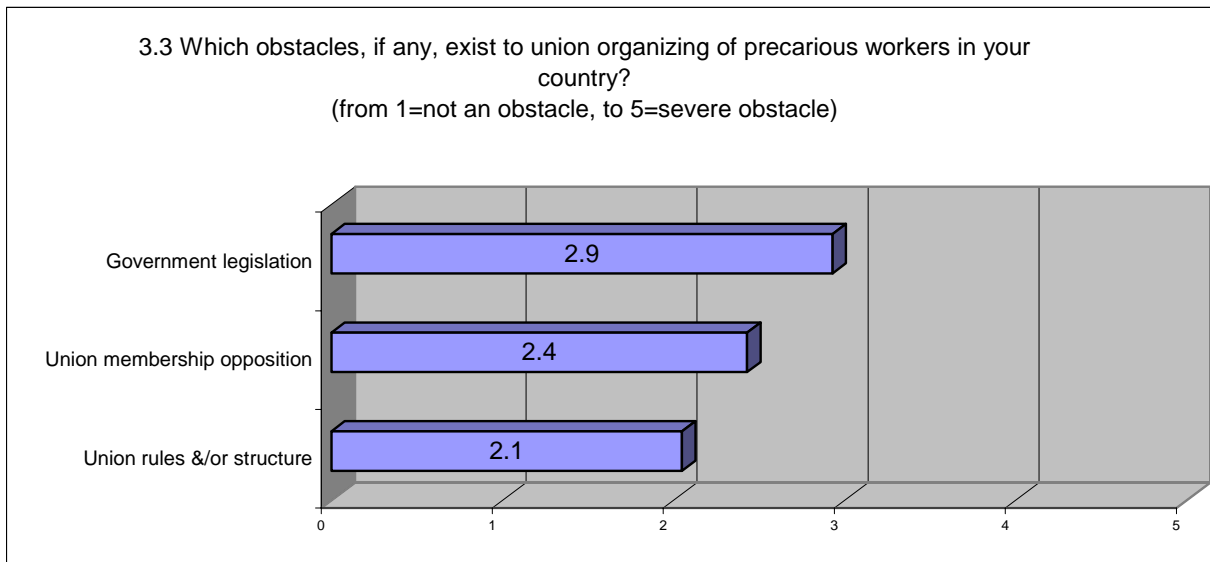
“Govt's are not in favour of workers generally.”

WPTUC, India

3.3. Which obstacles, if any, exist to union organizing of precarious workers in your country?

From 1= not an obstacle, to 5= severe obstacle:

Government legislation	2.9
Union membership opposition	2.4
Union rules &/or structure	2.1



Describe obstacles:

"Very restrictive government legislation; Union Rules don't cover contractors."
AMWU, Australia

"Unemployment in Kenya is a severe hindering to union membership and colonial/ outdated labour laws is another issue."
AUKM, Kenya

"The most basic barrier is the law itself."
BMI, Turkey

"New labour legislation prohibits to organise precarious workers into trade union."
BML, Bangladesh

"Unions generally have not developed more flexible type of membership to suit precarious work, organizing hampered by laws built around stable & permanent workers."
CAW, Canada

"The current legislation makes organising more difficult for trade unions. Workers are threatened by employers. Union structure, which has been defined by this legislation divides trade union representation. An outsourced worker will generally be represented by another non-metalworker trade union with less bargaining capacity."
CNM-CUT, Brazil

"Contradicts labour law & immigration law/ procedure."
EIWU, Malaysia

"Confirmation of the government employers toward the trade union."
EMA, Estonia

"In the precarious jobs the workers do not have the right to be part of a trade union they will be dismissed on the spot."
FGME-UGTT, Tunisia

“Problems of recruitment - precarious employees by non-continuous employment possibly not fix workplace, difficult to recruit as a member; which operational models of co-determination do correspond to different atypical situations of interest of employees.”

GMTN, Austria

“Permanent workers and mostly the managements are putting various conditions not to organise.”

INMF, India

“Employer is not willing to organising them as union activities. Existing law and Government agencies are not helping them to get their workers rights. Courts decisions are also not helping them. Government is not allowing to organise union activity of EPZ Zones.”

INMWF, India

“Lethargy of Labour Commissioner to take action when unions make complaints.”

JSS, Sri Lanka

“The law absolves primary employers with influence over work conditions from any responsibility. Thus primary employers feel no legal compulsion to come to the bargaining table. When irregular workers go on strike to compel primary employers to come to the bargaining table, employers simply replace them with scabs. Freedom to fire: when irregular workers organize a union, the employer fires the unionised workers by ending the contract with the intermediary contractor, and keeps contractors that are non-union. Other obstacle: The enterprise-level union system allows workers who are employed by the same legal entity to join the same union, which prohibits irregular workers (working under a subcontractor) from joining the same union because the employer is a different legal entity. This is one of the reasons why we are self-transforming to industrial unionism.”

KMWU, South Korea

“Workers fear joining Union because of the company hire and fire policy.”

Lomenik-SBSI, Indonesia

“Fear of affiliation to be a cause of non-renewal of job contract.”

MCA-UGT, Spain

“The authorities create obstacles for setting up independent trade union at the enterprises.”

REPAM, Belarus

“Permanent workmen are not inclined to have their unions taking up the cause of precarious workmen. Therefore it is an attitudinal problem. There is no law barring permanent workmens’ unions espousing the cause of precarious workmen. Describe obstacles: a) Permanent workers are generally reluctant to induct precarious. b) Managements discourage permanent workers unions inducting precarious workers.”

SMEFI, India

“Existing union members is not interested in fighting for the contract labour cause. They prefer only higher wages/VRS benefits.”

WPTUC, India

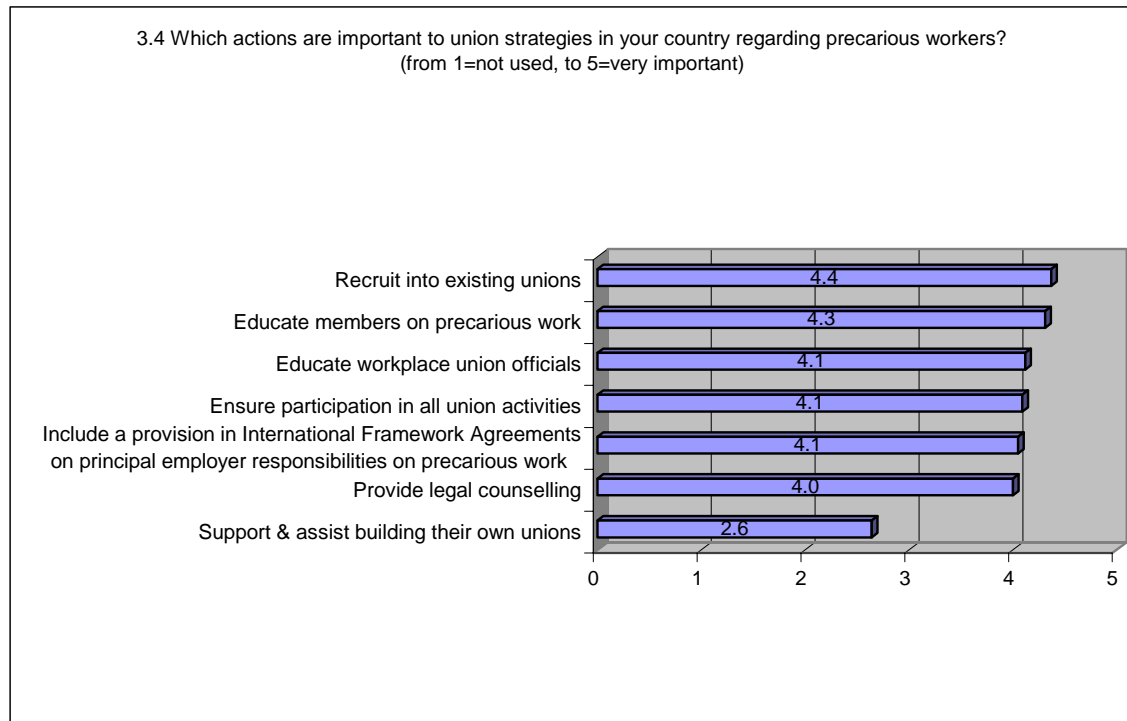
“Unwillingness of precarious workers to join the Union as usual.”

SWU, Russia

3.4. Which actions are important to union strategies in your country regarding precarious workers?

From 1= not used, to 5= very important:

Recruit into existing unions	4.4
Educate members on precarious work	4.3
Educate workplace union officials	4.1
Ensure participation in all union activities	4.1
Include a provision in International Framework Agreements on principal employer responsibilities on precarious work	4.1
Provide legal counselling	4.0
Support & assist building their own unions	2.6



Other (explain):

“General strategy is to make them no longer “precarious” by organizing into union.”

CAW, Canada

“Conclusion of plant collective agreements concerning the hiring of temporary women workers.”

GMTN, Austria

“It is better to have separate unions for proper representation and for good facilities and support.”

INMF, India

“Existing Trade Union should help them to organise these workers and help them to get their basic dues.”

INMWF, India

“Another important strategy is transformation to industrial unionism. The priority we put to different strategies does not necessarily reflect the success rate.”

KMWU, South Korea

“Precarious workers should join the existing unions, which should extend to such workers all social protective measures enjoyed by other members.

MMWU of Russia strongly believes that the unregulated use of "labor leasing" (or precarious employment) may undermine the just emerging social partnership, stop the practice negotiating industry agreements and collective bargaining agreements, infringe on the rights of employees and add up to the social tension. We also fear that legislative measures may be introduced to make precarious employment a common practice which would inevitably result in the reduction of workforce cost on the labor market.

We are convinced that agencies engaged in the personnel leasing should function under the supervision of state bodies specialized in labor and employment, complement rather than replace them and the legal base for their activities should comply with ILO Convention No. 181.”

MMWU, Russia

“The existing permanent workers unions have never recruited precarious workmen into their unions (though there is no legal bar) consequently they did not participate in permanent worker's union activities.”

SMEFI, India

“1) Precarious work is growing fast in companies under FSPMI 2) Precarious work undermine Trade Union strength in the companies organised by FSPMI 3) Precarious work also undermine Collective Bargaining to improve conditions of Employment 4) Precarious work also leads to Corruption of Compromises management 5) Precarious work causes decline in permanent and long-term Employment 6) Precarious work causes severe social economic problems in Indonesia Precarious work is forcing Employment Conditions and wages to decline - race to the bottom.”

SPMI, Indonesia

“All analysis were made concerning situation with precarious workers in shipbuilding industry of Russia.”

SWU, Russia

“Reform the labour law to eradicate precarious work or make it conditional; eliminate temporary contracts and employment agencies.”

ULTRAMMICOL, Colombia

“Due to technological improvements and Off site outsourcing the permanent nature of jobs reduced.

From 1998 onwards during the time of wage settlement union insisted appointment of permanent workmen in the place of retired/ VRS/ died etc., for the wards of employees.

The management agreed - since our bargaining power on production areas giving appointments for our wards and about 500 jobs for permanent categories in 2005-06 also 200 inducted in 2007, we are expecting another 100.”

WPTUC, India

4. Additional comments

AMWU prepared a submission on precarious employment to the Australian Government and provided a copy to the IMF.

AMWU, Australia

Between 2001 and 2005, Peru's GDP grew by 20 per cent, but poverty lowered only from 54.3 per cent to 51.6 per cent.

1. Paul Krugman points out that in unequal societies, higher income is related with higher education, when comparing 20 per cent of those superior among population with the remainder 80 per cent. Rather than due to wage earners' income, it is because of the exponential income growth of the top 1 per cent of income distribution, which is higher than the 10 per cent (see table below).

INCOME GAPS: (Leon Trahtemberg- El Comercio del 02-06-06) SOURCE: (Paul Krugman de U. de Princeton-USA)		
Income gaps in the high income social sector (20%) and income of 10% of the low income sector		
Countries or Regions	% of Population	% of GDP
Industrialised countries (the high income sector receives 15 times more)	10 % high 10 % low	29.1 % plus 2.5 %
In the USA (the high income sector receives 15 times more)	10 % high 10 % low	30 % 2 %
In Latin America (30.5 times more)	10 % high 10 % low	48 % 1.6 %
In Peru (50.5 times more)	10 % high 10 % low	37 0.75

2. According to DEW BECKER & GORDON, in "Where did the productivity growth go?" (study made between 1972 and 2001) the result is as follows:
 - A: The top 10% or percentile 90, increased by 34 %
 - B: But, within this 10% the 01.0% earned 87 %
 - C: The 0.1% earned 181%, and
 - D: The 0.01 % earned 497 %

This usually happens in the relationship between the power and the market in oligarchical and corrupt societies.
CEMETAL, Peru

"1. The Government is trying together with the employers to restrain the trade union from participation in the work of the enterprise, to decrease trade union role and influence on workers.

2. Non-affiliation of temporary workers to the trade union; fear of temporary workers to join a trade union because of the threat of getting fired.

3. Regarding the creation of a trade union in companies supplying workers to different enterprises there is a problem, these workers do not know each other, they are called individually, and are directed to work at different enterprises."

EMA, Estonia

“Should concentrate more on organising precarious workers. Should not compromise with managements as far as Health, Safety, Environment is concerned. Should devote time to the welfare of their family members also in education, social activities, etc.”
INMF, India

“In metal industries in India Precarious workers are more than 30 to 50 per cent. Many of them are working against permanent workers. Since last 10 to 12 years large numbers of permanent workers have opted for Voluntary Redundancy Schemes and no recruitment has been made against these vacancies. All these places are filled up by casual/contract workers. To attract foreign investors and in the name of cost deduction, government is also supporting this system. Even today government companies are not different from private companies. In the process since the last 10 years precarious workers are increasing day by day and in the coming years precarious workers will be majority in strength in the industries. In many MNCs, there are no permanent workers, either there are Junior Executives or contract labours. To bring this situation under control Metal Mine Workers of India should stand united and ask the companies as well as the Government to stop this practice and provide basic needs of these precarious workers, enroll them in the main stream workers (union cadre) and fight for their basic rights.”
INMWF, India

“As the absolute majority of workers in South Korea are now irregular workers, organizing this group of workers is crucial to the future of the workers' movement. Because of the lack of legal protection for irregular workers' freedom of association, irregular workers must face heavy repression to endure as a union.”
KMWU, South Korea

*“1. Precarious work is undermining gainful permanent employment
2. It also forces workers against joining trade Union
3. There is no future for workers who are employed under precarious conditions of employment
4. Most precarious employment affects women and young workers.
5. Permanent employment is slowly being displaced
6. Precarious employment will affect the Consumer market and weaken purchasing power
7. It will affect the economy of any country”*
Lomenik-SBSI, Indonesia

“Belarusian trade union REPAM fights against introduction of fixed term labour contracts in the country. The union organizes legislative initiative aimed to abolish the compulsory contractual system. The state run trade unions of FPB [Federation of Trade Unions of Belarus] mainly support Lukashenko's policy consisting in imposing the fixed term contract to every worker. Lukashenko by his decree in 1999 introduced the system of fixed-term contracts as the basic in labour relations. The independent trade unions AAMWU and REIWU (at that time affiliated to the IMF) blocked the universal introduction of such system. After 2004 all workers of Belarus were forced to conclude fixed term agreements (contracts). The usual period of the contract is 1-3 years.”
REPAM, Belarus

“It is appropriate to form separate unions for precarious workers for better representation. However, encouragement and solidarity from permanent workers unions help to bridge the gap and contribute for working class unity.”
SMEFI, India

“The system of temporary employment, degradation, contract outsourcing, cooperative job associations, placement agencies, service providing contracts and civil contracts are nationally regulated, according to 1990's Law Number 50 and 2002's Law Number 789.

Extensive discussions are being held about the use of this kind of contracts, because they do not comply with the ILO Agreements 87 and 98. Contract workers are not entitled to get organised and even less, to the right to collective bargaining.

Ultrammicol has been pushing its affiliates for them to include elimination of temporary contracts in their demands and in collective bargaining, because this hiring system has become employer's permanent practice in order to evade workers' social benefits and fiscal contributions at the SENA and the Family's Compensation Savings.

More than half of workers in most public enterprises and in a great deal of companies in the private sector have been hired under temporary contracts.”

ULTRAMMICOL, Colombia

“The United Steelworkers has started an "Associate Membership" program to support workers in unorganised facilities. In the U.S. the Union as the bargaining agent must win the support of more than 50 % of the employees in that unit. The labour agreement then applies to all employees whether or not they join the union. This new program allows employees who are interested in unions at plants where there is no union to maintain contact with the labour movement and participate in non-bargaining union activities and receive support from the union.”

USW, USA

IV. Survey respondents

REGION / COUNTRY	ORGANISATION
WESTERN EUROPE AND NEAR EAST	
AUSTRIA	Gewerkschaft Metall - Textil - GMTN
BELGIUM	Centrale de l'Industrie du Métal de Belgique - CMB
BELGIUM	Centrale Chrétienne des Métallurgistes de Belgique - CCMB
CYPRUS	Cyprus Industrial Workers' Federation - CIHEF
DENMARK	Centralorganisationen af Industriansatte i Danmark - CO-industri
FINLAND	The Finnish Association of Graduate Engineers - TEK
GERMANY	Industriegewerkschaft Metall - IG METALL
SPAIN	Federación del Metal, Construcción y Afines de UGT - MCA-UGT
SWITZERLAND	UNIA
TURKEY	Birlesik Metal-Is - BMI
CENTRAL & EASTERN EUROPE	
BELARUS	Trade Union of Workers of Radio & Electronics Industry, Automobile Machinery, Metalworking Industry & Other Branches of the National Economy - REPAM
ESTONIA	Estonian Metalworkers' Federation - EMA
HUNGARY	Federation of Hungarian Metalworkers' Union - VASAS
RUSSIA	Russian Radio-Electronic Industry Workers' Union - REIWU
RUSSIA	Miners & Metallurgical Workers' Union of Russia - MMWU
RUSSIA	Shipbuilding Workers' Union of Russia - SWU
SLOVENIA	Sindikát Kovinske in Elektroindustrije Slovenije - SKEI
UKRAINE	Automobile & Agricultural Machinery Workers' Union - AAMWU
UKRAINE	Trade Union of Machine-Builders and Instrument Makers of Ukraine – TUMBIM
KOSOVO	Independent Trade Union of Metalworkers of Kosovo - SPMK
EAST/WEST/NORTH AFRICA	
TUNISIA	Fédération Générale de la Métallurgie et de l'Electonique – FGME-UGTT

SOUTHERN AFRICA	
KENYA	Amalgamated Union of Kenya Metalworkers - AUKM
TANZANIA	The Tanzania Union of Industrial and Commercial Workers - TUICO
SOUTH ASIA	
BANGLADESH	Bangladesh Metalworkers' League - BML
INDIA	Indian National Metalworkers' Federation - INMF
INDIA	Indian National Mineworkers' Federation - INMWF
INDIA	Steel, Metal & Engineering Workers' Federation of India - SMEWFI
INDIA	New Trade Union Initiative - NTUI (Non-Affiliate)
INDIA	Pune Affiliates Coordination Committee - PACC
INDIA	Simpson Group Companies Workers & Staff Union – SGCWSUM: Working Peoples Trade Union Council - WPTUC
NEPAL	Nepal Auto-Mechanics Trade Union (Non-Affiliate)
PAKISTAN	Pakistan Metalworkers' Federation - PMF
SRI LANKA	Jalhika Sewaka Sangamaya Metalworkers' Federation - JSS
EAST ASIA	
JAPAN	Japan Council of Metalworkers' Unions - IMF-JC
KOREA	Korean Metal Workers' Union - KMWU
SOUTH EAST ASIA	
INDONESIA	Serikat Pekerja Metal, SPMI
INDONESIA	Federation of Metal, Machine and Electronic Workers, Lomenik
MALAYSIA	Electrical Industry Workers' Union - EIWU
NORTH AMERICA	
CANADA	National Automobile, Aerospace, Transportation and General Workers Union of Canada – CAW
CANADA	IAM-Canada
USA	International Association of Machinists and Aerospace Workers - IAM
USA	International Union, United Automobile, Aerospace & Agricultural Implement Workers of America - UAW
USA	United Steelworkers - USW

LATIN AMERICA & CARIBBEAN	
ARGENTINA	Asociación de Supervisores de la Industria Metalmecánica de la Republica Argentina - ASIMRA
BRAZIL	Confederação Nacional dos Metalúrgicos - CNM/CUT
COLOMBIA	Union de Trabajadores Metalúrgicos y Mineros de Colombia - UTRAMMICOL
PERU	Central National de Trabajadores Industriales del Metal & Electro Mecánica del Perú - CEMETAL
SOUTH PACIFIC	
AUSTRALIA	Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia - CEPU
AUSTRALIA	Australian Manufacturing Workers' Union - AMWU

V. Notes on methods and presentation of results

The questionnaire was distributed to all IMF affiliates in mid-2006 and responses were received through to early 2007. In total, 54 respondents returned the questionnaire. This included 52 IMF-affiliated unions whose combined members represent 62 per cent of global IMF membership. All geographic regions of the IMF are represented, with all but one region having multiple respondents. Also included among the respondents are two non-affiliated metalworking unions.

The following explanatory notes address how survey findings are presented in this report, in particular regarding three types of questions for which results are shown:

1. For survey questions that asked respondents to select one of several possible answers - such as “yes / no / do not know” - the results are shown as the share of respondents choosing each of the listed possible answers. The total percent of all these responses for such a question may not add to 100 per cent as some respondents indicated the question posed was not applicable or they did not mark a response.
2. In Question 1.3, respondents were asked to indicate which of the metalworking industries have been more affected than others. Because respondents could mark more than one industry, results for this question add up to more than 100 per cent.
3. About half the questions in the survey asked respondents to reply by selecting a number on a scale from one to five. For example, Question 2.2 asks respondents to identify the extent to which employers evade their obligations to precarious workers in several areas by circling for each area a number ranging from 1 = employer fully complies, to 5 = employer completely evades obligations. For this question, the areas and the average responses were as follows:

• Social security & pensions	3.6
• Maternity & family leave	3.6
• Overtime payments	3.5
• Vacation & holidays	3.4
• Occupational health & safety	3.2

Results are indicated by the weighted average of replies for each area, which all are between 3 and 4 for identified area, indicating that employers tend to evade obligations to precarious workers in *all* of these areas. Further, the results indicate that evasion of obligations by employers to precarious workers is most pronounced for social security and pensions, and for maternity and family leave, followed by overtime payments, etc.



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