



#### News from the General Confederation of Trade Unions

No.65 July-September 2009

## GCTU CALLS ON AFFILIATES TO MARK DECENT WORK DAY

In connection with the World Day for Decent Work the General Confederation of Trade Unions issued a statement 4 September 2009 reading as follows.

"On the 7<sup>th</sup> of October, 2009, the world's trade unions will for the second time mark the World Day for Decent Work.

"Last year's experience showed that the idea of holding such a Day initiated by the International Trade Union Confederation had won a broad support among the world trade union movement. All over the planet, union members, together with non-organised workers, took to the streets to participate in rallies and demonstrations, or in any other way joined the demand for poverty, inequality and oppression to be abolished across the world.

"In most CIS countries, different events were organised in support of

decent work and social justice, the ILO Decent Work Agenda, and international labour standards. The importance of the decent work principles was once again highlighted at the 98<sup>th</sup> Session of the International Labour Conference held last June in Geneva. They form the basis for the Global Jobs Pact approved by the Session.

"Today, with the world financial and economic crisis in full swing, the role of the decent work concept is crucial as never before. Trade unions believe that the way out of the current deep recession in the world economy could only be found through the implementation of this concept. The international trade union movement insists that the policy of economic recovery should build around the basic goals of decent work, i.e. quality jobs for all workers, fair pay and reliable social protection, with the observance of the universally accepted principles of social dialogue and respect for trade union freedoms and human rights. The post-crisis model of the global economy must put the concerns of working people first.

"In the context of crisis, the majority of CIS states, like most countries of the world, suffer from curtailed production, growing unemployment, and falling living standards of workers and the bulk of the population. Under the pretext of anti-crisis measures, attempts are often made to cut down workers' earnings and social benefits, worsen their work environment, and restrict the rights of trade union organisations and their abilities to win a real economic stabilisation and better conditions for workers.

"The General Confederation of Trade Unions (GCTU) strongly insists that concrete measures for combating the crisis should be implemented in the CIS countries, based on the principles of decent work and in the spirit of social dialogue and coordination of efforts by all public forces in this direction. This position was specified in Declaration on the Economic and Social Situation in the CIS States and Actions by Trade Unions in the Context of the World Financial and Economic Crisis adopted by the GCTU Executive Committee in April 2009.

"The GCTU urged its member-organisations to counteract the negative impact of the crisis on the situation of workers, and, in doing so, strengthen international trade union solidarity, and give more energetic support to the anti-crisis initiatives, demands and actions by the international trade union community, and its struggle against curtailment of wage workers' social and economic interests, against encroachment on the rights of trade unions and workers.

"We call on our affiliated organisations to support the decent work policies of the GCTU and the international trade union movement in general by organising, on the 7<sup>th</sup> of October 2009, all kinds of solidarity actions and other public activities in support of decent work in a global crisis.

"Let us mark the second World Day for Decent Work under the slogan "Decent Work, a Safe Way of Overcoming the Economic Crisis!"

## AZERBAIJAN: COLLECTIVE ACCORDS SIGNED

The Azerbaijan Trade Union Confederation (AHIK) in conjunction with the State Labour Inspection have succeeded in getting collective agreements signed by the employers and trade unions at 676 enterprises in the first half of 2009. This is 91 per cent up from the first half of 2008.

Considerable success has been also made in solving the problem of organising at private businesses. Over the last six months, trade union organisations have been built in 25 major companies. This became possible after the AHIK leadership had called on industry trade unions to step up their organising activities in the private sector, with a special emphasis to be placed on unionising foreign enterprises.

However, this kind of activity has met with difficulties. The organising efforts have been blocked mainly by transnational enterprises operative in Azerbaijan. According to the AHIK, transnationals that come to the country often dictate their terms that often run contrary to the national labour code. For that matter, state-owned enterprises can set up a good example, especially in such an advanced industry as oil extracting and refining. Besides, almost all enterprises in the communications, railroad and aviation sectors can also be regarded as exemplary.

## AZERBAIJAN: UNIONS MONITORING SOCIAL DEVELOPMENT

The Azerbaijan Trade Union Confederation (AHIK) continues monitoring the impact of the world finance and economic crisis on the country's social development.

According to statistics and the results of research carried out by the International Monetary Fund and the World Bank, the economy of Azerbaijan keeps growing, albeit at considerably lower rates.

The macroeconomic figures analysed by trade unions in August 2009 point to an increasingly negative effect of the world crisis. However, owing to the measures taken, the gross domestic product has been growing, together with other indicators of the population's living standards.

The GDP has increased by 3.6 per cent as against the first half of 2008, while the income per head has gone up by 16.2 per cent, the average monthly wages by 19 per cent, and the per capita gross domestic product amounted to 2,058 US dollars (a 2.4 per cent increase).

As of 1 July 2009, the total number of employed in industry was 166.6 thousand, or 93.9 per cent as compared with the figure of January-May 2008, which means that 10.8 thousand workers have become redundant. On the whole, there were 44.1 thousand officially unemployed in the country (about 46 per cent of them women), with four job seekers for each vacancy. If calculated under ILO methodology, the number of jobless people in Azerbaijan will total 261 thousand.

## GEORGIA: GTUC HOLDS 11<sup>™</sup> CONGRESS

The 11<sup>th</sup> Congress of the Georgian Trade Union Confederation (GTUC) was held from 25-26 September 2009 in Tbilisi. Delegates heard and approved the reports on the activities of the GTUC Board and Auditing Commission in the four-year period under review, and adopted a programme of action for 2009-2013. The Congress amended the GTUC Constitution and a whole range of other documents, and approved the regulations for various commissions and committees.

The Congress took place in a complicated political and socio-economical situation, with practically no industry or economic sector functioning normally in the country. Hardest hit are construction, trade, and agriculture.

Against this background, the state authorities and the employers have intensified their offensive on the rights of employees and trade unions. One vivid manifestation of this policy was the adoption of the notorious Labour Code resolutely rejected by the un-

ions. In today's Georgia, collective bargaining is actually non-existent. The labour inspection has been disbanded, and the employer has received a right to sack workers at will, without even giving any explanation either to the dismissed workers or to their trade union. The unemployment benefit has been abolished, and only the poorest are entitled to small compensation for the lost job. The widespread overtime work is not paid, and work in harmful conditions is not compensated in any way. The result of all this is that an enormous number of people are languishing in hunger, with 23-24 percent of the population living below the poverty line.

Under the pressure from the GTUC supported by world trade unions, the first ever national tripartite agreement was eventually signed in Georgia, but nothing followed after that. The government continues ignoring virtually all demands or proposals made by trade uniions.

Congress appreciated greatly the work done by the GTUC leadership in the reporting period who had managed not only to save the Confederation, but also strengthen its positions, raise its influence in society, and normalise the trade union life as a whole. Delegates also spoke highly of the efforts taken by the Confederation to distribute emergency relief to the population that sufferered from the consequences of the "August war".

The first day of the Congress ended up with the election of the GTUC authorities. Bro. Irakli Petriashvili was elected President of the Confederation for a second term, with 183 out of 191 votes in his favour. Bros. Gocha Alexandria and Merab Dolidze, and Sis. Eteri Matureli became Vice Presidents. In accordance with the Constitution, the first leaders of the GTUC organisations in Adzharia and Abkhasia (the latter in exile) are ex officio Vice Presidents of the Confederation.

The Congress was attended by the representatives of ILO, GCTU, ETUC and national trade union centres from a number of foreign countries.

## KAZAKHSTAN: UNION OF YOUNG WORKERS SET UP

Representatives of young workers from all over the country assembled in the city of Temirtau 17 August 2009 to set up a new movement, the Union of Young Workers of Kazakhstan.

The urgency of the project is dictated by the necessity to improve the image of the working youth. The sponsors of the conference believe that the creation of a youth organisation aiming to render support to representatives of production trades, protect their interests and help them accomplish innovative industrial tasks will promote the growth of their professional skills. Delegates of the conference discussed pressing social problems, adopted the Statutes and the Action Programme of the Union, and elected its leading bodies.

Vice President of the Federation of Trade Unions of the Republic of Kazakhstan Kairat Amandykov took part in the constituent conference of the Union of Young Workers.

#### KYRGYZSTAN: NEW UNION LEADER ELECTED

At its session held in Bishkek 23 September 2009, the Council of the Kyrgyzstan Federation of Trade Unions (KFTU) elected Ismankadyr Rysaliyev President of the KFTU by a unanimous vote in a contested election.

## MOLDOVA: STATEMENTS BY CNSM

Following the recommendations of the ITUC mission that is monitoring the situation in the trade union movement of Moldova as part of preparations for the approval of the application by the National Trade Union Confederation of Moldova (CNSM) for ITUC membership, the GNSM Confederal Committee issued two statements whose texts follow below.

# Statement by the National Trade Union Confederation of Moldova on the interference of state authorities and employers in trade union activity

The National Trade Union Confederation of Moldova (CNSM) rejects as inadmissible the practice of interference by government agencies and employers in trade union activities. It was such interference that served as a ground for lodging a complaint with the International Labour Organisation (ILO) some time ago.

The Confederation insists that trade union rights and the freedom of association be respected in full accordance with the basic ILO conventions ratified by the Republic of Moldova, and expresses its keen interest in bringing national legislation and, in particular, the procedure of trade union registration, into line with Moldova's international commitments (basic ILO conventions).

The CNSM considers it important to emphasise that any delayed reaction by the government to ILO inquiries, as well as any delay in providing information, may have a direct or indirect impact on Moldova's participation in the EC Eastern Partnership which the Republic of Moldova is interested in.

The Confederation urges the government to inform the ILO and the public about the measures taken in connection with the above mentioned complaint as prescribed by the ILO procedure.

The National Trade Union Confederation of Moldova and its affiliates are ready to continue energetically social dialog with the state authorities and employers' representatives, and cooperate with them in the solution of common tasks.

### Statement by the National Trade Union Confederation of Moldova on the amalgamation of trade unions operative in one and the same sector of the national economy

In its attempts to put an end to all worries about interference in the internal affairs of its affiliates, the National Trade Union Confederation of Moldova (CNSM) confirms that it will not exert any pressures on its memberorganisations to make them effect mergers, nor will it allow any interfer-

ence, whether inside or outside, in the activities of trade unions, including those that are in the process of merging with allied unions.

In this connection, the CNSM will ensure a strict observance of the merger procedures, and all structural changes will be made in conformity with the interests, aspirations and common will of the union members. Any actions or doubts that may arise regarding this matter will be examined and appraised at the sessions of the CNSM competent authorities.

Simultaneously, the CNSM, as required by its Constitution, will be ready to render assistance to its affiliates in raising their efficiency and improving their structures.

## RUSSIA: UNION LEADERS HOLD COUNCIL

The plenipotentiary representative of the RF President in the Privolzhsky Federal Okrug (PFO) Grigory Rapota met with FNPR President Mikhail Shmakov and the leaders of the territorial federations of the Region's unions 30 July 2009 in Nizhny Novgorod to discuss "The socio-economic development of the Region's areas, actions by trade unions and the ways to solve the problems caused by the global financial crisis".

The PFO accommodates 25% of the country's industrial production, including 80% of the Russian car manufacturing and 65% of the aviation industry. At the same time, the enterprises operating within the PFO have been

particularly affected by the current world crisis. Many of them have completely closed down while others have switched over to a reduced working week.

Particular attention was paid to the situation that had emerged at the Volzhsky car factory "AvtoVAZ" in Togliatti. Grigory Rapota noted that a dialogue was going on between the owners and the workers at the majority of big enterprises. However, there were difficulties, especially in singleindustry cities where the population practically entirely depends on the city-forming enterprise, such as in Togliatti where 100 thousand people out of the 700 thousand population work at the "AvtoVAZ" car factory. While commenting the media information about planned mass downsizing of the workforce at the "AvtoVAZ", FNPR President Mikhail Shmakov pointed out that should this factory close down as a result of competition, some 100 thousand workers will find themselves unemployed. He believes that the measures being taken by the Government are appropriate and just, including restrictions on car imports.

The participants in the meeting also discussed a number of issues which the FNPR wants to take to the RF Government. Specifically, the Federation intends to propose that the bankruptcy law be improved. Trade union organisations want the enterprise employees to be recognised as privileged creditors.

The trade unions also intend to raise the issue of establishing a Ministry of Labour.

#### RUSSIA: FNPR PRESIDENT ASSESSES CRISES IMPACT ON RUSSIAN LABOUR MARKET

FNPR President Mikhail Shmakov gave his forecasts for redundancies at Russia's enterprises in his interview 7 August 2009.

He said that at present it was felt that the crises continued and deepened. All this creates a situation when lack of financing for enterprises compels entrepreneurs to curtail their business activity. We may face a new surge of job cuts in our economy. The number of employees that may become redundant in autumn may range between 200 and 400 thousand people.

According to the FNPR, the number of the officially registered unemployed will account to no less that 3 million people by the end of 2009. Under ILO methodology, it will mean that even today every tenth ablebodied Russian citizen is unemployed.

The situation in single-industry cities is particularly difficult. That is why the Ministry of Public Health and Social Development, on the insistence of the GCTU, is working out special programmes for supporting single-industry cities where the closure of enterprises requires increased funds for unemployment allowances.

Referring to the current situation with migrant workers in the Russian labour market, Mikhail Shmakov noted that the crisis had led to job-cuts, including for migrant workers. During the crisis, the invitation quota for migrants was reduced by half and it was a correct decision by the State authorities. At the same time, the mere conditions that make it possible for a great number of illegal migrants to stay in Russia have not yet been eliminated.

#### RUSSIA: FNPR DEFINES COLLECTIVE BARGAINING OBJECTIVES

At its session held 10 September 2009, the FNPR Executive decided to hold meetings of primary trade union organisations within the framework of the World Day for Decent Work during the period from 5 – 9 October 2009 with the common agenda "Decent Work – Decent Future!" The affiliates were urged to use such supplementary forms of participation in the Action as picketing enterprises having wage arrears, information pickets, etc.

The Executive noted that the general situation in the Russian economy remained tense. There is a stronger tendency for lowering the pay level, the number of people with incomes below the subsistence minimum has grown, and the consumer demand is shrinking. According to the trade union monitoring data, the threat of new mass layoffs is currently growing.

Along with this, the Executive noted that the anti-crisis measures implemented by the State authorities and supported by trade unions made it possible to curb the growth of unemployment and to partially pay the wage debts. The FNPR believes it necessary to improve the anti-crisis

programme by including additional measures meant to encourage domestic demand and support the labour market.

While discussing the forthcoming period of the collective bargaining campaign, the Executive emphasised that certain difficulties were expected to aggravate. The employers try to introduce into newly concluded accords and even into the documents currently in force some changes that undermine the employees' situation. The Executive resolved to regard the preservation of jobs and of the wages' purchasing power as key objectives in the collective bargaining campaign for 2009-10.

The FNPR Executive decided to step up the involvement of trade union organisations in reforming the social security system and bringing it up to the security principles and standards generally accepted in the world practice.

## UKRAINE: UKRAINIAN EMPLOYEES UNITE

Official representatives of Ukrainian employees' associations held a meeting 7 July 2009 in Kyiv. It was attended by Vassil Khara, President of the Federation of Trade Unions of Ukraine (FTUU).

The agenda included the discussion of the role of employees' associations in overcoming the impact of the financial and economic crisis.

The meeting resulted in signing the Agreement on establishing the Gen-

eral representative body of employees at the national level, and the regulation on this body and its secretariat was approved.

FTUU President Vassil Khara welcomed the establishment of such an organisation, noting that it was a long awaited event for the social partners wishing to see a consolidated representation of the employees with which it was now possible to build solid and long-term relations.

Vassil Khara believes that in the situation when the State authorities are actually paralysed, the trade unions and the employees, if they coordinate their efforts in the interests of economic development, will represent a powerful force capable of carrying out vital transformations in the economy and social development and solving many problems that so far remain outstanding.

### CONGRESS SETS TANGIBLE OBJECTIVES

The 4<sup>th</sup> Congress of the International Confederation of Trade Unions of Workers in Scientific Research and Production Cooperatives and Enterprises was held 1 September 2009 in Moscow.

Congress confirmed the commitments to the reinforcement of social partnership institute. At the same time, the changes in the sphere of economy and labour relations give rise to a number of questions as to the prospects for the collective bargaining regulation. For example, whether there should be a separate

collective agreement at every small business or it would be more preferable for them to be covered by an industry-wide or territorial agreement? This requires further study of practical experience.

Serguey Zhirukhin was elected President of the Confederation.

## TRANSPORT AND ROAD CONSTRUCTION WORKERS' UNIONS ENHANCE COOPERATION IN THE FACE OF THE CRISIS

The Council of the International Federation of Transport and Road Construction Workers' Unions held its session 16 September 2009 in Moscow. The session participants included the leaders of branch unions from Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan and Ukraine. At the invitation of the TUI, the session was also attended by the leaders of sister-unions from Uzbekistan and Estonia.

The Council addressed the following issues:

- Review of the TUI affiliates' activity in protecting workers' socio-economic interests in the crisis situation;
- Review of the TUI Council's efforts in implementing the Guidelines for the TUI Activity during the period from 29 October 2008 16 September 2009:
- Review of the TUI affiliates' participation in the solidarity campaign "Minimum Wage Rate – not Lower than Subsistence Minimum";

 Further improvement of the information support for the activity of the TUI and its affiliates.

The report of TUI President Alexander Shurikov and the interventions of participants emphasised that the global financial crisis and the aggravation of the general economic situation in the CIS countries had a negative impact on the road-transport industry. The drop in the international trade was inevitably affecting the transportation of goods and people. The reduction of the industrial output and the slump in the population's purchasing capacity put the road-transport enterprises into a difficult financial situation.

The number of facts indicating downsizing of the workforce in the industry and delays in pay is growing, the introduction of a reduced working day and forced non-paid leaves is practiced ever more frequently and the amount of accrued wages is going down. The financial and economic crisis has jeopardised the implementation of obligations that have been difficult to negotiate and fix them in the agreements, such as obligations to further raise wages, provide supplementary fringe benefits, guarantees and pay-offs for workers.

The trade unions' struggle for decent wages acquires particular importance in the crisis situation. The TUI Council urged its affiliates to take a more active part in the trade union solidarity campaign launched by the GCTU to raise the minimum wage rate to the level not lower than the subsistence minimum.

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THE GENERAL CONFEDERATION OF TRADE UNIONS, GCTU, IS AN INTERNATIONAL TRADE UNION ORGANISATION THAT WAS FOUNDED AT ITS FIRST CONGRESS ON 16 APRIL 1992.

ITS CONSTITUTION, WHICH WAS APPROVED BY THE FIRST CONGRESS, WAS AMENDED AND SUPPLEMENTED BY THE SECOND CONGRESS OF THE GCTU 22 SEPTENBER 1993, THE THIRD CONGRESS OF THE GCTU 18 SEPTEMBER 1997, AND THE FIFTH (EXTRAORDINARY) CONGRESS OF THE GCTU 26 MARCH 2004.

#### THE BASIC OBJECTIVES OF THE GCTU ARE:

- CO-ORDINATION OF ITS AFFILIATES' ACTIVITIES ON THE PROTECTION OF SOCIAL RIGHTS OF WORKERS, STUDENTS AND PENSIONERS; - ASSISTANCE IN THEIR PROTECTION OF TRADE UNION RIGHTS AND GUARANTEES: AND

- ORGANISING TRADE UNION SOLIDARITY AND CO-ORDINATION OF ITS AFFILIATES' INTERNATIONAL POLICIES.

THE GCTU BUILDS ITS ACTIVITIES IN CONFORMITY WITH THE UNIVERSALLY RECOGNISED STANDARDS OF INTERNATIONAL LAW, WITH FULL RESPECT FOR ITS AFFILIATES' COMPLETE INDEPENDENCE AND THE EQUALITY OF THEIR RIGHTS AND DUTIES. THE GCTU AFFILIATES NATIONAL TRADE UNION CENTRES OF ARMENIA, AZERBAIJAN, BELARUS, GEORGIA, KAZAKHSTAN, KYRGYZSTAN, MOLDOVA, RUSSIA, TAJIKISTAN, UZBEKISTAN, AND UKRAINE, AS WELL AS 32 BRANCH TRADE UNION INTERNATIONALS.

THE GCTU IS READY TO CO-OPERATE WITH ANY OTHER NATIONAL TRADE UNION FEDERATIONS, IRRESPECTIVE OF THEIR BEING MEMBERS OF OTHER INTERNATIONAL ORGANISATIONS. ON THE OTHER HAND, THEIR PARTICIPATION IN GCTU ACTIVITIES DOES NOT IN ANY WAY RESTRICT THE INDEPENDENCE OF ITS AFFILIATES.

THE CONFEDERATION ENJOYS OBSERVER STATUS WITH THE CIS INTER-PARLIAMENTARY ASSEMBLY. THE CIS COUNCIL OF HEADS OF STATE. THE CIS COUNCIL OF HEADS OF GOVERNMENT. THE CIS INTERSTATE ECONOMIC COMMITTEE, ETC.

INTERNATIONALLY, IT IS IN CONSULTATIVE RELATIONS WITH THE ILO, UN DPI AND ECOSOC.

THE GCTU SUPREME BODIES ARE THE CONGRESS, CONVENED ONCE EVERY FIVE YEARS, AND, IN THE INTERVALS BETWEEN THE CONGRESSES, THE COUNCIL AND THE EXECUTIVE COMMITTEE.

CONTROL OVER FINANCIAL ACTIVITIES IS EXERCISED BY THE GCTU AUDITING COMMISSION.

PRESIDENT OF THE GCTU IS MIKHAIL SHMAKOV. GENERAL SECRETARY OF THE GCTU IS VLADIMIR SCHERBAKOV

#### **DEAR READERS**

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