

# ICEM

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# GLOBAL INFO

INTERNATIONAL  
FEDERATION OF  
CHEMICAL, ENERGY,  
MINE AND GENERAL  
WORKERS' UNIONS

## Contract Labour: Trojan Horse at Our Door

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# GLOBAL INFO

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# ICEM Signs Two New Global Agreements

**T**he ICEM continues to forge Global Framework Agreements with multinational firms, having signed two in recent months in concert with affiliates in Sweden and Russia. In April, the GUF together with the Swedish Paper Workers' Union signed one with Svenska Cellulosa Aktiebol AB (SCA), a pulp and paper producer with enlarged global assets of late. It marks the ICEM's second global accord with a forest products manufacturer, the first signed with Norwegian Norske Skog in June 2002.

In May 2004, the ICEM and OAO Lukoil signed a precedent-setting agreement that not only became a first for a Russian-headquartered company, but in many regards contains the best and most advanced language of all Global Agreements. The Lukoil agreement was facilitated by the excellent and progressive relationship the firm has with affiliate Russian Oil, Gas and Construction Workers Union (ROGWU).

Global Agreements institute the best standards on trade union rights, human rights, health, safety and environmental practices, and quality of work life across all a company's operations. The ICEM has nine such agreements and several more are currently in the negotiation stage.

## SCA

**A**nnouncement of the SCA agreement came with the Swedish firm also adopting a code of conduct, although the Global Agreement and code are separate and non-related documents. The preamble to the SCA agreement states the firm will "promote cooperation and social responsibility" in all global operations.

SCA pledges adherence to ILO Core Conventions on workers' rights and such standards "should guide SCA's activities and its relations to the employees." It also will undertake efforts to ensure subcontractors and licensees the firm deals with comply with language in the agreement.

Other principles in the agreement:

- As a minimum, SCA will comply with all legislative and regulatory requirements;
- SCA will seek continuous improvement to health/safety standards and environmentally responsible behaviour;
- Aim for non-discriminatory policies including equal development opportunities regardless of gender, race, ethnic background, sexual orientation, religion, political affiliation or disability;
- Commits to pay fair wages and benefits per relevant market standards;
- SCA will be guided in its operations by provisions of the UN's Universal Declaration of Human Rights;
- Assures that employees will get training opportunities for job enrichment and increased responsibilities;
- Will show good faith and mutual respect toward employees and workplace

See SCA page 11

## OAO Lukoil

**M**oscow-headquartered Lukoil became the third oil and gas company to sign a Global Agreement with the ICEM with an exemplary accord on 12 May. The ICEM's other agreements in this area of the energy sector are with Norwegian Statoil and Eni of Italy.

The agreement affirms full commitment to principles enshrined in the ILO Core Conventions on labour rights and other relevant documents covering environmental issues. The preamble states, "Lukoil and ICEM affirm their support for fundamental human rights in the communities affected by Lukoil Group activities and in the workplace."

The preamble pledges "protecting the health, safety and well being of those at work" as a priority and reinforces the agreement as a working blueprint by stating "responsibility for the impact that work and company practices may have on the natural and human environment" is a shared responsibility by signatories.

The Lukoil agreement also sets forth:

- That human rights issues will be guided by the UN's Declaration of Human



*Signing at Lukoil, seated from left, ICEM's Fred Higgs, Lukoil President Vagit Alekperov and ROGWU President Lev Mironov*

See OAO Lukoil page 11

# SUTNA Strikes in Argentina Bring Good Faith Lessons to Bridgestone

A year-long dispute between affiliate SUTNA of Argentina and Bridgestone/Firestone was resolved successfully in September when the Japanese company agreed to reinstate workers it had sacked illegally and begin new dialogue toward a collective agreement.

SUTNA won the dispute using direct action. That included an eight-date block-

circumvented Argentina's labour code since management failed to negotiate with the union. After hearings, both the Buenos Aires provincial labour ministry and the national labour ministry last winter ordered BS/FS to reinstate the workers with backpay.

But the company failed to comply. It took the two strike actions—set up by numerous protests and marches in the months before—and intense mediation efforts by the labour ministries after each strike action to move BS/FS. The effort was aided by pressure applied by ICEM and affiliate United Steelworkers of America.

BS/FS agreed to recall 12 workers and granted all sacked workers full backpay plus levels of social benefits exceeding those mandated by law. The company will pay each worker not returning a fixed amount for 20 additional months and committed to employ these workers on a contract basis as need arises.

BS/FS formally agreed to respect the independence of SUTNA at the Llavollal factory, to begin fresh dialogue toward a new collective agreement, something management had refused to do since expiration of a prior one in 2001, and withdrew all sanctions imposed on SUTNA members engaging in the direct actions.

Commented SUTNA Gen. Sec. Pedro Wasiejko, "We are grateful for the support of the ICEM and affiliated unions globally who helped us in this fight."



SUTNA members marched on the Japanese embassy

ade in late June and early July on suppliers delivering materials to the Llavollal, Buenos Aires, tyre factory, and another strike a week before the mid-September capitulation of the company. The dispute began in October 2003 when BS/FS unilaterally imposed a rationalization plan over a new shift schedule that saw scores of SUTNA members at the 700-worker factory terminated. The work-rule changes

## *Euro Unions, Industry Seek Social Dialogue*

**H**elsinki European chemical unions, behind EMCEF and in link with the central employers' group, have applied to the European Commission to formalize a sector dialogue committee for the chemical industry.

The announcement came here 10 September as labour and employers met for its annual Social Partners Conference for the chemical industry.

They also announced they would embark on a strategic joint plan for lifelong training and learning to enhance the competitiveness of the European chemical industry.

If EC accepts the joint application, chemicals will be the first major European industry with a social dialogue partnership that authorizes labour and employers' input in policy-making.

# ICEM Aids Strike Win in Colombia

A 37-day strike by workers at state-owned Ecopetrol was won in May by Union Sindical Obrera de la Industria Del Petroleo (USO) in part by the wide attention given the dispute by ICEM.

The government triggered the strike 22 April by a restructuring plan. USO saw the plan for what it was; a plunder of the country's natural resources since restructuring meant the government of President Alvaro Uribe was re-writing contracts on oil-field leasing and production for foreign petroleum operators with relaxed terms.

The restructuring was widely seen as an initial move toward full privatisation for Ecopetrol.

The Uribe government took a hard line on the strike, declaring it illegal citing the oil industry as an essential service, posting armed military personnel around Ecopetrol operations and sacking some 250 strikers among a workforce of 5,500.

The ICEM countered with a global drive illuminating that under ILO jurisprudence, case after case has determined that oil refining is not an "essential service" of a nation. The ICEM also mobilized hundreds of energy unions across the world to protest Uribe's actions, and to urge their own companies not to export oil to Colombia during the strike.

The strike was won 26 May when the government agreed to roll back the newly written contracts and agreed that oil fields now operated by outside companies would revert to Ecopetrol control once those contracts expire.

USO beat back government proposals to eliminate oil workers' pensions and reductions to the workforce. The sacked workers were allowed to retain their full pension rights and win their jobs back through arbitration.

## NA Unions Defend Botswana Mining Affiliate

A bitter diamond-mining dispute between ICEM affiliate Botswana Mining Workers' Union (BMWU) and Debswana, the rich joint venture between DeBeers and the government of Botswana, has revealed a constant corporate strategy against labour: tie the union in legal knots and drain its treasury through litigation costs.

ICEM affiliate United Mineworkers of America (UMWA) recognized the strategy and responded. Using US\$5,000 as seed money, UMWA President Cecil Roberts put a call out to US unions in mid-September seeking to replenish BMWU's legal fund and many have already donated.

BMWU Gen. Sec. Donald LeBotse said the union has spent BWP800,000 (US\$169,000) in 2004 on legal costs and that was before Debswana launched more litigation in August. "This has left the organization in serious financial constraints likely to result in not being able to afford legal representation," said Lebotse.

The generosity of the UMWA has spread. US attorneys with work inside the labour movement heeded the call in separate fundraising efforts. UMWA General Counsel Grant Crandall issued a call to the hundreds of lawyers within the AFL-CIO structure, and many have responded. Similarly, the National Lawyers Guild has donated and is asking its members to contribute. Joan Hill from US affiliate PACE initiated that effort.

During a wage dispute in early August, BMWU was met with a Debswana-inspired Industrial Court ruling banning any strikes. After hundreds of workers did strike despite union leadership pleas for bargaining, the company responded by seeking and getting arrest warrants on union leaders. Debswana in mid-October was attempting to jail leaders for contempt of court as it continues taking the legal route to bankrupt BMWU.

## News of Affiliates

### *Platinum Miners Strike Key South African Producers*

**Rustenburg, South Africa** A series of platinum mining strikes started here 30 September when 17,000 miners walked off jobs at two sites of Impala Platinum due to pay raise promises not being met. National Union of Mineworkers (NUM) was locked with major companies in the industry in wage disputes at the mid-October presstime of *Global-Info*.

On 1 October, 12,000 miners at Anglo American Platinum struck six mines over the wage issue, which is central in a proposed two-year contract. AngloPlat, the world's largest platinum producer, was terming its inferior wage offer as final but NUM Deputy Gen. Sec. Archie Palane said the industry "must come up with a package to satisfy our members."

Another company, Northam Platinum where nine miners perished in a fire at a mine in Limpopo Province in late September, has come to terms with the NUM without miners' striking. The pay settlement was for 8%.

### *Thai Electric Privatization Remains Unresolved*

**Bangkok** Thai energy and water unions, led by ICEM affiliate EGAT-LU, continue to mount opposition and pressure against the government's enterprise privatizations of state utilities. The government, meanwhile, continues to ignore public opinion by appointing the architect of petroleum privatisation in Thailand to the board of directors of EGAT, while blocking loan guarantees to the electric utility despite recommendations from EGAT management.

EGAT-LU and other unions are protesting the new board appointments by wearing black outfits, and daily protests continue at EGAT headquarters. EGAT-LU continues to hold forums across Thailand dispelling the government's arguments, and it is gearing up for conflict with the ruling pro-market political party of Prime Minister Thaksin Shinwatra early next year. The government is expected to make another push for privatisation after March 2005 national elections. EGAT-LU again will seek support through the ICEM for global solidarity to help block the ill-advised market proposals for EGAT.

### *Electric Power Union in Serbia Wins Job Guarantees*

**Belgrade** Members of the Electric Power Workers Trade Union of Serbia stood down the continuing advance of privatization in Serbia-Montenegro by winning an eight-day strike at spun-off enterprises of EPS, the state-run electric company. The strike by 1,250 workers at the Kostolac Mine and a thermal power plant in Kostolac was over a further splitting of the operations into five enterprises.

In an agreement with the Ministry of Energy and Mining to end the strike, the union won employment guarantees for all workers for a four-year period and achieved an exemplary redundancy package for any worker losing a job thereafter. According to Power Workers Trade Union President Milan Kovacevic, another important gain to the agreement is a provision that EPS must reassess in three years time whether the separation to five business entities is justified before finalization of the process occurs.

## *Turkish Miners Victimized with Gold Mining Closure*

**B**ergama, Turkey Mining members of *Turkiye Maden-Is* shaved their heads in protest to a high court ruling that closed the Ovacik Gold Mine here 19 August over use of sodium cyanide in operations. The Turkish Ministry of the Environment and Forests had approved the use originally in 1994, and then in renewal permits since.

*Maden-Is* believes the environmental dangers to be exaggerated. In 1999, the prime minister mandated the Turkish Institute of Scientific & Technical Research to assess the cyanide impact. The report concluded that risks had been eliminated and hazards were at limits far below acceptable limits.

The August closing ruling is now on appeal in Turkish courts. Some 169 union members have lost their jobs over the ruling, and they are hoping for a speedy reversal.

The mine started in 1992 as Normandy Madencilik A.S. and Newmont Mining took possession in 2002 in a takeover of Normandy Mining Ltd. US-based Newmont was slated to sell the operations to Frontier Pacific Mining of Canada when the mine was shut.



## *Petrobras Workers in Brazil Set to Walk*

**R**io De Janeiro Workers at Brazilian affiliate FUP-CNQ have been given the go-ahead for a five-day strike set for late October against Petrobras unless the company proposes a better pay package. FUP-CNQ was conducting strike votes at union meetings across state-run Petrobras' operations in mid-October as *Global-Info* went to press.

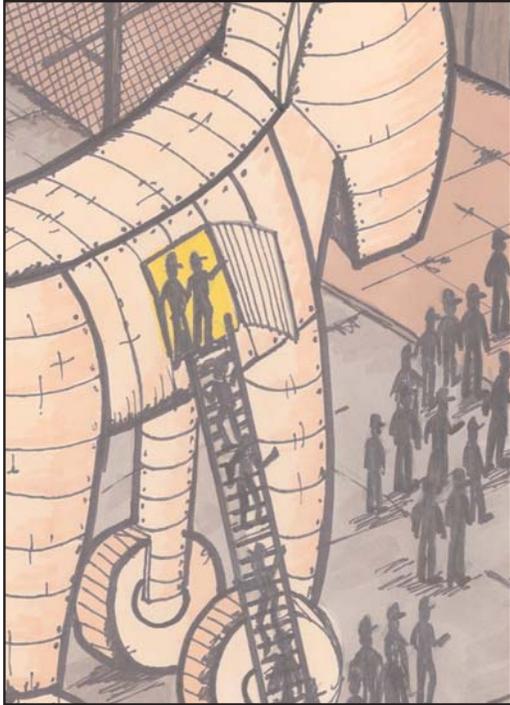
The union conducted surprise, 24-hour strikes over four days in early October that were not intended to harm production. At issue are an inferior wage offer and an inadequate pension hike for retirees this year. Last year, a threatened 72-hour strike forced Petrobras to meet FUP-CNQ's terms at 15.5%, an increase then meeting Brazil's high inflation rate. In 2001, a five-day strike disrupted production 50% each day and brought the company to terms with the union.

The union has proven it can strike with maximum impact without shutting down all output and refining.

## *ICEM Affiliates on Course for Mergers in UK, Sweden*

**L**ondon/Stockholm ICEM affiliates in two European countries are merging to become stronger. The Graphical, Paper & Media Union (GPMU) in the UK has merged with Amicus with 86% of GPMU members voting for the merger.

In Sweden, two affiliates—Svenska Metall and Industrifacket—gave approval at their recent Congresses to begin the process to facilitate integration. Separate Congresses will then occur simultaneously and the merger is expected to take effect by January 2006.



# Contract/Agency Labour: A Threat on Our Social Standards

Contract and agency labour has become a global phenomenon that has been absent of any uniform thread of application from one country to the next. It was a problem for unions in developing nations back to the early 1980s as companies begged for flexibility, and it has now become a problem in developing regions of Asia, Africa, Latin America and Central and Eastern Europe. Market liberalization imposed by global lending bodies favours temporary labour solutions employed at fixed-term contracts over permanent workforces which bring social stability and quality-of-life standards to a community.

ICEM affiliates have wrestled with the issues of contract and agency labour for years. Some have addressed it through collective agreements and carved adequate language to limit it, others have had measures regulating duration, pay, benefits and a primary employer's responsibilities spelled out in social code. But for some now meeting the issue in an age of rapid global economic transformation, it comes with a myriad of problems ranging from identifying the contractor to how to get an employer engaged in revolving-door employment to respect the wage and social norms of an area.

The ICEM announced it is tackling the issue head-on following a two-day working conference of affiliates 17 September in Brussels that made the analysis, identified the trends and reached consensus on immediate strategies needed to deter the rampant use of contract and agency labour. The ICEM will make the issue a long-term programme priority, mirroring the abhorrent social effects with viable solutions, devoting resources and expertise to affiliates at every forum, and developing uniform tactics, logistics and a blueprint to stop this Trojan Horse as it rolls its way across the lifeblood of a community—permanent employment.

The underpinning will be ultimate responsibility rests on the primary employer. The ICEM will insist on the right of union consultation, negotiation and ultimately agreement with a primary employer before any commercial contract occurs that affects the employment status or conditions of permanent workers. Too often, unions are told "we have no control" by managers when inquiring on negligent work practices or flagrant safety violations by contractors. The ICEM says this must stop.

One side of the question is simple for trade unionists: Should a primary employer have the right to enter into a contract with an agency or contractor that ultimately affects the employment status of the permanent employees? The other side is more complex and warrants wide discourse and direction: What are the social costs to a community and how do we as citizens stop the destruction of full-time jobs?

Many ICEM affiliates, especially in developed economies, have devised and instituted collective agreement language to control and regulate contract labour in their worksites. The ICEM will draw on that to assist affiliates now facing the threat to bring the issue directly to primary employers.

*See Contract/Agency Labour page 10*

## Some Union Responses



Say 'No' to company retrenchments and educate workers on the shortfalls of grabbing redundancy pay-offs as exchange for permanent jobs going to contract status.



Management's rush to flexibility in order to downsize a workforce and occupy workers to a maximum effect jeopardizes health and safety.



The argument is not cost, the argument is:

**Work Skills + Competence = Productivity**  
**Standards on Health/Safety = Reputation**



Community and government: If contract employers slide on pensions, health care, social costs, it is the government that has to pick up that bill. Similarly, contract workers sending money to distant places does nothing for the local economy.



A unified workforce works better and smarter than a divided workforce that is split on lines of pay, benefits, working hours and conditions.



Mutual trust exists among workers who live, socialize and enjoy quality-of-life aspects in the same community.

### *Workshop Panel: Different Experiences, Different Lessons*

**Errol McLeod**

*Oilfields Workers' Trade Union  
Trinidad & Tobago*

The union response must be resist retrenchment, convince government that it is on a destructive course and mobilize. Our union's experience to get two major global oil and gas contractors under agreements was to mobilize in the communities, form unemployment councils, housewife associations, hold demonstrations demanding that the poor and jobless have their situations addressed.

**Aparecido Donizeti Silva**

*CNQ-CUT  
Brazil*

The formal structure of the BASF Network in South America meets twice yearly and we include workshops and dialogue with managers on the issue of contract labour and upholding standards. But that is just one company.



**Jim Hickenbotham**

*Boilermakers Union  
US*

Our union achieved language to limit contract work in the cement industry some time ago. When a company seeks to put our work out, it has an obligation to negotiate with us to prove it is necessary. Now the challenge has been to hold on to that language.

**Yoshio Sato**

*JAF-ICEM  
Japan*

Japan's workforce is now 30% composed of non-permanent workers. Our tradition of life-long employment, with age and seniority-based wages part of our distinct work culture is at risk. Japan is the last of the developed countries rushing to contract and agency labour.

# Contract Labour: A Threat on Our Standards

From page 8

The ICEM will develop a database on the prevalent global service-providers in our respective industrial sectors, their modes and operating procedures, specific work specialties, pay and benefits, and union involvement, if any. The database, of course, will contain existing contract language of affiliates on contracting out that can be easily tied to an online advice service so affiliates are quickly served with effective information. It also might include relevant market research for regions where ICEM sectors are principally located, including reconfiguration of labour markets, industrial development and the lenders and institutions behind development and capitalization.

Affiliates will also be instructed to take political action on the issue and to build within organizational structures the skills and tools to organize and educate on the harmful effects of contract or agency employment. Issues such as retirement savings, health care costs, even increased public pressure to regulate sub-standard work practices must be localized and fixed in the debate and fabric of a community. The ICEM will produce campaign and educational materials so affiliates can effectively spell out the ill effects of contract and agency labour before fellow citizens and local governmental units.

At the global level, the ICEM will bring the issue before the ILO, the UN's Global Compact, the OECD, World Bank, International Monetary Fund, and other inter-governmental agencies that either speak to criteria of the "employment relationship" or regulate investment. In the 1990s, the ILO did consider a Convention on standards for contract labour but consensus was not reached. The ILO did adopt a "Decent Work" definition and the ICEM believes that if anything undermines that declared position it is the excessive and uncontrolled use of contract and agency labour. The case will be pressed.

The agenda is an ambitious one. It is one that will cement a lasting and functioning relationship between 400 affiliates and the ICEM on an all-important issue. It is also one that will lend potent and lasting credence to the notion that when a permanent workforce is the choice for employment, we're all better off.

## Why the Urgency on Contract Labour?



**In Nigeria**, Shell retains 2,000 contractors. On any given Shell jobsite, 4 of 5 workers are contract employees.



**In Australia**, 76 independent studies have made the distinct link between inferior health and safety and contract labour.



**In France** at ExxonMobil in Normandy, the company boasts of "0" accidents. Not true! Every service is contracted out with contractors having accidents daily but every one is afraid of losing a contract so the person is quickly carried off and nothing recorded.



**In Turkey**, a population of 80 million with 10 million unemployed—coupled with rapid privatization—makes it extremely difficult to get a grip on the use and abuse of contract labour, especially since government resists efforts to unionize contract workers.



**In Japan**, 15 million workers out of a total workforce of 50 million are non-permanent workers as employers rush to cut work rolls. In August 2004 alone, the number of contract workers increased by 710,000.



**In Denmark**, contract labour has been dealt with in honest dialogue between unions and management that has given the same rights and social benefits to contract workers. But one-person companies have now entered the equation and are undermining bargaining unit work.

## *OA O Lukoil... From page 3*

Rights;

- Lukoil will respect, protect and support traditions of national tolerance, religion, cultural traditions, and art and craftsmanship in regions where it has operations;

- It will not oppose unionization efforts, and recognizes ILO Conventions 87 and 98 on freedom of association, right to organize and right to collective bargaining;

- Lukoil will implement the principles of the ILO Code of Practice on HIV/AIDS and the World of Work;

- Ascribes to ILO Conventions 138 and 142 on child labour;

- Assures equality of opportunity, equal pay for men and women for equal work, and non-discriminatory employment and occupational practices per ILO Conventions 100 and 111;

- Lukoil will implement provisions of ILO Convention 156 (Workers with Family Responsibilities), giving special attention to rights of working women, expectant mothers, nursing mothers and women with large families;

- Will promote greater health, safety and environmental responsibility, and will encourage development/diffusion of safe, environmentally friendly technologies.

Lukoil has become Russia's premier energy multinational. The company, with 96,000 work-

ers worldwide, accounts for 20% of total Russian oil production and is second in global oil reserves behind ExxonMobil. Holdings exist in the Caspian Region and assets and joint ventures exist in Poland, Romania and Bulgaria.

Lukoil investment is spread across North Africa including Algeria, Libya and Egypt, and it is poised for Iraqi development. Lukoil also holds stakes in petrochemical and gas operations in Iran and Saudi Arabia. It is active in Nigeria and owns 2,000 petrol stations in the US.

"Lukoil is the leading Russian oil company on the international scene," said ICEM Gen. Sec. Fred Higgs. "I see this agreement as taking Lukoil's partnership with trade unions in Russia to recognition of trade unions and workers' rights across the world."

ROGWU President Lev Mironov said the signing is a landmark in both Russian and global contexts. "It would be excellent if other successful Russian companies followed this example and became actively engaged in the practical building of the socially-oriented state.

"It is inspiring that the first truly transnational company from Russia emerging as an active player in the global economy declares its commitment to the traditional Russian value of caring for working people."

## *SCA... From page 3*

representatives, and respects basic trade union rights on freedom of association, right to organize and right to collective bargaining;

- Supports the effective elimination of forced labour and child labour, and it will apply such criteria in choice and management of suppliers and subcontractors.

The agreement contains a dispute resolution process, and all parties will meet annually for review.

ICEM Gen. Sec. Fred Higgs said the agreement follows an excellent cooperative accord reached between SCA and US affiliate PACE. SCA expanded in the US in the late 1990s with acquisitions in the non-home or institutional paper towel/tissue market. It also owns a US plastic-foam packaging company, and holds personal hygiene assets there.

SCA has 44,000 workers in 40 countries.

SCA recently bought tissue assets in Australia and New Zealand of Carter Holt Harvey (CHH),

plus the 50% portion of CHH's stake in a personal hygiene business called Sancell, giving SCA full ownership and making it the leader in that market.

SCA has also recently purchased a baby diaper firm in Malaysia, a packaging company in Italy, and has enlarged both tissue and containerboard capacity in Spain.

"SCA has expanded to become a premiere worldwide pulp, paper and packaging company," stated Higgs. "We are pleased that SCA recognizes the need to uphold workers' rights and build cooperative relationships with respective unions in all its global operations."

Sune Ekbage of the Swedish union said it is a "natural for a Swedish company such as SCA" that has "a long tradition of favorable relations with trade unions. I am convinced that this will favor SCA and it has come at exactly the right time, in view of discussions concerning ethical guidelines currently underway in Sweden."

# ICEM in Dialogue with Iraqi Oil, Energy Unions

**A**mmman, Jordan  
Over 50 trade union leaders from Iraqi sectoral unions and national centers joined representatives from GUFs at an ICFTU-organized seminar here 3-5 October.

The seminar considered in detail the proposals for the future Iraqi Labour Code and its conformity with the ILO's Declaration on Fundamental Principles and Rights at Work and Social Dialogue. It also allowed time for detailed discussions between the Iraqi sectoral unions present and the respective GUFs.

ICEM Director of Organization Jim Catterson conducted thorough talks with representatives of oil and energy unions of three Iraqi national centers, the Iraq Federation of Trade Unions (IFTU), the General Federation of Trade Unions (GFTU) and the Federation of Workers' Councils and Unions in Iraq (FWCUI). Although deeply divided on many issues, the talks proved



*Oil and energy sector trade union leaders from Iraq meet with ICEM's Jim Catterson*

informative and Iraqi union leaders in the oil and energy sectors agreed to meet again.

The representatives were appreciative of ICEM's intention to work with all trade unions in Iraq that demonstrate having a real industrial structure and a genuine workplace presence. Unions of all three centers will be invited to the forthcoming ICEM seminar for Arab countries to be held this December also in Amman.

Representatives from the ILO and ICFTU-affiliated national centers also attended the October conference.



## NA Women Meet, March

**I**CEM North American Women's Committee, meeting in Ottawa 13 September, joined a mass labour rally in Canada to protect the nation's nationalized medicare system as that country's political leaders gathered to discuss the future of national health care.

Delegates Amanda Stinger and Pam Dumler from US affiliate Boilermakers Union carried ICEM colours.

# Nigerian Wrath at Government's Empty Promises

**I**CEM affiliates NUPENG and PENGASSAN in Nigeria joined a four-day general strike in October over a 25% hike in petrol prices that went into effect at the beginning of the month.

The blue-collar and white-collar unions of Nigeria's oil and gas industry also opposed the government's Labour Reform Bill, a measure by President Olusegun Obasanjo to punish the National Labour Congress NLC for past fuel price strikes. The legislation, watered down by the Senate considerably before passage in September, was proposed with a "no strike" clause and language making it easy for new union umbrella organizations to register.

Besides paving the way for all union membership to be voluntary, this latter amendment would effectively have shut down NLC as the voice of the Nigerian people on social issues. The General Assembly is now taking up the Labour Reform Bill, but the worst aspects are gone.

Nigeria's general strike began 11 October was over the Obasanjo government's fifth fuel price hike in five years as the IMF-endorsed removal of fuel subsidies. The NLC was joined in the strike call ironically by the Nigerian Employers Consultative Association.

But two days before the four-day strike began, Nigerian secret police picked up NLC President Adams Oshiomhole at gunpoint in an effort to intimidate union supporters. He was released 10 October and the mass strike came off paralyzing Africa's most populated nation.

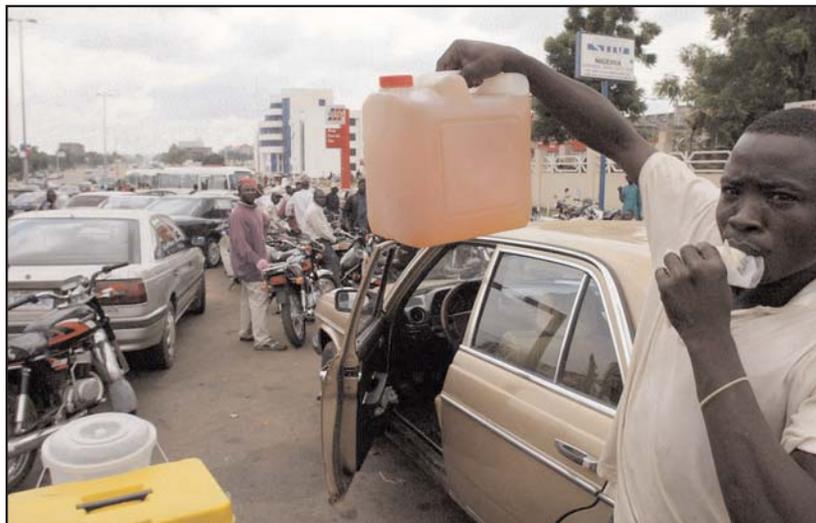
Despite being the world's sixth largest oil producer, Nigerian must import US\$2 billion worth of petrol yearly because of insufficient capitalization to the nation's four oil refineries and corruption at the national oil company, which also controls lucrative import contracts.

The price hikes have contributed to double-

digit inflation and none of the government's promised projects—education, road building, electric generation—have materialized due to the higher fuel price.

On the latest hike in October, the government tried to check the growing power of the NLC among the populace by getting a ruling from the Federal High Court Abuja that the position of president of the NLC did not exist under law and the labour federation had no power to compel members of its 29 affiliates to strike. It was seen as another bullying attempt by the Obasanjo government.

We do not expect the government "to consult anybody before increasing the pump price



because we know that culture is alien to them," stated NUPENG President Peter Akpatason in a interview. Saying Nigerian people are tired of the endless increases, he asked, "Why must the citizens be suffering for the excesses of the government? Why can't they get our refineries working? Why must they be comparing our fuel price to the international crude oil price?"

High global crude oil prices have not benefited Nigerians and they are justifiably angry with government. If five fuel price hikes in five years had coincided with efficiency upgrades at refineries and even new ones built, then Nigeria would not be importing inflationary refined products as it removes fuel subsidies.

# UN's Global Compact: Monitoring, Injecting Integrity Measures Needed

**N**ew York City The four-year-old effort by UN Sec.-Gen. Kofi Annan called the Global Compact took a marked turn 24 June with debate over addition of strident measures for inclusion to the UN listing and adoption of a tenth

social responsibility.

The Global Compact's principles are voluntary with some 1,700 companies, institutions and national stock exchanges now signatory. At the summit, the UN introduced a tenth principle—an anti-corruption standard that received widespread support from the business elite.

"You felt, and I agreed," said Annan, "that corruption so profoundly corrodes sound business practice and good governance, and thus our ability to realize the other nine principles, that it uniquely deserved to be added to the commitments on which our Compact is founded."

The anti-corruption principle was based on a UN Convention adopted in December 2003 called the UN Convention Against Corruption that was initially signed by more than 100 countries.

The luncheon speaker at the Leaders Summit was Brazilian President Luiz Inácio Lula da Silva. He used the forum to encourage businesses to become better advocates for the poor, and cautioned industry that it has a more of a role to play



Brazil's President Luiz Inácio Lula da Silva is joined by UN Sec.-Gen. Kofi Annan and ICEM Gen. Sec. Fred Higgs at the Global Compact's Summit.

principle to the Compact's code of conduct. The occasion was an unprecedented Leaders Summit here, drawing 500 top company executives, Labour and NGO leaders that bore witness to the importance of the ever-growing issue of corporate

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## Global Compact's Ten Principles

### *Human Rights*

**Principle 1:** Businesses are asked to support and respect the protect of international human rights within their sphere of influence; and

**Principle 2:** make sure their own corporations are not complicit in human rights abuses.

### *Labour Rights*

**Principle 3:** Businesses are asked to uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labour;

**Principle 5:** the effective abolition of child labour; and

**Principle 6:** the elimination of discrimination in respect of employment and occupation.

### *Environment*

**Principle 7:** Businesses are asked to support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

### *Anti-Corruption*

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

# ICEM, ITF Project Meeting Expectations

**St. Johns, Canada** The ICEM continued its joint offshore oil and gas cooperation with the International Transport Workers' Federation (ITF) here 28-30 September. Union leaders from 15 countries attended and passed a resolution supporting ICEM Canadian affiliate CEP's continued battle for justice at the Hibernia offshore oil rig.

The project also gave its full international support to Nigerian affiliates of the two GUFs in their struggle to resist unwarranted labour reform and the government's failure to address oil problems in the Niger Delta.

The CEP received a set-back over Hibernia led by ExxonMobil days prior to the meeting when the Newfoundland Supreme Court overturned a Canadian labour board ruling to reinstate 25 workers sacked during a 2001 organizing drive.

Some 420 workers voted for the CEP then, the first such North American offshore rig to go union, but Hibernia appealed the vote and lost before the provincial labour board. ExxonMobil ignored the ruling, taking the matter to further appeals. The CEP will now appeal the September ruling. The joint ICEM/ITF meeting used Global Maritime Day on 30 September to demand from ExxonMobil that it reinstate the 25 and begin good-faith bargaining with CEP.



*CEP Vice Pres. Joseph Gargiso speaks on the Hibernia dispute*

Delegates then attended Canadian hearings on proposed new security regulations that will strip maritime workers of inherent human and trade union rights.

The ICEM and ITF held a September 2003 global offshore conference in Scotland to begin solidarity efforts on behalf of offshore oil workers. The effort has since focused on safety deficiencies at North Sea oil rigs and produced fact-finding missions to Nigeria and Côte D'Ivoire urging more training and hiring of local workers.

A number of delegates commended the increased national cooperation between affiliates of the two GUFs in respective countries as a result of the Scotland conference. Discussions are now underway to extend this cooperation to the entire oil and gas industry.

## UN s Global Compact

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than just an economic one.

"It must also have a social and political dimension," Lula said. "Social exclusion is the hidden face of economic shortsightedness."

The ICEM was forefront in trying to bolster the credibility and effectiveness of the Compact. Gen. Sec. Fred Higgs, a featured speaker during the morning session, told the gathering that global labour's future involvement in the Global Compact depended on implementation of a set of checks and balances to ensure companies agreeing to the principles meet their obligations.

"A prerequisite for the ongoing support of the global unions for this initiative is that

any reconstituted structure for taking the Compact forward would need to include integrity measures and an ultimate sanction for those companies that clearly have no intention of applying the ten principles for which they had signed," stated Higgs.

Higgs was one of four members to the Compact's 17-member Advisory Committee charged with drafting integrity measures leading into the Summit. Although the Summit did not adopt such a system, UN Sec.-Gen. Kofi Annan announced at its close that a small group would examine the current structure and governance of the Global Compact and make concrete recommendations within the next 12 months.

# Taking a Stand...

## Protests in The Netherlands

Dutch workers have stood together like they've never stood before and with good reason. A social security network steeped in caring and sharing for those with the least is under attack by a fragile center-right government seeking the biggest budget cuts in Dutch history.

Unions in NL, especially ICEM affiliate FNV Bondgenoten, are leading a vanguard of workers from all walks of life who are responding in mass dissent to a coalition government of VVD (Liberal), CDA (Christian Democrat) and Democracy 66 (Education). They are proposing unacceptable social cuts: decreased aid to the disabled, elimination of sickness rights and benefits, cuts to school programmes for learning disabilities, to name but a few.

Opposition has been sharp and massive. 300,000 turned out for a rally in Amsterdam 2 Oct., three times the turnout expected. 20,000 protestors were expected in Rotterdam 20 Sept. to form a human link between two bridges as a symbol to maintain the tax-break link to early retirement, but 60,000 came and the NL's trade hub was shut down. A series of rolling strikes and industrial actions since shows Dutch workers want no part of shortened holidays, longer work weeks without more pay, no jobless aid to long-term unemployed, and the cruelest affront, eliminating wage agreements across industrial sectors, thus destroying the Polder Model and the country's "economic miracle" of the 1990s.

"This has been the biggest set of demonstrations in our history," said FNV Bondgenoten's Ben Roodhuizen. "Citizens support our position and want this nonsense stopped."

Social security is value-added in the NL. And workers are proving they will fight ... and win ... to protect this identity. An austerity plan that targets social benefits won't work in the NL and workers have taken a stand. It's a stand that's showing the world what's important to stand for and protect.

