



### News from the General Confederation of Trade Unions

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#### GCTU REJECTS EURASEC ATTEMPTS TO REVIEW MINIMUM WAGE CONCEPT

The General Confederation of Trade Unions (GCTU) rejected flatly the pending proposal by the Eurasian Economic Community (Eurasec) that all kinds of bonuses, fringe benefits, extras, and incentive and compensatory payments be embraced by the concept of minimum wage. The idea was put forward by Eurasec parliamentarians as part of their attempt to develop a coordinated work remuneration policy.

Such a decision was described as unacceptable in a Statement sent to the Eurasec Executive Committee 19 July 2010, signed by GCTU President Mikhail Shmakov (who is also the leader of the FNPR), GCTU General Secretary Vladimir Scherbakov, and the first leaders of trade union centres of Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, and Ukraine.

The GCTU regards the statutory minimum wage rate as a basic guarantee in the sphere of work remunera-

tion in the Commonwealth countries. This concept should imply nothing else but the minimum monthly pay of an unskilled worker who has fully worked his/her standard hours doing simple jobs in a normal working environment. However, the minimum wage rate must be high enough to support the subsistence minimum calculated based on the results of official surveys of the living conditions carried out in consultation with the organisations of employers and trade unions.

Any attempt to abandon this fundamental approach would seriously tell on labour relations, the GCTU believes, and empower employers to set wages and salaries at levels below the work remuneration minimum. All this would lead to infringements on the rights of workers employed in hard, harmful or dangerous environments, and those working night shifts, in unhealthy climatic conditions, and on weekends and holidays.

"The minimum wage must represent a full-fledged state guarantee promoting conditions for a decent life of the working person, the Statement concludes. Accepting this approach will not only demonstrate the commitment of our states to human values and humanistic ideals, but also provide a factor of social security, stable development of society, and effective functioning of the Commonwealth economies".

#### GCTU HAILS EURASEC AGREEMENT ON OCCUPATIONAL ACCIDENT INVESTIGATION

General Confederation of Trade Unions (GCTU) has sent a letter to the Eurasec Integration Committee with its remarks and proposals concerning the draft agreement on the procedure of investigating occupational accidents involving citizens of Eurasec member states working on the territories of one another.

The GCTU believes that, if signed, such an agreement could help elaborate mechanisms that will economically encourage building and maintaining healthy and safe work conditions, in full accordance with international standards.

However, the Confederation considers it necessary for the draft to be amended and supplemented. In particular, the GCTU suggested that the list of causes of occupational injuries should be made longer, without becoming exhaustive. The latter condition is essential, as it adds flexibility to legislative regulation at national level.

The message contains a detailed interpretation of the proposed amendments and supplements.

### DECENT WORK, PRIMARY OBJECTIVE OF ECONOMIC AND SOCIAL POLICY Statement by the GCTU

In connection with the World Day for Decent Work to be marked 7 October 2010 the General Confederation of Trade Unions (GCTU) issued a Statement that reads as follows.

"This year the world's trade unions will for the third time observe the World Day for Decent Work. The experience of the previous years shows that numerous events are organised worldwide on this day to reaffirm the loyalty of the trade union movement to the principles of decent work - free, productive, safe and fairly paid - in accordance with the ILO's conventions and Decent Work Agenda for All.

"Now that the labour market prospects remain extremely uncertain after the deep recession caused by the world financial crisis, and the number of unemployed has exceeded 210 million, including 80 million young people (a situation described by the International Trade Union Confederation as a "social time bomb"), trade unions are called upon to once again demonstrate clearly their commitment to the decent work principles and demand that all countries, including CIS member-states, adhere to these principles in their attempts to find a way out of the crisis and define the models of their post-crisis development.

"In this connection, the GCTU welcomes the convocation of the International Conference 'The Challenges of Growth, Employment and Social Cohesion' to be organised on September 13, 2010, in Oslo

jointly by the International Labour Organisation and the International Monetary Fund and which will be attended not only by the top representatives of many countries of the world, but also by scientists and leaders of a number of international organisations, including trade unions. The General Confederation of Trade Unions expresses its hope that this Conference will help us find the ways of recovering a sustainable world economy and creating new decent jobs.

The creation of new decent jobs in line with the ILO Global Jobs Pact, the inclusion of fair pay standards in laws, the observance of the fundamental rights of workers and their trade unions in all countries of our region, and the improvement of ecological safety acquire increasingly great importance in the present-day situation. The Governments of the CIS countries must secure full employment, adequate pay and working conditions for all categories of workers, promote social dialogue, and take measures to ensure that the recent years' crisis never happens again. This will require unrelenting attention to social policies, and putting social problems at the centre of post-crisis development programmes in CIS countries. Activities aimed at achieving decent work objectives should also lean on broader international solidarity.

Those are the main demands of the trade union movement in the Commonwealth of Independent States that can be put forth in our region in connection with the World Day for Decent Work 7 October 2010.

The General Confederation of Trade Unions calls upon all its affiliates to

actively mark this Day with due regard for the specific conditions in each separate country, and give the widest possible publicity to the events.

## GCTU LEADER SPEAKS HIGH OF WOMEN'S ROLE

On the 28th of July 2010, GCTU General Secretary Vladimir Scherbakov sent a message of solidarity to the Standing Commission for Gender Equality of the Federation of Independent Trade Unions of Russia (FNPR) on the occasion of its 10th anniversary. He commended highly women's role in the national development and consolidation of the trade union movement, and their huge contribution to the struggle for their own legal and socio-economic interests.

The GCTU follows with approval the energetic activities by women's commissions set up by the FNPR and its affiliates, he said. It is with their direct involvement that arrangements concerning women's social and economic conditions are being reached and included in collective agreements at different levels. These same commissions arrange forums and seminars, organise training courses for unemployed women to get new professions, help them find jobs, and restore professional skill contests.

The FNPR Standing Commission for Gender Equality has developed the Concept of Gender Policy for the Federation, the Recommendations for Advancement of Women in Trade Union Structures, the methods of gender audit, etc. The Commission's ex-

perience in protecting women workers in the conditions of a world financial and economic crisis, and in solving the gender problems in the sphere of safety and health is of great value for trade unions both of Russia and other CIS states.

Vladimir Scherbakov called on women not to be satisfied with what has already been achieved, and carry on insistently their struggles for giving effect to international standards and commitments, with the understanding that gender equality is an important aspect of human rights and a component of social justice.

"I am positive that the FNPR Gender Commission, together with women of Russia, shoulder to shoulder with men, the message concludes, will make a noteworthy contribution towards the achievement of genuine gender equality and economic and social growth, which will make it possible to secure welfare and a decent life for society as a whole, and for every its citizen".

# AZERBAIJAN: UNIONS DISCUSS YOUTH PROBLEMS

Representatives of all industry-based trade unions took part in the conference "Trade Unions and Youth" organised by the Azerbaijan Trade Union Confederation (ATUC) 15 July 2010.

In his opening remarks, ATUC president Sattar Mehbaliyev, MP, said the Confederation's youth policy proceeds from the desire to get young people organised and entrust them with tackling their specific problems. With this purpose in view, a strategic trade un-

ion programme to protect the rights and interests of children and youth was launched in 2002.

The economic and cultural boom that developed in the country at the beginning of the third millennium called for the necessity to update the Concept of Trade Unions' Youth Policy. After it had been discussed in all unions, the new draft document was submitted for consideration by the 5<sup>th</sup> Plenary session of the Confederation. The paper provides for active involvement of trade unions in legislative activity concerning youth. They are expected to take systematic steps to create good social and economic conditions for voung trade union members and secure additional benefits to those who combine work with study.

As a result, Conference noted, the composition of elected trade union bodies had grown considerably younger over the last three years, and a fair number of young specialists had ioined the staffs of the Confederation and republican industry-based committees. Jointly with its affiliated organisations, the Confederation has been devoting regular attention to trade union education of younger personnel. The education and training programmes are composed and implemented in conjunction with the trade union institution of higher education, the Academy of Labour and Social Relations.

The keynote report was presented by the ATUC youth leader Fuad Mamedov. He said among other things that since 2000 the Youth Council he heads had been a member of the European Youth Forum, and had been cooper-

ating with UN Economic and Social Council. The youth councils set up by the 26 industrial trade unions insist that fringe benefits for young workers and their families be included in collective agreements and accords, conduct opinion polls among young people, and open free language and computer courses. Over the last few years, the drift of young workers into the country's trade unions has increased, and they now account for 30 per cent of the total membership.

The Conference was wound up with adopting a resolution on measures to be taken to strengthen the links between the youth and the unions.

# BELARUS: FTUB HOLDS CONGRESS

Four hundred and thirty-one delegates and 200 invitees featuring heads of district administrations, members of Parliament, representatives of ministries and government agencies, and economic managers took part in the 4th ordinary congress the Federation of Trade Unions of Belarus (FTUD) held from 15-26 September 2010 in Minsk.

The keynote report outlining the main tasks in further improvement of trade union activity was delivered by the FTUB President Leonid Kozik.

The Congress adopted a FTUB Activity Programme for the forthcoming five-year period, and re-elected Leonid Kozik President of the Federation. A number of resolutions were also passed concerning topical tasks facing the unions, such as measures to overcome the consequences of the

world financial and economic crisis, the unity of the Belarus trade union movement, personnel policies, working youth development, enhancement of inner union discipline, etc.

President of Belarus Alexander Lukashenko attended and addressed the Congress.

The FTUB Council that gathered immediately after the Congress elected Alexander Miksha Vice President of the Federation, the office he occupied before the election.

#### RUSSIA: FNPR PROPOSES AMENDMENTS TO MINIMUM WAGE LAW

A session of the Executive Committee of the Federation of Independent Trade Unions of Russia (FNPR) was held 20 June 2010 to discuss topical issues of the trade union centre's activity.

Participants noted that the collective bargaining campaign of 2009 had taken place in the conditions of financial instability of industrial enterprises and organisations, reduction of jobs, "constructive" dismissals, denial of different social benefits to employees, and cuts and delays in wages. In defiance to labour legislation, employers often obstructed or delayed the collective bargaining processes, shirked signing collective agreements or amended them unilaterally. However, one positive result of the campaign was the growing number of enterprises with the minimum wages set at the level not lower than the subsistence minimum for able-bodied population.

The Executive Committee described the main goal of the forthcoming collective bargaining campaign as the struggle for higher real wages, overcoming the economic poverty, elimination and prevention of pay arrears.

The session reviewed the progress of the all-Russia trade union campaign "For a Minimum Wage Set by Law!", and considered its prospects for the near future. The FNPR and its affiliates have recently done quite a lot to ensure that trade union members get a wage not lower than the minimum work remuneration rate set by federal law, disregarding compensatory, incentive and other social payments.

The Executive instructed the FNPR leaders to approach deputies of the State Duma with a proposal to make amendments to the current federal law "On the minimum work remuneration rate" aiming to establish a guaranteed minimum wage exclusive of compensatory, incentive and other social payments. If the legislative and executive authorities refuse to meet this demand of trade unions, the FNPR leadership were advised to consider a possibility of organising collective actions under the slogan "For a Minimum Wage Set by Law!" in the fourth quarter of 2010.

FNPR affiliates were also asked to insist on establishing a minimum wage rate exclusive of compensatory, incentive and other social payments in the course of their regional collective bargaining campaigns. Should the employers set basic pay rates and salaries at a level below the official minimum wage, the unions shall have to encourage their members to file suits against them.

The session discussed a number of questions concerning preparations for the 20<sup>th</sup> anniversary of the FNPR that will be marked in mid-September 2010.

# RUSSIA: FNPR REJECTS RISE IN PENSION AGE

The Federation of Independent Trade Unions of Russia (FNPR) issued a statement warning against realisation of the renewed government intention to raise the retirement age for men from 60 to 65 years, and for women from 55 to 60 years. The authorities explain the move by the necessity to stabilise financially the pension system and make up for its deficits, whereas the unions believe it to be just a fresh attempt by the finance department to patch up the gaps in the budget at the expense of workers and pensioners.

The current early retirement age in Russia is linked to the low life expectancy of the population. Today most pensioners will stay in employment, getting both pay and pension. They are forced to do so by the dire need resulting from the low wages and scanty pensions.

"Raising the retirement age in the present-day economic situation, the Statement says, will entail negative social consequences, such as an increase in the number of disabled persons among workers of pre-retirement ages and a rise in unemployment among younger specialists.

"It is a measure that will affect the vital interests of millions of Russian

citizens. Taking such a step will need a comprehensive socio-economic study, a broad public discussion, including consideration by the Russian Tripartite Commission".

The FNPR proposed that, rather than entertaining such ideas, the government had better concentrate on creating new jobs, raising the labour productivity, improving the welfare of population, and enhancing workers' social protection.

# RUSSIA: FNPR MARKS ITS 20TH BIRTHDAY

The session of the FNPR General Council held in Moscow 18 September 2010 decided to convene the 7<sup>th</sup> regular congress of the Federation in April 2011.

On the same day, the event was immediately followed by a ceremonial meeting to mark the 20th Anniversary of the Federation of Independent Trade Unions of Russia. In his keynote address, FNPR President Mikhail Shmakov stressed that the Federation had been founded in a transition period, amid the process of sovereignisation of the Soviet Republics. "By facing up to the new challenges, we managed to rebuild the activity of Russian trade unions in those conditions", he said. That allowed the FNPR to play a considerable role in Russia's contemporary history.

Mikhail Shmakov said he was satisfied that, over the 20-year period, "the strategy of social partnership has proved effective. For instance, during most complicated negotiations with the government, employers and dep-

uties the FNPR was able to rebuff the Draconian labour legislation forced on Russia by the International Monetary Fund. The Federation managed to uphold the principles of fair regulation of social and labour relations that are now secured in labour legislation. The fact that today's Russian labour laws really serve to protect workers' interests must be unmistakably put down to the FNPR's credit".

Speaking of the tasks the unions will have to deal with in the post-crisis period, the FNPR leader named, in particular, overcoming economic poverty, building the conditions for efficient use of skilled labour, creating safe jobs, and ensuring real rises in workers' incomes and basic social guarantees as should be intrinsic in a civilised country.

"The Federation of Independent Trade Unions of Russia has successfully passed its twenty-year exam, Mikhail Shmakov summed up. It has been, and will be, the backbone of Russia as a social state. And it has been, and will be, the principal defender of workers' rights in Russia".

The session was addressed by the Prime Minister of Russia Vladimir Putin who, on the whole, highly appreciated his cooperation with trade unions and said his government was interested in a new General Agreement for 2011-2013 to be signed as soon as possible with the organisations of trade unions and employers. He informed the audience that almost a million new jobs had been created in the country over the year, while unemployment had gone down to 7 per cent of the economically active population (against 8.6 per cent

at the end of 2009). The real wages had increased by 4.9 per cent, and the industrial production by 9.6 per cent. The head of government was convinced that those positive tendencies would grow stronger.

The floor was also given to a number of leaders of the FNPR's affiliated and friendly organisations, GCTU General Secretary Vladimir Scherbakov, high-ranking representatives of the State Duma and the Russian Union of Industrialists and Entrepreneurs, Mayor of Moscow Yury Luzhkov, the Counselor to the General Secretary of the ETUC and PERC Ton Jenkins, trade union veterans, etc.

President of Russia Dmitry Medvedev sent participants a message of welcome emphasising the important role the FNPR was playing in the protection of workers' rights, the strengthening of social partnership, and the harmonisation of labour relations. "I count on the FNPR to contribute to the modernisation and re-equipment of industry, the growth of productivity, and the application of advanced methods of management, the message says. Simultaneously, it is expected to protect resolutely workers' interests and promote their living standards, and build constructive cooperation among trade unions, state authorities, and employers".

The Director of the ILO Office in Moscow Eugeny Davydov read out a message from the International Labour Organisation.

The session was wound up with adopting a Statement of the FNPR General Council.

# UKRAINE: FTUU REJECTS HIGHER GAS PRICES

The Federation of Trade Unions of Ukraine (FTUU) issued a statement in connection with the sharp jump of prices of gas consumed by the country's population.

The statement says the Federation "voices a vigorous protest against Decision No. 812 taken 13 July 2010 by the National Commission for Regulating the Electric Power Industry on raising, as from 1 August 2010, the prices of natural gas consumed by the population".

The FTUU believes the decision to have been taken in gross violation of Ukrainian statutory provisions and the principles of social dialogue as the Commission ignored the government decree of last February on keeping intact the prices of gas for population till the end of 2010. The arrangement in the General Agreement providing for consultation with trade unions on any such decisions was also broken. None of the mediation procedures in relation to intended increases in gas prices had been followed either. And that with the Head of State stressing constantly the need for a stronger social dialogue and more careful consideration of public opinion.

"The Federation demands that the National Commission for Regulating the Electric Power Industry overrule its unlawful decision to raise the prices of natural gas for population as from 1 August 2010, and abstain from taking any such decisions in the future without consulting the trade unions", the Statement concludes.

# UKRAINE: FTUU ACCUSES IMF OF ATTEMPTS TO RUIN UKRAINIAN SOCIAL PROTECTION SYSTEM

The Federation of Trade Unions of Ukraine (FTUU) protested against attempts by the International Monetary Fund (IMF) to dismantle the social protection system in Ukraine. A special Statement issued in this connection reads as follows.

"Trade union members and organisations and work collectives in industrial enterprises are exasperated by the memorandum signed by the International Monetary Fund with the government and the Central Bank of Ukraine, and express a strong protest against the IMF actions.

"The demands by the International Trade Union Confederation and the Federation of Trade Unions of Ukraine that a preliminary dialogue should be held with the social partners about the terms of crediting have once again been ignored, although half a year ago the FTUU got assurances to the contrary from high-ranking IMF representatives.

"The people of Ukraine are again faced up with the unjustified multiple rise in the price of gas affecting 12 million households, wage and salary freezes for four million employees in the budgetary sector, limited access to decent pensions, the increased retirement age for women, the imposing of fines on people for delayed payment of housing and public utilities bills".

Taking advantage of the unprecedented recession and the desperate state of the Ukrainian economy resulting from the policies of the former authorities, and its dangerous dependence on foreign credits, the IMF allows itself to interfere cynically in the internal policies of a sovereign state.

The FTUU believes such limitations cancel the prospects of Ukraine's social development and her constitutional status as a social state, while pushing her actively for the conservation of the total poverty of its population and chronic dependence on IMF credits.

"We assert, the Statement goes on to say, that in accordance with Conventions of the International Labour Organisation and Ukrainian laws the solution of problems pertaining to work remuneration, pensions, consumer price control, and other social policy issues is the responsibility of the Ukrainian government and its social partners, and any attempts to dictate them from outside will be regarded as illegal interference in Ukraine's sovereign policy, and as destruction of the national social dialogue.

"The Federation of Trade Unions of Ukraine demands that the International Monetary Fund should hold immediate consultations with the Government of Ukraine and representatives of national trade unions on the terms of crediting Ukraine and on lifting all groundless limitations".

The FTUU invited ILO and ITUC experts to come and estimate the current situation in Ukraine with the aim of supporting the stand taken by trade unions and saving the stable social dialogue in Ukraine.

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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 ON 22 SEPTENBER 1993, AND THE THIRD CONGRESS OF THE GCTU ON 18 SEPTEMBER 1997

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, BELARUS, GEORGIA, KAZAKHSTAN, KYRGHYZSTAN, MOLDOVA, RUSSIA, TAJIKISTAN, UZBEKISTAN, AND UKRAINE, AS WELL AS 37 BRANCH TRADE UNION INTERNATIONALS. BESIDES BILATERAL AGREEMENTS ON CO-OPERATION WAS SIGNED WITH THE TRADE UNION CONFEDERATION OF AZERBAIJAN.

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 EXECUTIVE COMMITTEE.

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

PRESIDENT OF THE GCTU IS VLADIMIR SCHERBAKOV

#### **DEAR READERS**

The GCTU information bulletin "Inform-Contact" is also distributed by E-mail. Apart from that, the English and French versions of our publication are available on our web site: www.vkp.ru

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