

# TNC UPDATE #31

## 03-2017



*A regular update of IUF TNC activity exclusively for IUF affiliates. More detail can be requested from the individual IUF staff person identified with each entry.*

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## AGRICULTURE

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### Bananas

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#### **Fyffes/Sumitomo**

Labour rights abuses continue on melon plantations in **Honduras** owned by Fyffes, the fresh fruit transnational company that was recently bought by Japanese trading company Sumitomo.

In February, 65 plantation security staff were sacked following the setting up of their new union branch committee.

The IUF launched an [urgent action campaign](#) against Fyffes in January 2017 after months of unsuccessfully trying to engage Fyffes on labour rights issues, including a complaint to the UK-based Ethical Trading Initiative (where Fyffes is a Board member) that Fyffes was breaching the ETI base code.

An international solidarity mission in which the IUF took part went to Honduras in January and gathered further information of labour rights abuses on Fyffes plantations.

**STAS**, the local union, reports that since the campaign was launched, over 60 workers have been rehired by Suragroah. However, Fyffes has not made any move to recognize the union or engage in good faith collective bargaining. The IUF will now, in conjunction with the Make Fruit Fair campaign, seek ways to increase support to STAS.

### Palm Oil

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#### **Wilmar International**

The IUF launched its work with the **General Agricultural Workers Union of TUC (GAWU)** of **Ghana** with workshops in three operations owned by big TNCs in the country's palm oil sector: the Benso Oil Palm Plantation (BOPP), a

subsidiary of Wilmar International; the Ghana Oil Palm Development Corporation (GOPDC), subsidiary of the Brussels-based Siat Group; and the Twifo Oil Palm Plantation (TOPP), reportedly managed by Unilever.

The workshops focused on Occupational Health and Safety (OHS) and Sexual Harassment, areas of the current sugar and palm oil project that covers six African countries.

GAWU and the IUF have called for independent participation of the union branch when defining themes and approaches of OHS training sessions. GAWU and IUF stress a “hazard-based approach” that highlights the organisation of production systems, as a basis for a useful OHS work.

The workshops, attended by close to 30 participants in each estate, benefitted from the sugar experience (in Kenya and South Africa) on preventing sexual harassment in the workplace, and GAWU’s leadership support a program to build self-confidence, knowledge and language among workers to deal with this sensitive issue and the vulnerability to which victims are exposed.

The GAWU program has links with the IUF Africa Women Workers’ project, with the project coordinator participating in all three workshops.

## BEVERAGES

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### Coca-Cola

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Through the bi-annual “Atlanta Process” meetings the IUF-affiliate team has raised violations of trade union rights in two of The Coca-Cola Company’s (TCCC) major bottlers, Coca-Cola Amatil and Coca-Cola FEMSA. Despite raising these violations both TCCC and its bottlers have failed to remedy these abuses. The IUF has now filed a formal complaint focused on Indonesia under the auspices of the OECD Guidelines on Multinational Enterprises against TCCC and its bottlers.

The merger of SABMiller and AB InBev, two of the biggest brewers in the world, has led to reports of Coca-Cola operations to be acquired by TCCC from AB InBev in more than 17 countries including Honduras. The IUF-affiliated **Trade Union of Beverage and Related Workers (STIBYS)**, together with the IUF, met with TCCC in Atlanta on February 20 to press for stronger protection of union members presently and in any future process.

## PepsiCo

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The struggle for basic human rights at the global snacks and drinks giant continues in **Pakistan, India** and **Guatemala** (see [earlier TNC updates](#) and the [IUF main website](#)).



On February 1 PepsiCo workers at the Frito-Lay plant in Lahore, Pakistan organised a demonstration against ongoing harassment of union officers. [Click here to support this struggle and send a message to PepsiCo.](#)

The IUF Secretariat is now in talks with PepsiCo global management seeking to resolve these issues.

## BREWERIES

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### IUF Brewery Division

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### New Web platform for Brewery Division Collective Agreements

A web platform has been created to allow IUF brewery affiliates to share collective agreements in the major transnational brewery companies. Members of affiliates can request an invitation to access the site and upload and download agreements here: <https://www.breweryworker.org>

### AB InBev

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**SINALTRAINBEC** an IUF affiliate in **Colombia** is facing a program of mass dismissals at ABInBev’s Colombian subsidiary Bavaria SA. The dismissals are presented as “voluntary” but are in reality highly coercive. The IUF Brewery Division through its affiliates in AB InBev will continue to raise trade union rights violations in this newly merged brewery transnational.

## CATERING

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### Sodexo

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The first meeting of the IUF/Sodexo working group on the prevention of sexual harassment in the workplace was convened at the Sodexo corporate offices in Paris on January 27.

The group is close to agreement on a draft document which will be circulated to IUF affiliates in the sector prior to the next IUF/Sodexo meeting on June 21.

## DAIRY

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### **IUF Dairy Division**

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In the past few years the IUF Secretariat has developed and updated organizing charts which track organizing progress in the major dairy transnational companies. The Secretariat circulated these charts in February for information and for updating by Dairy Division affiliates.

### **Collective Bargaining Agreements web platform launched**

IUF affiliates can now load and download new CBA's with dairy TNCs onto the database [www.dairyworker.org](http://www.dairyworker.org) or [www.iufcba.org](http://www.iufcba.org). Access is by invitation only. Affiliates can request an invitation on the web page ([www.iufcba.org](http://www.iufcba.org)).

### **Arla Foods**

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A meeting of affiliates with members employed by Arla Foods on March 13 noted German and UK affiliates' progress increasing permanent jobs within the company.

The IUF Secretariat and a group of affiliates met senior company representatives on March 14 and discussed the risk to human rights implications of abusive types of employment and requested more formal company engagement with IUF affiliates to reduce the incidence of precarious employment and the resultant risks.

Discussions included the company's human rights due diligence obligations linked to its increased presence in Asia and Sub Saharan Africa.

### **Danone**

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A four-page guide produced by the IUF to accompany the IUF-Danone Agreement on **Sustainable Employment and Access to Rights** was circulated in February to affiliates with membership at Danone. The guide summarizes the contents of the Agreement signed in 2016 and offers some proposals to make full use of it locally and to combat any local resistance by management.

Affiliates can request a copy of the Guide from the IUF Secretariat.

### **Lactalis/Parmalat**

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On January 18, Parmalat Australia, majority owned and controlled by the giant global dairy corporation Lactalis, locked out its workforce at Echuca in the State of Victoria, in an attempt to force through new work arrangements which would expand subcontracting and temporary work and offer lower wages.

This brutal exercise of employer power at the expense of the rights of workers followed months of attempts by the IUF affiliated **AMWU** and its sister union **ETU** to negotiate in good faith to renew their collective bargaining agreement.

Union members voted down the company proposal by 67 votes to 1.

The IUF provided support asking members employed by Lactalis or Parmalat to take solidarity actions and to demand from their local managements an immediate end to the lockout.

On March 20 the IUF was informed that members of the AMWU and ETU ratified a new CBA with Lactalis/Parmalat ending the lockout. The aims of the two-month lockout were defeated through the unity and determination of the affected workers supported by the Australian union movement and international solidarity through IUF affiliates.

## FAST FOOD

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### **Starbucks**

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The German food and hospitality workers' union **NGG** announced pending industrial action in the fast food sector when a third round of negotiations with employers on January 23 failed to produce a meaningful offer from the employers.

Starbucks responded by attempting to recruit workers in Poland to "volunteer" to "support" full service at Starbucks coffee shops in **Germany** in the event of strikes.

The NGG strongly condemned Starbucks and publicized these attempts at organized strikebreaking. Protests organized in front of Starbucks outlets in Warsaw and Poznan saw AmRest, the company which operates Starbucks in Central Europe and in Germany, abandon its attempts to recruit strike breakers among their Polish staff.

## FISHERIES & AQUACULTURE

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### **DOHA, Morocco**

Under international pressure and a significant national campaign organized by the Democratic Confederation of Labour CDT, Doha company dropped all the charges against regional trade union leader Abdallah Rahmoun on February 14, 2017.

The struggle for reinstatement of 540 fish processing workers continues. IUF members will continue to support these workers as they fight for reinstatement in the Moroccan fish processing sector.

### **Citra Mina**

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The Citra Mina case was once again brought to the attention of the **Philippine** parliament on January 31, 2017. In his privilege speech, Tom Villarin, a Member of the House of Representatives, quoted Citra Mina as an example of appalling working conditions built on the abuse of human rights in its tuna operations. Of the 3,200 Citra Mina employees, only around 500 have regular employment contracts.

Citra Mina represents "a grim reality of slave-like work and systematic violations of labor standards, including safety and health standards", concluded Tom Villarin who then urged the Parliament to investigate tuna industry violations of labour rights, particularly the illegal dismissals case filed by Citra Mina workers against the company management. He called a review of the status of the Philippines under the EU General System of Preferences currently favourable to imports in Europe by Filipino tuna companies.

## FOOD PROCESSING

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### **International Food Processing Unions' Conference**

The IUF is planning a food processing conference in June 2017.

Raising standards in the sector requires a comprehensive analysis of trends dominating the industry and the future division will have this as one of its objectives.

Additional information on this conference will be sent out shortly and all IUF affiliates with

membership in the food processing sector are invited to attend. The conference will be in Chicago.

### **Cargill**

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The IUF is developing a better picture of union representation in Cargill to assist affiliates strengthen union organization in the world's 9<sup>th</sup> largest food and beverage company. This will be done jointly by the IUF's meat and food processing divisions.

The IUF Secretariat has mapped Cargill internationally and will be sending out the first round of mapping results shortly for affiliate review and feedback.

If your union has not yet been contacted please let the IUF Secretariat know if you would like to be involved in efforts to build union strength internationally within Cargill.

### **Kraft Heinz**

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Several weeks ago Kraft Heinz made a 143 billion USD bid for Unilever. The Kraft Heinz bid for Unilever, if successful, would have been the third-largest takeover in corporate history. Given Kraft Heinz/3G's model, which includes highly aggressive cost cutting, the combined company's workforce would be subject to more restructuring, plant closures and layoffs in the name of boosting margins and enriching shareholders. IUF affiliates reacted negatively and strongly to the takeover attempt and will continue to collectively monitor what they rightly perceive as a major threat to thousands of current Unilever workers.

### **Mondelez**

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IUF Mondelez affiliates are taking coordinated action against Mondelez during the **Global Week of Shame from March 27-31, 2017**.

Affiliates will determine appropriate forms of action which can include action within workplaces, public action, engagements with local managements, web-based or social media action, etc. The week of action is in defense of quality permanent jobs at Mondelez.

Four hundred workers in Dunedin, **New Zealand** have been fighting to save their Cadbury plant since parent company Mondelez announced on February 15 that it plans to close the facility. Cadbury Dunedin is the city's largest private sector employer, and indirectly supports a far larger number of jobs. Numerous statements of solidarity and support have been sent to E Tū by

IUF affiliates. If your union has not yet sent one and would like to do so, please send it to the IUF Secretariat. It will then be forwarded to E Tū.

On March 3, 2017, following a long internationally supported struggle, Mondelez announced that it had reached an agreement with the Damel Group to purchase the Valladolid factory in **Spain**. The sale agreement guarantees 61 jobs. It will further maintain workforce seniority and working conditions over the next three years.

## **Nestlé**

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Work continues on the draft **Commitment on Gender Equality and Non-Discrimination**. The negotiating committee working on a first draft to be circulated to IUF affiliates with members in Nestlé is made up of IUF Secretariat staff and Nestlé Human Resources staff. Significant parts of a first draft have been established but differences largely around pay equity remain and still need to be clarified.

The Steering Committee of the Nestlé European Works Council, made up of IUF affiliates from 6 countries, will meet on 29-30 March. Items on the agenda include support to the IUF-affiliated union PRO-GE in Austria and to workers at the plant in the town of Linz, which Nestlé plans to close in early 2018; and union coordination around the Nestlé Business Excellence project and its threat to jobs and working conditions.

## **Unilever**

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Twenty-nine participants from IUF-affiliated unions around the world with membership at Unilever and representatives of the IUF international and regional secretariats met for one-and-a-half days on February 6-7, 2017. The IUF organized the meeting to evaluate work in Unilever over the past four years and to renew the mandate from our membership.

Participants identified the following as key elements in strengthening international trade union organization within Unilever: the ongoing defense of trade union rights, including the need for international solidarity with potential conflicts and public campaigns to support affiliates in Russia, USA and Indonesia; continued pressure for negotiated reductions in temporary and agency work and support for a global agreement between the IUF and Unilever on limiting and rolling back precarious work; working together to defend local wage

bargaining, which was being undermined in the name of 'implementing global policy'; promoting the agreement on preventing sexual harassment and building on it to develop a wider equality agenda; and fighting the company's increased reliance on excessive working hours.

## **IUF/Unilever meeting**

The IUF regional and international secretariats, affiliates from the company's major markets and a representative of IndustriAll met with Unilever corporate management in London on February 8 within the framework of the semi-annual IUF-Unilever Forum. The IUF raised a number of trade union rights issues in the USA, Indonesia and Pakistan. Health and safety issues in India were also addressed. Unilever agreed to jointly review with the IUF's UK affiliates implementation of the IUF/Unilever sexual harassment agreement and monitor implementation elsewhere with the IUF.

Reports on **Kraft Heinz's** takeover bid for Unilever was reported in the world financial and general press on February 17. It was rejected within 48 hours, but a shaken Unilever issued a short **press release on February 22 announcing** "a comprehensive review of options available to accelerate delivery of value for the benefit of our shareholders." The IUF February 27 analysis of the financial dynamic behind the takeover bid and its wider ramifications on the food and consumer goods sectors generally was published and [can be downloaded here](#).

## **HOTEL CHAINS**

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### **Peninsula Hotels**

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Management of the luxury Peninsula Manila Hotel continues its retaliatory attacks on IUF-affiliated **NUWHRAIN's** members for their involvement in the IUF's Global Housekeepers Campaign and for effectively representing their members at the hotel. Management also supported a yellow (management) union to challenge NUWHRAIN's legal certification for collective bargaining. The company union was soundly defeated in an election on January 30. Management has since reneged on an agreement negotiated under government auspices which would have suspended rather than terminated Jenny Marcos (Peninsula Employees Union Board of Director's member) and allowed NUWHRAIN to contest the disciplinary measures without the threat of dismissal. As a result the Office of the Secretary

of Labor and Employment has assumed final jurisdiction, with the authority to impose a binding decision.

[Click here to join the urgent action campaign.](#)

## **Marriott/Sheraton**

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Two hundred workers at the Sheraton Brussels hotel in **Belgium** are paying the price of a conflict between the owner, the UK-based property group International Real Estate Ltd, and Starwood, recently bought by Marriott. The hotel owner and Starwood, who managed the establishment, could not agree on who should pay for renovation and asbestos removal which would cost some 50 million Euros and on December 12, 2016 the Sheraton Brussels was declared officially bankrupt and 200 workers found themselves jobless. The IUF is supporting its Belgian affiliates **FGTB-Horval**, **ACV-CSC** and **ACLVB-CGSLB** in seeking an agreement which would secure re-employment for the workers when the hotel re-opens and maintain their conditions of employment under the previous CBA.

## **IUF International Housekeepers' Campaign**

**“Make my workplace safe – Dignity for Hotel Housekeepers!”**

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The **Nordic Union-HRCT (NU-HRCT)** and its member unions are committed to fighting for **#FairHousekeeping** for all hotel housekeepers in the Nordic countries. The Swedish Hotel and Restaurant Union (HRF) and 3F Private Service Hotels and Restauration (3F) in Denmark are putting special emphasis on improved working conditions for housekeepers in the current negotiations for new collective agreements with their employer associations. 3F is demanding specific health and safety research into housekeepers' working conditions in **Denmark**. In **Sweden**, HRF is demanding stricter rules on consultation with union representatives on the organization of housekeeping work, insisting that all changes be negotiated with shop stewards or local unions. NU HRCT and its member organizations believe that **#FairHousekeeping** for all hotel housekeepers in the Nordic countries requires:

- Adjusted workloads and more time to clean each room properly

- Regular consultation on working conditions and close collaboration between management and housekeepers
- Appropriate working tools and protections to reduce injuries
- Improved information, instructions, and training on workplace hazards.

The **Hotel and Restaurant worker's trade union (HRF)** in **Sweden** sent out a survey to hundreds of employees in hotel housekeeping about their working environment. The result is alarming. It shows that 72% of the hotel housekeepers are experiencing excessive stress at work, 85% are suffering from pain that they believe to be work-related and 7% percent of all women have experienced sexual harassment. [The survey is available here.](#)

In **North America**, **UNITE HERE** members held actions in Chicago, San Francisco, Hawaii, Seattle, Boston, San Diego, Vancouver, Toronto and Northern Illinois to demand safer working conditions and dignity for housekeepers within the framework of the IUF Global Week of Action. The theme of demanding basic dignity and respect for housekeepers is ongoing in UNITE HERE's efforts, which focuses on a range of issues from shining a light on sexual harassment to demanding ergonomic cleaning equipment. UNITE HERE is also exposing and challenging cost-cutting 'green programs' at hotels which, in the guise of protecting the environment, require housekeepers to perform more work in less time, resulting in even more strenuous workloads and more workplace injuries.

## **MEAT DIVISION**

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### **German meat sector & TNCs**

IUF German affiliate, the NGG is continuing its long fight to win justice for migrant workers as it begins bargaining for the renewal of the minimum wage in the meat sector. Eighteen employers in the slaughtering and processing industry, including some TNCs, have signed a 'voluntary' agreement to ensure all migrant workers come under the jurisdiction of German Labour law and to increase the proportion of permanent staff.

The **NGG** anticipates public action to support demands for a higher minimum wage and increased direct-hire permanent work in Germany. International support to workers in the sector would be an integral part of any public campaign.

## **Talleys/AFFCO**

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Members of the **New Zealand Meat Workers Union (NZMWU)** have voted overwhelmingly in favour of a new collective bargaining agreement with Talleys/AFFCO. The Agreement follows a two year fight with their employer which included a 5 month lockout. The settlement of the CBA ends a long and successful national and international campaign.

The NZMWU has expressed its appreciation for the solidarity support it received from IUF affiliates which included support and pressure on international retail customers.

## **TOBACCO**

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## **Japan Tobacco International & the ILO**

The ILO receives funding from Japan Tobacco International (JTI) and from the ECLT Foundation (which is funded by tobacco companies) within the framework of PPPs (public-private partnerships) for work focussed on eliminating child labour in tobacco growing in Brazil and parts of Africa. Major companies however continue to allow growers and leaf processors in their supply chains to impede access to freedom of association rights in a number of those African countries.

The IUF has repeated its general opposition to the ILO's funding by the corporate sector and supported the ILO workers' group option to discontinue the PPPs with tobacco companies once the current arrangements with JTI and the ECLT have ended.

The IUF has urged the ILO to allocate funding for work on the application of fundamental principles, specifically Freedom of Association, Collective Bargaining and the elimination of child labour in tobacco growing, and to continue to engage with the WHO FCTC Secretariat on diversification and employment issues.

## **TNC UPDATE**

**"TNC UPDATE"** is a publication exclusively for IUF affiliates and governing bodies. It is not available to a broader audience.

**"TNC UPDATE"** is available to affiliates on the members-only **TNC UPDATES** section of the IUF's web site. Password is ch1213.

The publication regularly brings brief reports of IUF Secretariat activities in relation to the major TNCs which feature in the Secretariat's work. More detail can be obtained from the respective IUF staff person identified for each company.

The secretariat hopes this publication helps to inform affiliates of the work in this specific area undertaken on their behalf and adds to our ability to build union strength inside these companies.

Comments and suggestions about this from affiliates are welcome. They should be sent to [iuf@iuf.org](mailto:iuf@iuf.org)

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