



# Executive Committee

Geneva, May 29-30, 2013

***Item 3: 26<sup>th</sup> Congress: The Organize, Fight and Win mandates in practice:***

***(a) The fight against precarious and insecure work – challenges and successes***

One of the key priorities of IUF affiliates in recent years has been to roll back the growth in casual, insecure, precarious jobs that have increasingly begun to take the place of stable direct, full-time employment. While precarious employment is not new, and has always played a large role in the agricultural and service sectors, it has grown enormously in every IUF sector in the past 20 years, posing significant obstacles to union membership, organizing and bargaining capacity.

It was therefore natural that at the 26th Congress, the issue was prominent and Congress gave the IUF a strong mandate to continue to work on the issue over the coming five years.

The IUF has taken up the mandate with its affiliates in three concrete areas leading up to the 26<sup>th</sup> congress and since:

1. The fight to transform unstable, precarious jobs to permanent jobs;
2. Resistance to the growth of the temporary employment agencies, whether international or local, and their planned expansion into more and more core areas of employment;
3. Changing the political & industrial framework

### **1. The fight to transform unstable, precarious jobs to permanent jobs.**

There are now a significant number of concrete examples where IUF work has led to the conversion of precarious jobs to permanent, direct employment. Working closely with affiliates IUF action has resulted in the creation of permanent jobs, at the following locations:

AmBev Perú: 110  
AJE Group Perú : 48  
ALSUR Arequipa Perú: 30  
Unilever Pakistan: 826  
Unilever Ice Cream, Nasik, India: 164  
Unilever Kecap Bango, Indonesia: 629  
Unilever Lipton, Pune, India: 159  
Unilever Kandla Export, India: 290  
Unilever Omsk, Russia 150 (\*)  
Nestle Kabirwala, Pakistan: 692 (in process to reach 941)  
Nestle Pantanagar, India: 360  
Nestle Perm, Russia: 260  
GSK Horlicks Nabha, India: 452  
GSK Horlicks Rajmundry, India: 205  
Coca-Cola Pakistan: 924  
Coca-Cola India: 346  
Coca-Cola Hospet, India: 65  
Coca-Cola Orissa, India: 41  
Coca-Cola Uruguay: 60  
Coca-Cola Guatemala: 70  
Pullman Hotel, Indonesia: 35  
Millennium Seoul Hilton, Korea: 13  
Kirin-Miwon, Lampung, Indonesia: 12  
PT. Umas Jaya Agrotama: 158  
Swat Serena Hotel, Pakistan: 18  
Gilgit Serena Hotel, Pakistan: 30  
Quetta Serena Hotel, Pakistan: 53  
Pearl Continental Hotel, Lahore, Pakistan: 12  
Airport Hotel, Karachi, Pakistan: 15

**Total (29-04-2013): 6,476**

*(\*) Typical of other cases and linked directly to the 26<sup>th</sup> Congress mandate to help affiliates increase union membership the success at Unilever Omsk winning direct employment allowed the creation of the first union of workers at Unilever in Russia; this would not have been possible had the workers remained in their position as outsourced employees employed in packaging by a labour hire agency.*

These cases have involved direct conflict with major companies but have also increasingly involved significant direct negotiations with corporate and local level management around the need to limit and reverse the rush to casual forms of employment.

The numbers alone do not give the full measure of this achievement. Converting significant numbers of precarious jobs to permanent has brought new members, new bargaining strength, a new spirit of solidarity and struggle and in many cases has sparked

an upsurge of organizing in the company, sector or national context. And affiliates have succeeded in converting precarious to permanent jobs in instances without the direct involvement of the secretariat.

In the case of Unilever, our work has been consolidated through a "sustainable employment working group" made up of representatives of the IUF and Unilever. Initially working through employment profiles in all Unilever beverage operations (mainly tea) the group has now started looking at every Unilever ice cream production plant, assessing the options and assessing the need for conversion of precarious jobs to stable and permanent positions. A similar working group has been established with Nestlé and the issue features centrally on our agendas in engagement processes with Danone and Coca-Cola.

This work makes intense demands on IUF resources but is essential if we are to replace general appeals for "proper jobs" or vague commitments in international framework agreements with concrete, systematic and measurable progress in the increasing number of major companies that recognize the IUF.

The particular challenge posed by franchised businesses will be a key part of our work in the future. In companies like Coca-Cola, we are dealing with a franchising system at the core of the company's operation. In the hotel sector we are increasingly dealing with a growing use of franchised operations (see report under item 3e). There are also the obstacles to union organizing posed by the outsourcing of production and services, where layers of outsourcing intervene when outsourced operations in turn employ outsourced workers.

## ***2. Resistance to the growth of temporary employment agencies, whether international or local, and their planned expansion into more and more core areas of employment***

This struggle has been undertaken locally with affiliates (for example at Nestlé Perm in Russia, where former Kelly Services agency workers are now in either direct permanent or temporary employment with Nestlé). It has also been undertaken by many affiliates through resistance and through limiting openings for agencies through collective bargaining agreements.

It has also involved being at the forefront of resisting the legitimizing of this "industry" and its lobbying work with governments and inter-governmental institutions and supporting affiliates fighting the growth of these companies through national laws and regulations.

CIETT, the most aggressive of the temporary agencies employer associations has been active in particular at the ILO seeking legitimacy through recognition of employment agencies as a distinct economic and employment "sector" who are advancing the ILO "decent work" agenda. The IUF rejects both these tenants and has made clear to CIETT and to the ILO that the IUF considers the growth of the agencies and their product, and their expansion into core areas of employment, to be a major threat to the rights and livelihoods of the workers we represent.

Endorsement of this position at each and every governing body meeting will help convey a strong message to CIETT who may feel that within the international trade union organizations there is a lack of clarity about the systematic threat they pose.

While there may be some scope for these companies to act as pure recruitment agencies, their role in supplying a growing number of effectively permanent workers under inferior, precarious conditions threatens the rights and livelihoods of these agency workers as well

as the direct employees of the companies to which such workers are attached. There is no contradiction between recognition on our part that there is a need for temporary employment in some specific circumstances while fighting for such employment to be with the principal employer rather than through an agency.

### **3. Changing the political & industrial framework**

The IUF has been in the forefront of elaborating a rights-based framework for challenging the growth of precarious work based on the UN Guiding Principles on Business and Human Rights and the OECD Guidelines on Multinational Enterprises.

The IUF has had significant impact in terms of the positive developments in recent times relating to both these instruments. Whilst not formally enforceable both instruments can be used to change the environment in which companies operation internationally and therefore both can be used to bring pressure on companies to change policies in the area of employment.

Whilst much progress reported above has resulted from direct conflict and struggle in support of IUF affiliates, in the case of a number of the examples cited earlier the IUF successfully used this framework, which draws on international human rights treaties and instruments to demonstrate the multiple rights violations inherent in precarious employment, in intervening with companies and governments to support affiliates organizing to create or win back direct, permanent employment.