

Auto Industry Trends and the IMF Action Program



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The Principal Points



- The current IMF Action Program (AP)
- Implementation of the AP
- Strategies and tasks for the future

The Current IMF AP: Strategies and Steps to Master Our Future



- *Building a Global Metalworkers Movement*
 - Raising consciousness of global issues
 - Organizing the unorganized
 - A new impetus for international solidarity
- *Dealing with Corporations*
 - Transnational corporations and IMF World Councils
 - Negotiating corporate codes of conduct
- *Countervailing Union Power*
 - An economic program
 - Securing Workers' Rights

Union Building means organising and uniting



- Organizing is the basis of union strength and countervailing power.
- Campaigns can only be carried out by unions on location ...
- ... but the IMF can do much on the international level to support the organizing activities of its affiliates ...
- ... [the IMF must] initiate a dialogue between unions in countries where the unions are divided.

Union Building means solidarity



§5.1.4 A new impetus for international solidarity means ...

- reinforcing traditional forms of *solidarity*, such as support from stronger to weaker unions, by a *continuous process of cooperation and exchange* ...
- developing more effective forms of *international solidarity such as industrial action and international campaigns* ...

The AP Working Group on TNC's



Was created to help implement AP with respect to TNCs

- ✓ The IMF Model Code of Conduct – (December 1998)
 - Now under discussion with several companies
- ✓ Restructuring IMF Councils – (December 1999)
 - coordinating IMF Councils and EWCs
- Guidelines for Targeting TNCs – (December 2000)
 - Organizing the unorganized
 - international presence in the collective bargaining process
 - strengthen relations between home and host-country unions in TNCs
- Other Issues
 - Benchmarking TNCs on core labour standards
 - Outsourcing and other common strategic collective bargaining goals

Targeting TNCs



- Likelyhood of success is important
 - Is the company especially hostile?
 - How strong is the union position?
 - What are the resource requirements?
- Functioning working or steering groups are a precondition
 - IMF and affiliates need communication and cooperation structures for union building and CoC projects.
- For organising/union building, target specific facilities of a TNC -- not all possible ones!

Other IMF Projects and Priorities



- Benchmarking auto industry TNCs with respect to core labor standards
- Develop common strategy on
 - emerging corporate alliances
 - outsourcing and other collective bargaining issues
- Answering urgent requests and solidarity support (including campaigns)

A Resource Issue



- Many resources go to large infrequent meetings
- Much less goes to answering requests and solidarity support
 - Information on corporate conduct, employer demands, union collective bargaining achievements
 - Card-, and letter-writing campaigns
 - Product oriented campaigns
 - Media oriented activities, e.g. at shareholder meetings

The IMF Model Code of Conduct



■ *Covers Supplier Companies*

- [The Company] recognises its responsibilities to workers for the conditions under which its products or services are made ...
- [The Company] will require its contractors ... to provide the conditions and observe the standards of the following code ...

■ *Requires*

- observance of 4 core labour standards, and
- 5 additional provisions

The Four Core Standards



- Employment is freely chosen: There shall be no use of forced, including bonded or involuntary prison labour (ILO Conventions 29 and 105).
- No discrimination or intimidation in employment (ILO Conventions 100 and 111).
- No child labour: ILO Convention 138, or national regulations, whichever set higher standards, shall be adhered to.
- Freedom of association and the right to collective bargaining are respected (ILO Conventions 87, 98, 135 and Recommendation 143).

Five Additional Requirements



- [The company] will adopt a positive approach towards the activities of trade unions and an open attitude towards their organisational activities.
- During labour-management conflicts [the Company] will not hire new workers to replace those involved in the dispute.
- Wages and benefits paid for a standard working week shall meet at least legal and industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income.
- ... working hours: ... [must] not impair worker health and other aspects of productive life.
- Decent working conditions -- a safe and hygienic working environment ...

Code Implementation



- Inform the workers – verbally and in writing.
- Apply the code to the suppliers
 - Warnings of non-compliance are given
 - If unheeded, offending enterprise loses supplier status
- Set up a union-management monitoring group with rights to:
 - Unlimited access to company facilities
 - Complete information

Guidelines for IMF World Councils



- **The Mission of IMF World Councils**
- World Councils and the Action Program
- Guidelines for Council Structures
- Establishing New Councils
- **Roles and Responsibilities of IMF Secretariat and Affiliates**
- Communication and Information Exchange
- **International Coordination**

World Council Mission



- TNCs are growing in power and number...
...IMF World Councils must become a permanent, responsive, and cost-effective system of cooperation and coordination.
- ...the primary mission for IMF World Councils is to advance the goals of the Action Program.

World Council Tasks



- dealing with *urgent situations*... and, as required, organize internationally coordinated campaigns;
- developing and implementing *joint strategies*, e.g. in collective bargaining;
- promoting *networking* and exchanging information;
- promoting *fair representation* of the enterprise workforce in terms of gender and ethnic composition, including in the IMF Councils themselves;
- *coordinate with regional bodies* such as European works-councils;
- establish *regional sub-structures* as appropriate
- make reports and *recommendations* to the IMF's governing bodies.

World Council Guidelines: The Roles of Secretariat and Affiliates



- The IMF Secretariat's role to shift
 - from principal organizer and resource
 - to helping to build the structures and then coordinating.
- Special responsibilities of the principal affiliate in a TNC
 - leadership
 - some material support
- Other affiliates must
 - Ensure appropriate representation
 - Cooperate in activities including information exchange and solidarity support

International Coordination: Labor and Capital Organisation

	Local	State or District	National	Regional (e.g. EU)	Global
Labor	Union branch, works-council	Union branch or office	Union or Federation	Councils, committees	ITS, ICFTU
Capital	Plant, Enterprise, Association	Enterprise, Association	Enterprise, Association	Enterprise, Association	Enterprise, Alliance, Association

Decisionmaking and Influence Trends

	Local	State or District	National	Regional (e.g. EU)	Global
Labor	Union branch, works-council	Union branch or office	Union or Federation	Councils, committees	ITS, ICFTU
Capital	Plant, Enterprise, Association	Enterprise, branch office, Association	Enterprise, branch office, Association	Enterprise, branch office, Association	Enterprise, TNC Alliance, Association

Crucial Global Questions



- How do enterprise-based worker representation bodies (e.g. IMF or other councils)
 - coordinate policy on global issues such as collective bargaining strategy?
 - deal with cross-company strategic alliances and joint ventures?
- How do regional worker representation bodies (e.g. European Works-Councils)
 - coordinate policy with other regions?
 - deal with TNCs, alliances and joint ventures?

A Trade Union Response



- Reinforce our work and structures at the global level
- Build structures and systems for
 - coordinating regional and enterprise-based structures;
 - dealing with emerging strategic alliances and joint ventures.
- We need structures and systems that
 - are capable of communicating and deciding -- quickly
 - have affiliate commitment to full participation
 - are cost-effective

Improved structures and working methods?



- Small groups rather than large bodies
 - Steering or working groups
 - Contact networks
- Use of all forms of communication
 - E-mail and internet whenever possible
 - Fax and regular mail where necessary
 - Explore telephone- and video-conferencing
- Work with more than one language
 - Written communications in foreign languages to be handled by the recipient
 - Meetings -- in as few languages as possible
 - IMF to provide interpretation/translation only as needed

An Auto Industry Working Group



- must have appropriate representation of world regions
- must have characteristics just discussed
- for the purpose of
 - Assisting the IMF Secretariat and governing bodies in carrying out the Action Program
 - Providing input to next Action Program
 - Improving communication and coordination
 - Further developing structures and projects
 - Assisting in CoC implementation and IMF campaigns

SOLIDARITY

