



News from the General Confederation of Trade Unions

No.87

January - March 2015

#### LET US DEFEND WORKERS' RIGHT TO STRIKE!

Statement by the General Confederation of Trade Unions (GCTU)

On the initiative of the International Trade Union Confederation, the 18<sup>th</sup> of February 2015 will be marked as a Global Day of Trade Union Action in Defence of the Right to Strike.

The strike has always been, and remains, a powerful weapon used by workers in the fight for the satisfaction of their demands, for decent work and social justice. At all levels, trade unions have turned to it only in exceptional circumstances when all other means to achieve results through social dialogue have been exhausted. The right of workers to strike is enshrined in international instruments, ILO Conventions, and national legislations of many countries.

However, in recent years, particularly in the crisis and post-crisis periods, a frontal attack on this right has been launched by employers, multinational companies, and, in some cases, by state and municipal authorities, including those in a number of countries, where GCTU affiliates operate. Persistent attempts to strip employees of this right by completely eliminating or undermining its effect have been made by the Employers' Group at the International Labour Organisation, which met unanimous and bitter opposition by trade unions of different political orientation.

Given these facts and trends, the GCTU encourages the region's trade union organisations at all levels and sectors of the economy to observe the Global Day of Action in Defence of the Right to Strike, and add their voice to the voice of the international trade union movement in the attempts to defend one of the fundamental labour rights – in the forms and to the extent as deemed appropriate and necessary.

#### GCTU ATTENDS SESSION OF CIS ECONOMIC COUNCIL

A GCTU delegation composed of General Secretary Vladimir Scherbakov and his deputy Natalia Podshibyakina attended the 65<sup>th</sup> session of the Economic Council of the Commonwealth of Independent States (CIS) and the International Economic Forum of CIS countries "Integration: new opportunities and ways out of the crisis", both held in Moscow 13 March 2015.

The session discussed, and took decisions on, a wide range of issues relating to cooperation among Commonwealth countries.

One item on the agenda was the General placed jointly by Confederation of Trade Unions and the CIS Executive Committee. The analytical note they prepared and presented on the taxation schemes in the Commonwealth states draws the conclusion that, given the current incomes of the general public, the tax systems in the countries can hardly make a sufficient contribution to the solution of burning social and economic problems and, for this reason, must be improved and updated.

Economic Council took note of the information and decided to send the

paper out to the governments of the Commonwealth countries, and to the CIS Coordinating Council of the Heads of the Tax Services of the Commonwealth – for their information and eventual use in their work.

#### GCTU COMMISSIONS DEBATE SOCIO-ECONOMIC SITUATION & GENDER EQUALITY

The GCTU Commission for the Protection of Workers' Social and Economic Interests and for Legal Issues and the GCTU Commission for Gender Equality held a joint meeting at the Confederation's headquarters in Moscow 24 March 2015.

The meeting addressed two major issues:

 The socio-economic situation in the New Independent States and the challenges facing the trade unions.

- The development of proposals (recommendations) for the quotas, and the minimum level or proportional representation of men and women at all steering levels of decision-making in trade unions and their federations.

In his welcome address, GCTU General Secretary Vladimir Scherbakov told participants that most CIS countries were undergoing an economic slowdown. In this situation, the conclusions and recommendations to be made at the Commissions meeting were expected to help promote the struggle of the region's trade unions for decent work and socio-economic rights of workers.

In conclusion, the meeting decided to sum up the results of the debates and prepare recommendations for consideration by the GCTU Executive Committee at its session in April 2015.

#### GEORGIA: UNIONS INSISTING ON STATE LABOUR INSPECTORATE

In 2014, the Ministry of Labour, Health and Social Affairs of Georgia, together with the social partners and the ILO started the development of a draft state programme of monitoring work conditions and the draft laws "On State labour inspection" and "On occupational safety and health".

As is known, over a few years, the Georgian Confederation of Trade Unions (GTUC) has been insisting that the country's authorities ratify ILO Convention 81 on labour inspection in industry and commerce, and re-establish the preexistent State Labour Inspectorate. To achieve this goal, the unions have repeatedly initiated consideration of the issue by the Tripartite Commission for Social Partnership, held protest actions, and sent petitions to the European Union and the US administration demanding that they suspend the preferential trade regime with Georgia.

On the 12<sup>th</sup> of January, faced with such pressure, the government, finally, included the establishment of the State Labour Inspectorate in their work plan for 2015. The GTUC hopes this plan will be implemented, although there is a good reason for being sceptical, as the adoption of a positive decision is vehemently opposed by the Ministry of Economy and the employers' organisations.

#### KAZAKHSTAN: UNIONS READY TO COMBAT CORRUPTION

On the 20<sup>th</sup> of January 2015, President of the Federation of Trade Unions of the Republic of Kazakhstan (FPRK) Abelgazi Kusainov and Chair of the National Movement against Corruption Oralbai Abdikarimov signed an agreement on mutual cooperation, whose main goal is to join forces in combating corruption.

During their meeting, the union leader told his partner about the main provisions of the new Law "On Trade Unions" (2014) tangibly enhancing their protective functions, and spoke about the plans to upgrade the country's trade union movement.

"Collective bargaining has become a mandatory procedure now. Moreover, every six months the employer is obliged to report to the employees on the implementation of the collective agreement," said Bro Kusainov. "In accordance with the changes in legislation, the employer will be held liable for default or breach of collective agreement obligations, and penalties will be imposed on him or her."

Oralbai Adbikarimov praised the reform progress in the trade unions of Kazakhstan, and said that the signing of the agreement on fighting corruption would be yet another step towards the establishment of social justice in society.

#### KAZAKHSTAN: PREPARING FOR FPRK CONGRESS

The Executive Committee of the Federation of Trade Unions of the Republic of Kazakhstan (FPRK) met on the 27<sup>th</sup> of March to review the progress of preparatory work for the 24<sup>th</sup> Congress of the Federation that will be held 10 June 2015.

Participants discussed the draft report on the activities of the General Council after the FPRK 23rd Congress and the proposals for the trade union strategy for the next five years, and reviewed and amended the procedure of electing the President and General Council of the Federation. They also approved of the topics for statements and appeals to be adopted by the forthcoming Congress.

The issues to be addressed included the present state and prospects for the activity of trade union youth councils, the events to be organised in commemoration of the 70<sup>th</sup> Anniversary of the Victory in the Great Patriotic War of 1941-1945, the results of the administrative and financial activities in the previous year, and the plans for the current year.

#### MOLDOVA: EUROPEAN INTEGRATION MUST NOT IMPAIR WORKERS' CONDITIONS

"The National Confederation of Trade Unions of Moldova (CNSM) definitely supports European integration. However, this process must not impair the conditions of workers, but, on the contrary, help improve them," said CNSM President Oleg Budza. "Trade unions are actively preparing for being involved in the special programmes linked with the Association Agreement with the EU. We hope the European vector we've chosen will bring stability to this country."

The union leader stressed that CNSM was fighting the shadow economy, which accounts for over 50 per cent of the formal economy. The unions insist on a speedy approval and implementation of a new government plan to counter unofficial employment and the payment of shadow wages "in envelopes". Simultaneously, the unions keep moving towards their aim of bringing up the minimum wage to the subsistence minimum level, which could help reduce the scope of emigration, and particularly that of young people.

"If Moldova succeeds in creating jobs with decent pay, young people won't go abroad in droves. Besides, Moldova will look attractive to investors," he concluded.

#### MOLDOVA: UNIONS URGE GOVERNMENT TO RAISE MINIMUM PAY

The National Confederation of Trade Unions of Moldova (CNSM) has developed recommendations to the Government on how to improve the well-being of the population. The work was carried out in conjunction with the National Economic Research Institute.

Based on the research done, the Confederation has formulated the above mentioned recommendations. They include, among other things, the need to bring up the minimum wage in the real sector to the subsistence minimum level, with regard for the economic performance in 2014

CNSM also insists that the new government reduce the income tax on individuals and regulate the consumer prices of products, goods, services and essential medicines.

According to the unions, the minimum pay has been increased by 1,000 lei as from 1 October 2014, but it still makes a mere 56 per cent of the subsistence minimum for the working age population.

Today's minimum wage in Moldova is the lowest in the CIS and Eastern Europe.

## RUSSIA: FNPR CONGRESS CHARTS NEW COURSE

From 7-9 February 2015, Sochi hosted the 9<sup>th</sup> Congress of the Federation of Independent Trade Unions of Russia (FNPR) that brought together 700 delegates representing over 21 million union members. Attending the Congress were also President of Russia Vladimir Putin, government ministers, MPs, leaders of employers' associations, political parties and scientific and creative communities, foreign guests and representatives of international organisations, including the ITUC, the GCTU, and the ILO.

Delegates reviewed the Federation's strategy and tactics for protecting the labour rights and socio-economic interests of union members. As he delivered the activity report, FNPR President Mikhail Shmakov said the Congress was meeting amidst attacks on workers' rights and decreasing social guarantees. The growth of the economy and wages in Russia had markedly slowed down, the consumer inflation had exceeded 20 per cent, and the rouble devaluation had set the preconditions for risks in the spheres of finance and social stability. The union leader stressed that the current crisis was hand-made, it had been created by neo-liberals in the government and the Central Bank, and demanded that the perpetrators should be removed from the leadership.

Addressing the audience, President Putin praised the role of the trade unions in society, and agreed that the costs of the economic crisis must not be shifted onto the shoulders of ordinary people. In particular, he said he appreciated the firm fighting stance the FNPR and its leader take at negotiations held within the Russian Tripartite Commission, and promised that "the government will keep supporting the unions in their efforts to perform their principal task, that of protecting the social and economic rights of Russian citizens".

Congress considered, discussed and adopted resolutions on issues such as ensuring stable and decent employment, raising wages, enhancing social partnership, gender equality, trade unions' youth policy, social protection of workers, occupational safety and health, reform of pension schemes, strengthening the organisational unity, human resources policy and financial base of the FNPR, improving outreach, international solidarity of trade unions, etc.

Delegates were of the unanimous opinion that the Russian economy should change over from the natural resources exports and the dependence on imports to the intensive development of processing industries. In this context, the economic policies should be aimed at creating new jobs equipped with up-to-date facilities and technologies, meeting occupational health and safety requirements, and providing decent wages, including the minimum wages above the subsistence minimum rate.

Participants examined in detail the problems of organising and upgrading the trade union structure. They stressed the need for the number of union members to be increased, new primary organisations to be built at enterprises in all sectors of the economy; and a competent personnel reserve to be built. Congress spoke out for stronger cooperation with the international trade union movement.

Congress approved a new Programme of Activity "Decent work – the basis for the well-being of people and the development of the country", and elected the General Council, the Executive Committee and the Auditing Commission of the FNPR. Mikhail Shmakov was reelected President of the Federation for a new term.

#### RUSSIA: UNION MOTOR RALLY LAUNCHED IN MOSCOW

A trade union motor race started 7 March 2015 from Moscow's Red

Square to mark the 70<sup>th</sup> Anniversary of the Victory in the Great Patriotic War, the 110<sup>th</sup> Anniversary of the trade union movement in Russia and the 25<sup>th</sup> Anniversary of the Federation of Independent Trade Unions of Russia (FNPR).

Before the start, participants laid flowers to the Tomb of the Unknown Soldier near the Kremlin wall, and took part in a public meeting held by trade unions. The route of the race will run through 40 regions of the country, from the Red Square via Central Russia, the Crimea, including Sevastopol, the Caucasus, the Volga Region, the Urals, Siberia and the Far East to be completed in Magadan.

As the caravan moves on, solemn ceremonies of laying flowers to war monuments and memorials will be conducted, and meetings will be held with war veterans and workers of the rear, trade union leaders, and young union activists. Union specialists will deploy mobile centres where local residents will be offered consultations on labour law issue or admitted as new members of trade unions.

The purpose of the action, a FNPR statement says, is to show the nation that the trade union movement of Russia holds sacred memories of the fallen Defenders of Motherland, opposes the new war mongers, and struggles for the creation of jobs, increased wages and pensions, safe working conditions, and the preservation of social guarantees.

## RUSSIA: DOUBLE WAGES TO MATCH PRICE RISES

The FNPR Executive Committee that met in Moscow 18 March 2015 noted that the crisis caused by the dropping prices of raw materials, the economic sanctions and the decision of the Central Bank to raise its key interest rate had led to a sharp rise in the prices of consumer goods and services. All that had significantly reduced workers' purchasing power, while the indexation of wages was still lagging behind the price growth rates. Meanwhile, the Russian government adopted an anti-crisis plan without consulting the trade unions and employers.

Given the circumstances. the Executive Committee decided to hold a nationwide May Day action in the form of marches, demonstrations, rallies and other mass events under the slogan "Double Wages to Match Price Rises!" The unions will demand the implementation of the decent work concept, which implies, among other things, the provision of full employment, decent wages, safe working conditions, and reliable social guarantees.

The Executive Committee decided to convene the FNPR General Council in Moscow 27 May 2015 to review the Plan of Activities to implement the decisions of the FNPR 9<sup>th</sup> Congress.

#### RUSSIA: FNPR WARNS AGAINST ROCKING THE BOAT

The Federation of Independent Trade Unions of Russia (FNPR) issued a statement 24 February 2015 strongly condemning the government proposals for changes in the compulsory pension scheme.

"Representatives of the financial and economic bloc and the social bloc of the Russian Government, the Statement says, are currently engaged in a heated debate about anti-crisis measures to be taken in the sphere of state compulsory pension insurance. They propose that the retirement age be raised to 63 years both for men and women, the operation of the storage component in the mandatory pension insurance be resumed, the payment of pensions to working pensioners be stopped, etc.

"The unions have repeatedly spoken out against these proposals which are nothing but rocking the boat in a stormy sea. The FNPR believes that priority in the development of Russia's pension system must be given to the state mandatory pension insurance scheme based on intergenerational solidarity that would ensure the formation of a decent pension, not lower than the standards established by international legal acts."

#### TAJIKISTAN: CHANGE OF UNION LEADER

The General Council of the Federation of Independent Trade Unions of Tajikistan (FNPT) met 18 March 2015 in Dushanbe to consider the application by the Federation's President Murodali Solekh requesting release from his post in connection with his retirement.

The General Council members honoured the request with understanding. After expressing gratitude to the outgoing union leader for his great contribution to the development of new trade union movement in Tajikistan, they elected unanimously Mr Sherkhon Salimzoda new President of the FNPT.

Attending the meeting was also a representative of the Tajikistan President who. on behalf of the Head of State, thanked the Federation for their active involvement in the preparation and conduct of a most important national political campaign, the parliamentary elections. He also spoke highly of the work done by Murodali Solekh, and thanked him for his long-term fruitful activity as FNPT President.

# UKRAINE: UNIONS REJECT PENSION LAW

On the 2<sup>nd</sup> of March 2015, the Parliament (Verkhovna Rada) of Ukraine voted for the amendments to pension legislation that will come into force as from 1 April this year.

The event was preceded by a protracted fight by trade unions against the Government encroachment on the rights of pensioners. According to President of the Federation of Trade Unions of Ukraine (FPU) Grygory Osoviy, from the moment the draft was registered in Parliament the unions were critical of the Government's intention to strip a most vulnerable group of people, the pensioners, of their hard-earned right, which, in fact, looks like a robbery. However, the document was not discussed either with trade unions or with the broader public.

"Today the war dues and the 15 per cent tax are already collected from the pension, something that has never been before", he said. "Now the Government want to "bite off" another 15 per cent from what is left of the miserable pension (if the pensioner continues his/her employment), ostensibly in order to meet the requirements of the International Monetary Fund and cover the deficits of the Pension Fund."

The FPU clearly argued why they believe it was impermissible "to pick the pockets" of pensioners:

- First, the Constitution of Ukraine states that the adoption of new laws that restrict the rights and social guarantees provided for in earlier legislation, is unacceptable and, therefore, illegal; – Second, in order to balance the state budget and the Pension Fund (whose deficit today is over 80 billion hryvnia) financial means should be sought where they really are, namely, in the shadow economy. According to estimates, the money turnover there exceeds 200 billion hryvnia in "shadow" wages, and the tax evasion sum amounts to 60-70 billion.

The Federation of Trade Unions of Ukraine has undertaken a professional assessment of the draft law, and sent out the findings to all parliamentary factions and relevant committees warning them about the possible consequences of its adoption. FPU also recommended that the affiliates promptly inform union members about the threats resulting from the changes in pension legislation, and urged them to organise local actions in support of the trade union position. In addition, the trade union centre called on the country's President to veto this law. Regrettably, not Parliament members have all been able to resist the government pressure and withstand the arm-twisting practices. The law worsening the social security and financial situation of almost three million workers was voted for at the fifth attempt, albeit in a somewhat softened version

In this situation, the unions are going to help people through the courts to recover their right to legitimately earned retirement.

#### PUBLISHED BY

GCTU INTERNATIONAL DEPARTMENT AND

GCTU PUBLIC RELATIONS CENTRE 42 leninsky prospekt

> 119119 MOSCOW, RUSSIA TELEFAX +7(495) 938-2155 PHONE +7(495) 938-0112 Web site: www.vkp.ru; E-mail: inter@vkp.ru

# 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 AND UKRAINE, AND ALSO 28 INDUSTRIAL TRADE UNION INTERNATIONALS.

THE GCTU IS READY TO CO-OPERATE WITH ANY OTHER NATIONAL TRADE UNION FEDERATIONS, IRRESPECTIVE OF THEIR AFFILIATION WITH OTHER INTERNATIONAL ORGANISATIONS.

THE CONFEDERATION ENJOYS OBSERVER STATUS WITH THE CIS AND EURASEC INTER-PARLIAMENTARY ASSEMBLIES, 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 , THE UN DPI AND THE ECOSOC.

THE GCTU SUPREME BODIES ARE THE CONGRESS, CONVENED 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

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

(C) GCTU Executive Committee, Reprinting is welcome, provided there is a reference to the *Inform-Contact*