

Shop workers international solidarity

First-ever global agreement

After prolonged difficult negotiations Shoprite Checkers and an international alliance of trade unions signed the first-ever global agreement with an African company in the commerce sector. **Bones Skulu** and **Keith Jacobs** explain the importance of global agreements and how two South African multinationals have signed such contracts.

The forces influencing the lives of many workers extend beyond national borders and continents. Such decisions are taken at an international level, often by multinational corporations and at times these decisions undermine worker's job security.

Because we live in an integrated world, there are no boundaries for multinationals which move wherever they can exploit and get the greatest profit. Recently multinationals have expanded across the globe. They are often monopolies as due to their competitive advantage in technology they drive out small and medium enterprises.

Often, multinationals do not procure raw materials locally and import from outside, in particular from their country of origin. This brings with it challenges but it also offers opportunities to strengthen co-operation amongst trade unions globally. It allows unions to develop global strategies to counter this race to the bottom.

These corporations select countries where conditions are conducive to undermining union rights often by outsourcing and using temporary contract workers.

So many Global Trade Union

Federations (GUFs) see the need to ensure that these multinationals adhere to decent work and union rights.

There are a number of policy guidelines that unions can use to engage corporations and ensure adherence to the principle of decent work. The Organisation for Economic Co-operation and Development (OECD), for example, adopted a set of voluntary guidelines for multinationals in major areas of business ethics including employment and industrial relations.

The core conventions on international labour standards adopted by the International Labour Organization (ILO) are also weapons for unions to ensure that they hold multinationals accountable.

Another tool for workers to regulate the relationship with multinationals is entering into global agreements.

GLOBAL AGREEMENTS

A global agreement is one between a multinational company and a GUF on behalf of its affiliates that represent workers all over the world.

When companies operated locally, unions had local agreements; when companies were national, unions

signed national agreements. Now in the global economy we need global agreements.

By entering into a global agreement, multinationals commit to:

- observing international labour standards including recognising the right to join a union, to bargain collectively and to non-discrimination in employment;
- not using child or forced labour;
- observing decent working conditions;
- adhering to good environmental standards; and
- not using suppliers who violate the principles of decent work and undermine ILO conventions.

Global agreements also make provision for monitoring. Parties agree to hold annual meetings to allow the company to share its financial overview as well as prospects for expansion. These meetings allow unions to report on where the multinational did not comply with aspects of the agreement. Provisions are made for special meetings to deal with gross violations of the agreement.

GUFs establish alliances which bring together all unions in a global company. The unions decide what to demand, how to work together to get

an agreement and how to monitor and enforce it and engage in broader international solidarity work.

NAMPAK GLOBAL AGREEMENT

UNI Global Union is the GUF for skills, service, graphical and packaging workers. It has 20 million members in 900 unions worldwide. Cosatu's Ceppwawu, CWU, Saccawu, Sasbo and Satawu are its South African affiliates.

UNI signed its first global agreement with an African multinational, Nampak of South African origin, in May 2006. UNI formed a union alliance with the support of the Dutch union federation, FN V, in May 2005. This brought together unions from six African countries and one from the United Kingdom. The alliance decided to negotiate a global agreement with Nampak.

Nampak is Africa's largest packaging manufacturer, holding the leading market share in South Africa as well as interests in packaging companies in eight other African countries combined with a number of operations in Europe. It manufactures packaging of all types and exports to over 50 countries worldwide. It is also the largest manufacturer of toilet tissue in South Africa.

Unions introduced the first draft agreement to the company in August 2005 and it was signed in May 2006 following several rounds of negotiations. The following basic human rights are included:

- No discrimination in employment (ILO convention 100)
- The prohibition of forced labour (ILO convention 105)
- The prohibition of child labour (ILO convention 182)
- Freedom of association (ILO convention 87)
- The right to collective bargaining (ILO convention 98)
- Adherence to health and safety.

The parties further agreed to hold an annual meeting where the company will share economic and

financial matters regarding the development of Nampak at world level.

The UNI Nampak union alliance has held three meetings with the company since the signing of the agreement. The significance of this agreement was shown when African workers helped colleagues in the UK by applying pressure on the company to implement a national wage deal at its plant in Leeds.

SHOPRITE CHECKERS AGREEMENT

The Shoprite group is Africa's largest food retailer and operates 1 079 corporate and 270 franchise outlets in 17 countries across Africa, the Indian Ocean Islands and southern Asia.

The first meeting of the Shoprite Checkers union alliance took place in Port Elizabeth in 2003 where nine African countries were represented. This was an initiative of the South African Shoprite Checkers shop stewards council and the South African Commercial Catering & Allied Workers Union (Saccawu).

The alliance met a further four times and currently comprises all 16 African countries where Shoprite has operations. As part of strengthening the alliance at global level, unions are establishing national shop stewards councils to coordinate their work at a national level. South Africa, Zambia and Tanzania have already established national shop steward councils.

The Shoprite union alliance was launched in partnership with the Friedrich Ebert Stiftung (FES), whose support was valuable in establishing contacts with various unions organising Shoprite employees across Africa.

The first draft global agreement was introduced to Shoprite in 2007 when Philip Jennings, UNI general secretary, and Philip Bowyer, deputy general secretary, with a delegation from Saccawu met management representatives from Shoprite. The company expressed its commitment to global dialogue and to uphold good industrial relations with unions where it has operations.

At subsequent meetings it became clear that the company was not willing to sign a written agreement. Shoprite viewed this as a recipe for conflict saying that parties might hold each other to ransom. Shoprite representatives raised all sorts of concerns with clauses in the UNI draft proposal. These included any reference to ILO conventions in the agreement and that there should be no financial obligations placed on the company.

The agreement was eventually signed, after nearly three years of negotiations, in February 2010. This was an important moment as it was the first global agreement with an African company in the commerce sector. Said Jennings, 'This is a good day for Shoprite Checkers, the workers and their unions.' He also congratulated Saccawu which has bargaining rights in South Africa for its support and the active engagement of its shop stewards in the negotiation process.

The agreement enshrines basic principles of corporate social responsibility that include the right of workers to unionise and bargain collectively. Through this agreement UNI and Shoprite commit to adhering to the ILO's promotion of decent work.

CONCLUSION

Entering into global agreements with multinationals on its own will not ensure that they will adhere to principles of decent work and respect for union rights. It is important to form union alliances and capacitate its members to monitor implementation of agreements.

UNI has decided to start negotiations with three other South African multinationals, namely Pick 'n Pay, MTN and Standard Bank. LB

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