

Mondelēz Union Network

June 15, 2015



Union rights violations in North America

The IUF-affiliated BCTGM in North America, representing some 4,000 Nabisco workers, reports attacks on trade union rights at Mondelez facilities.

Mondelez has attempted to deny elected union officials access to their members' plants, in violation of the rights set out in collective agreements and in US federal labour law. Management is insisting the union inform management which officers are seeking access, with whom and what they plan to discuss, and imposing management escorts as a condition for the access which is guaranteed by law.

Further, Mondelez is attempting to bypass the role of union officials in grievance procedures and has even proposed video conferencing grievance procedures (allegedly to reduce travel costs!). The union has made clear its firm opposition to any form of video conferencing or taping of such meetings as a violation of due process and of basic rights,

BCTGM is involved in legal challenges to Mondelez' unilateral introduction of Lean Six Sigma productivity schemes for bypassing and undermining the role of the union in negotiating workplace practices.

The union comments that "all of these aggressive and antagonistic actions by Mondelez against its unionized workforce go against longstanding past practice and undermine decades of a constructive collective bargaining relationship that has greatly benefited the company and its workers".

Mondelez is also intensifying pressure on unions to meet its promised target of 4,000 global job cuts as part of the frantic effort to significantly boost margins (in the face of stagnant or declining sales!) and return money to shareholders.

In May, Mondelez announced a new round of layoffs for North America, but with a twist. The company invested some USD 500 million to build a new plant in Salinas, Mexico and assured the union back in 2013 that the products produced there were not destined for the US market. In May 2015, Mondelez said it was prepared to invest USD 130 million in new lines in North America but had not, it claimed, decided whether the investment would go to Salinas or Chicago. Mondelez told the BCTGM representatives that if the company made the investment in Salinas, 600 BCTGM jobs in Chicago would be eliminated. And, even if the Chicago workers came up with \$46 million in annual savings, the company would still eliminate at least 300 of their jobs.

The BCTGM reacted with the following statement: "This cynical and disingenuous demand by Mondelez is an affront to the dignity and respect of the hardworking men

and women who have given decades of dedicated service baking the quality, world-famous products that created the profits and built the company.”

The union denounced the company’s cynical tactics in a May 15 press release <http://www.bctgm.org/2015/05/mondelez-asks-loyal-chicago-employees-to-compete-for-jobs-against-its-low-wage-workforce-in-mexico/>

Mondelez continues to ram through layoffs and restructurings worldwide. On May 21, Mondelez announced the elimination of 80 jobs – 20% of the workforce – at the historic Cadbury factory in Claremont, Australia.

Mondelez workers are paying the rising price of the company’s drive for short-term financial gain. CEO Irene Rosenfeld’s total compensation for 2014 leapt by over 50% to hit USD 21 million. Brian Gladden, who only joined Mondelez as Chief Financial Officer in October, received 6.1 million. These huge cash prizes come despite a 5.6% overall decline in the company’s 2014 net income.

Mondelez is scrambling to deliver instant cash to its biggest shareholders. The US experience shows how the cost-cutting drive can translate into attacks on basic trade union rights. Trade unions at Mondelez will have to be prepared to defend their rights against a company which is proposing to record grievance meetings and have management accompany union officials on talks with their members.

The IUF requests affiliates to share news from their workplaces and information received at national level.



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