Opening doors for unions

- expanding the cover of global agreements

Global targets

Global Agreements

www.uniglobalunion.org
November 2006

Report
Exporting global labour standards through multinationals

Telefónica was the very first global framework agreement signed by UNI, way back in 2000. Now there are more than 12 agreements involving UNI and about 50 with all the global unions. The aim is to boost substantially that total to ensure global labour standards are exported through the multinational companies that increasingly dominate the global economy.

“Core labour standards are agreed by unions, employers and governments at the International Labour Organisation in Geneva,” says UNI General Secretary Philip Jennings. “But, far too often, they are forgotten once delegates get back home.”

Conventions are not ratified, export processing zones become no-go areas for labour standards and, without tough sanctions like in trade, companies can conveniently forget them. Global agreements ensure that labour standards are observed wherever that global company operates.

“We are exporting labour standards through responsible global corporations,” said Philip Jennings. “Now we want to step up the number of these agreements and build on the agreements already signed to ensure unions can organise and represent workers wherever they are.”

Global agreements in UNI’s area so far cover:

- Carrefour: (commerce - 450,000 employees in over 30 countries)
- Falck: (rescue and ambulance - in a growing number of European countries)
- H&M: (commerce - world’s largest fashion retailer)
- ISS: (contract cleaning and facilities management - 300,000 employees in Europe, Latin America and Asia Pacific)
- Metro: (commerce - 250,000 employees)
- National Australia Group: (multinational bank - agreement to be signed in Melbourne in December)
- OTE: (Greek-based telecom operator)
- Portugal Telecom: (telecom - in Europe, Africa, Macau and Latin America)
- Securitas: (security - 211,000 employees in 30 countries)
- Nampak: (packaging - South African based)
- Euradius: (graphical - Dutch-based)
- Telefónica: (telecom - a powerful player in Latin America and interests in Europe and the USA)
- Universal Postal Union: UN agency

UNI also has regional agreements with Barclays Bank in Africa, First Caribbean and HSBC.

Labour standards are the core

The starting point for a global agreement is the core labour standards agreed through the International Labour Organisation. A whole string of Conventions was strengthened by a Declaration on Fundamental Principles and Rights at Work in 1998. The core ILO standards are:

- Recognition of the right to join or start a union and to bargain collectively.
- No discrimination at work.
- Freedom from child and forced labour.

So, signing up to a global agreement means a company accepting the right of unions to organise - without delay or resistance - wherever they operate around the globe.

For unions in the company’s home country it also means that international issues become a legitimate subject for discussion and negotiation.

“Home” unions are key in the negotiation and supervision of global deals.

Sustainable environmental standards are also a key ingredient.

ILO, Geneva
A global agreement is just the first step

Getting a multinational to commit itself to labour rights and environmental good behaviour is a major step forward. But it is only a first step. The agreement is a base for national unions to build upon - and to monitor.

A key issue for the implementation of the agreement is the global communication chain of the company. Not all local managers know of the agreement (or maybe they know but just don’t approve). So, when a national union knocks on the door to organise the door can be slammed hard in their face. Equally, a commitment to allow unions and to bargain with them does not necessarily mean that access to members and potential members will be meaningful. That’s why the agreements generally provide for regular meetings (usually annually) between the company and the unions and UNI. That allows for problems to be raised with global management and for the working of the agreement to be monitored. That’s also why, increasingly, UNI and affiliates seek to spell out the practicalities of some of these important global commitments.

So, the Securitas agreement signed in April 2006 provides for:

- Joint monitoring of the agreement with a global implementation team and local monitoring to include local management, unions and health and safety representatives.
- The agreement recognises that unions need access to workers in order to organise effectively and recruit members. The company agrees to recognise unions nationally under the easiest process available.
- The Securitas agreement incorporates the company’s Code of Conduct (itself negotiated with unions and works councils) and commits the company and employees to ethical behaviour.

In Australia our affiliate LHMU has built on the global agreement signed by UNI with ISS in 2003 to provide for regular and meaningful access for the union to workers. The company will also communicate to managers and employees a positive view of joining the union.

“Our aim is to open doors for national unions, now and in the future, to these companies,” explains UNI General Secretary Philip Jennings. “Unions need to be fully involved in the negotiations and need to take up their rights to organise. This is an important avenue for reaching workers and helping them to improve their working lives.”

In Brazil our affiliate SINTETEL has made considerable progress organising call centre workers in Atento - the call centre subsidiary of Telefónica. The global agreement was of great assistance to the union in launching this campaign. However in Puerto Rico, where US-style labour laws and management mindsets prevail, the CWA met strong resistance from local Atento bosses who ran a union-busting programme. The result was that CWA lost the recognition vote.

Undoubtedly the issues of management chains and communication will be an issue in the review of the Telefónica agreement that is currently going on. It will also be a key issue in all new global agreements.
Targeting key multinationals across the sectors

**Wal-Mart**: world’s biggest retailer. Anti-union in the USA and Canada. Fast expanding in China.

**Casino**: French multinational retailer in 15 countries. 75,000 workers in France and 45,000 elsewhere.

**IKEA**: based in Sweden and has over 200 stores in more than 30 countries and 84,000 staff.

**Tesco**: world’s fourth largest retail multinational. 250,000 staff in the UK, 50,000 in other countries. Other targets for global agreements include German-based **Rewe** and Spanish based **Inditex**.

**ABN-AMRO**: Dutch bank with operations around Europe, in South America, the USA and Asia.

**Allianz SE**: major insurer that has just signed up to worker directors under its new European status.

**Axa**: one of the world’s biggest insurance companies, originated in France.

**Barclays Bank**: big London-based multinational. 77,000 staff with 2000 UK branches and 500 elsewhere. Other targets **Deutsche Bank**, **HSBC**, Spanish-based **BBVA** and **Banco do Brasil**.

**Group 4 Securicor**: UK-based giant of the security industry employs 360,000 people.

**Rentokil Initial**: operates in 40 countries and employs 90,000 people.

**Prosegur**: Spanish-based security and cash services provider with 55,526 employees.

**OCS**: cleaning and facility services with 55,000 people and overseas alliances.

**CSC (Computer Science Corporation)**: US-based IT services and offshore providers.

**Tietoenator**: Finnish/Swedish multinational for IT services.

**Cap Gemini**: French multinational IT service provider.

**Disney**: the world’s third largest media organisation (theme parks, TV, films)

**Bertelsmann**: continental Europe’s largest media conglomerate.

**News Corp**: Rupert Murdoch’s US-registered global media conglomerate. Other future targets could include **Sony** and **Time Warner**.

**Deutsche Post World Net - including DHL**: employs 380,000 staff in 220 countries/territories.

**Canada Post International**: consultancy arm of Canada Post.

**GeoPost**: French based multinational connected to La Poste Group.

Other future target: : Netherlands-based **TPG/TNT**.

**Quebecor World**: print, broadcast and cable. 49,000 people and $8,670m sales.

**Amcor Packaging**: 48 manufacturing sites in 18 countries and 226 subsidiary companies.

**Kimberley-Clarke**: in North America and Europe. Employs 60,000 people and sales of $15,000m.

Negotiations already underway with **Deutsche Telekom** (247,000 workers), **France Telecom** (218,000 staff) and **Telia Sonera** (29,000 staff).

Other targets include Mexico-based **America Movil**; UK-based **BT** and **Vodafone**; **MTN** and **Telekom South Africa**; **NTT**, **Singtel** and **Telecom Malaysia** in Asia.

**Hydro Quebec**: Canadian-based multinational expanding into Latin America.

**Aes**: American-based energy company with activities throughout Latin America.

**Endesa**: Spanish-based multinational.