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NEWS FROM THE GENERAL CONFEDERATION OF TRADE UNIONS

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GCTU EXTRAORDINARY CONGRESS HELD IN MOSCOW

The 5th (Extraordinary) Congress of the General Confederation of Trade Unions was held in Moscow 26 March 2004. It was attended by 151 delegates that represented the national trade union centres of Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan and Ukraine and 38 industrial Trade Union Internationals (TUIs).

The Congress agenda included the following items:

1. Reforming the General Confederation of Trade Unions.
2. Report of the GCTU Auditing Commission.
3. Amendments and addenda to the GCTU Constitution.
4. Amendments and addenda to the Regulations for the GCTU Auditing Commission.
5. Organisational issues.

Congress adopted a Declaration setting the GCTU priorities for the period to come, approved the report by the GCTU Auditing Commission, amended and supplemented the Constitution of the General Confederation of Trade Unions and adopted a statement about the infringement on trade union rights and interference by state authorities of the Republic of Moldova in the activity of trade unions affiliated with the Confederation of Trade Unions of the Republic of Moldova.

The collective nature of making decisions and publicity in the process of their implementation are to be among the key principles of GCTU activity. Simultaneously, the fair balance of interests of the national trade union centres and the industrial Trade Union Internationals must remain the corner-stone of the GCTU structure.

The structure of the GCTU governing bodies has been changed. A new body has been established, the Council of the GCTU, that shall be the main authority in between two Congresses. The Council shall be built on a parity principle and be composed of representatives of all the industrial Trade

Union Internationals and an equal number of representatives of the national trade union centres.

The everyday activity of the Confederation will be managed by the GCTU Executive Committee elected by the Council out of its own members.

Congress has decided to establish the offices of the GCTU President and Vice President who shall be elected, on a regular rotation basis, out of the leaders of the affiliated organisations and who shall perform their duties on a voluntary basis. Simultaneously, the new offices of GCTU General Secretary and Deputy General Secretaries have been constituted to take care of GCTU routine activities.

A more efficient and transparent procedure for collecting membership dues has been set and the responsibility for the failure to pay the membership dues without any valid excuse has been defined.

The Congress decided to transform the GCTU Auditing Commission into a Control and Auditing Commission.

The composition of the GCTU Council has been formed. The leader of the Federation of Independent Trade Unions of Russia, Mikhail Shmakov, has been elected President of the GCTU, and President of the CIS Federation of Timber and Related Industries Workers' Unions, Viktor Karnyushin, Vice President of the GCTU.

Vladimir Scherbakov has been elected General Secretary of the GCTU.

The newly formed GCTU Council held its first session the same day to elect the GCTU Executive Committee comprising 24 members.

Natalia Podshibyakina, Albert Potapov and Valery Yuriev have been elected Deputy General Secretaries.

GCTU SENDS MESSAGE TO WORLD TRADE UNION FORUM

From 15-21 January 2004, Mumbai, India, hosted the 4th World Social Forum. Within its framework, trade unions organised a number of activities, in particular, the 3rd World Trade Union Forum and a seminar on sustainable development and full employment. Their participants included representatives of the ICFTU, the WCL, the WFTU, the ICATU, the OATUU, and some other regional trade union centres and Indian trade unions. Over seven thousand people represented the trade union movement of all world regions at the forum.

The GCTU sent a message of solidarity to the participants of the 3rd World Trade Union Forum. The message says that "the world trade union movement, of which the GCTU is part, is currently facing formidable challenges and problems, including the poverty of a huge percentage of the planet's population, mass unemployment, living and working conditions unacceptable in the 21st century (...). Neither globalisation nor the development of information and communication technologies have so far provided adequate solutions to these problems.

Regrettably, many of these ills are not uncommon in the region where our

Confederation operates. The GCTU and its affiliates spare no efforts to alleviate their adverse effects on workers in the CIS countries. In this struggle, we count on support from, and cooperation with, other components of the world trade union movement.

The unions must jointly meet the challenges of globalisation, and mobilise the world's workers for a common struggle (...). The GCTU reaffirms its willingness to get involved in any such common actions by the world trade union movement to achieve these ends."

ARMENIA: UNIONS INVOLVED IN DRAFTING NEW LABOUR CODE

At its meeting 10 February 2004 attended by the Presidents of the 25 Republican industrial trade unions, the Presidium of the Confederation of Trade Unions of Armenia, CTUA, discussed the position to be taken on the new draft Labour Code. CTUA President Martin Harutyunian stressed that "the current Labour Code no longer meets the present-day challenges and the requirements of the new labour relations". Participants made specific proposals concerning a number of Code provisions that are to be submitted to the Government and Parliament. The CTUA confirmed the intention to continue its involvement in the drafting of this standard-setting document that is of prime importance to the country's workers.

BELARUS: FTUB WANTS REFERENDUM

President of the Federation of Trade Unions of Belarus, FTUB, Leonid

Kozik has spoken in favour of a national referendum to amend the country's Constitution. As he told the weekly *Obozrevatel*, the Federation's leadership had insisted that the right for legislative initiative should be restored to the trade unions. "And this can only be done by amending the text of the Constitution through a referendum". The FTUB leader believes trade union representatives must account for at least 10 per cent of the deputies in the new Parliament. Such a group could help the Federation exert more influence on the process of law-making.

BELARUS: FTUB CONCERNED WITH CONTRACT EMPLOYMENT

The FTUB is virtually flooded with appeals coming from workers and trade union organisations who express concern over the growing tendency to switch whole categories of workers to the contract system of employment.

The majority of the able-bodied population disapproves of contracts. The contract has become a means of administrative pressure on workers. Many employers regard it as a tool for getting rid of noncompliant workers without severance pay, and for reducing staff by sacking workers upon contract termination.

Employers are often "forgetful" of their obligation to explain the reasons for switching workers to the contract system, and do many other things stipulated by current labour legislation.

In order to resist abuses by employers, the FTUB has prepared special

methodical recommendations to be used by trade union organisations in monitoring the observance of the lawful rights and interests of workers who are shifted to the contract form of employment.

BELARUS: NEW GENERAL AGREEMENT SIGNED

A General Agreement between the Government of Belarus, the Republican employers' associations and the trade unions has been signed for the period 2004–2005. FTUB President Leonid Kozik believes the agreement would promote the development of tripartite dialogue.

As several provisions in the previous agreement, including that concerning the marginal unemployment rates, had not been implemented through the fault of the Government and the employers, the FTUB was firmly insistent that the unemployment margin be set at three per cent of the economically active population. Moreover, additional measures will be taken to bring it down to two per cent during 2004.

The new General Agreement devotes special attention to the social protection of low-paid workers. The average pay in the budgetary sector is expected to increase by 36–40 per cent towards the end of 2004, and by 76–80 per cent in 2005.

Owing to the trade union insistence, the new General Agreement provides for a compulsory revision of the structure and contents of the “consumer basket” in 2004, which will be done with the involvement of trade unions and employers. The

Agreement also stipulates trade union participation in the work of state administration authorities whenever they address the issues of enterprise privatisation, bankruptcies and job creation.

GEORGIA: GTUA CALLING FOR EQUAL TREATMENT OF LOCAL WORKERS

President of the Georgian Trade Union Amalgamation, GTUA, Irakly Tugushi said the GTUA would appeal to international organisations and British trade unions to respond to the discrimination against Georgian workers employed in the construction of the oil pipeline Baku-Tbilisi-Jayhan. Georgian workers are paid an average of US\$ 100 a month, while other foreign workers get several times more.

The stakeholders in the oil pipeline project include well-known companies, such as *British Petroleum*, *Statoil*, *Eni*, *Total* and others.

Irakly Tugushi did not exclude that the Georgian trade unions might call a strike by pipeline construction workers, with the major demand being pay rises.

The GTUA, together with the environment protection organisation *Green Alternative*, issued a joint statement expressing concern over the fact that workers employed in the oil pipeline construction project had been exposed to “utmost pressure” to make them keep to the construction schedule.

The GTUA describes the case as an example of forced labour banned by

the ILO convention. The workers at the oil pipeline construction sites are supposed to work seven hours a day, while in reality they toil seven days a week 12 hours a day and even more in order to be able to earn their living wages.

The *Green Alternative* said the contracts forced upon workers by the pipeline consortium provide for a lower level of protection from being fired than what is stipulated by Georgian labour legislation. The contract with an individual worker can be terminated at any time, even without paying compensation.

KAZAKHSTAN: FTURK CONVENES WORKERS' CONGRESS

The Federation of Trade Unions of the Republic of Kazakhstan, FTURK, decided to convene the Second National Workers' Congress in June 2004 under the slogan: "The Worker as the Greatest Value of the State". The Congress will bring together 300 representatives of work collectives from all economic sectors and regions of Kazakhstan.

The Congress is expected to discuss the country's socio-economic development and the tasks of protecting workers' legitimate rights and interests. Its participants will also focus on such problems as wages, employment, labour protection and the development of the new Labour Code of Kazakhstan.

KYRGYZSTAN: MPs CONDEMN VIOLATION OF SOCIAL LAWS

On 23 January 2004, Kyrgyzstan Parliament examined the observance of

the laws ensuring timely payment of wages, pensions, allowances and other social benefits. Deputies pointed out that in a number of regions there were delays in paying pensions and wages. Some regions still pay wages in kind rather than in cash.

Parliament decided that the Government should contemplate the possibility of introducing personal responsibility of officials for violating social legislation.

KYRGYZSTAN: TRADE UNION TARGETS FOR YEAR OF SOCIAL MOBILISATION

The Kyrgyzstan Federation of Trade Unions, KFTU, set the objectives to be attained by the trade unions in the sphere of enhanced protection of workers' rights in the year 2004 proclaimed by the Republic a Year of Social Mobilisation and Fair Governance. This national campaign aims to help the country proceed from the stage of self-determination to the stage of sustainable development. To achieve the goal, it will be necessary to promote fair governance, pursue an effective economic policy, and use all the resources of society to overcome poverty.

Participants in the plenary session of the KFTU Council voiced serious concern over the high poverty rates, low wages and pay delays. They cited numerous examples of labour law violation. The session demanded that trade union bodies of all levels should step up their struggle for equitable labour relations. Industrial trade unions were urged to initiate a review of the tariff rates, negotiate new collec-

tive agreements in their branches, and upgrade the health and safety standards. Timely wage payment, creation of new jobs, prevention of profitable enterprises from bankruptcy or liquidation, and compliance with labour legislation must be the priorities of trade union activity.

MOLDOVA: UCRM AGAINST OUTSIDE INTERFERENCE

A protest rally was organised by the Union Confederation of the Republic of Moldova, UCRM, 26 February 2004 in Chisinau. Some 5 000 union members representing workers' collectives of the capital city and all regions of Moldova took part in this event.

As he addressed the rally, UCRM President Petru Chiriac criticised sharply the leaders of the country, describing the Government as "a machine producing promises that sound sweet to foreigners, but taste bitter to the local population". Some 130 different programmes, concepts, "development strategies", etc have been recently worked out, but all of them ignore the principal criterion to be used in assessing the Government's activity, and that is the growth of the people's welfare.

Since 1993, the price rises have exceeded the wage raises almost seven times. According to the UCRM, the year 2003 may be regarded as a year of non-stop price rises. On the average, foodstuffs went up by 20 per cent, manufactured goods by 11.5 per cent and services by 12.6 per cent. Up went also the prices of natural gas, electricity, petrol and communication services. Telephone rates have also increased as from 1 February

2004. Hardest hit were the budgetary sector employees. Petru Chiriac reminded that, according to World Bank estimates, half of the able-bodied population in Moldova are unemployed, while 80 per cent live below the poverty line. In a statement addressed to the country's leadership the UCRM stresses that the very future of the nation and its genetic fund are at stake.

The rally demanded an end to the illegal interference in UCRM activity. The resolution adopted by the rally calls on the Republic's leaders to restore the economy, establish a statutory social indicator of the poverty threshold, and take measures to ensure that the minimum wage makes up at least two thirds of the average pay in the country.

LABOUR EXODUS FROM MOLDOVA

According to the Migration Department of Moldova, the number of the country's nationals working presently abroad is approximately 600 thousand, with 90 per cent of them employed illegally. Some 240 thousand Moldovan citizens work, legally or illegally, in Russia. In Italy, their number comes to 150 thousand, about 40 thousand work in the Czech Republic, 30 thousand in Portugal, and 50 thousand in Turkey, whereas Spain, France and Israel host about 20 thousand Moldovan migrants each.

ICFTU MISSION INSPECTS MOLDOVA

A ICFTU delegation led by Hubert Cambier visited Moldova from 11-13

March 2004. The mission members met the leaders and activists of the two trade union confederations, the UCRM and the CFTUM "Solidaritate" to discuss the trade union situation in the country.

When meeting the Minister of Labour and Social Protection of Moldova, the participants of the mission gave their opinion of the current situation in the country's trade union movement and the facts of interference by various state authorities in UCRM activity. Hubert Cambier asked the Minister to look into the violations of ILO Conventions, particularly in what concerned the guarantees of union rights and freedoms.

During a briefing on the outcome of the mission, its participants confirmed there were facts of interference in trade union activity by enterprise managers and various state authorities, including Parliament. Hubert Cambier emphasized that political influence should not be exerted in favour of one or another trade union centre. That was a precondition for constructive dialogue between the two confederations in Moldova.

RUSSIA: FNPR SEEKS HIGHER WAGES

"We expect the newly elected State Duma to solve, in a year or two, the problem of raising the minimum wage rate (MWR) to a level above the poverty line, up to the subsistence minimum", - said FNPR President Mikhail Shmakov to the *Interfax* News Agency 13 January 2004. He recalled that today the minimum wage in Russia was 600 roubles (US \$ 20) a

month, while the subsistence minimum was 2 400 roubles (US \$ 80).

The FNPR President relies on constructive cooperation with Parliament. In particular, he pointed out that the previous Duma would sometimes consider draft laws of social nature submitted by the Government without their prior discussion by the Russian Tripartite Commission for Regulating Social and Labour Relations. Such a practice should be avoided in future.

Mikhail Shmakov said that 'the unions believe the creation of conditions for a decent life and free development of people, reducing social inequality, and raising the incomes of the population must be the prime objective of Russian social policy'

SOCIAL TENSIONS HIGH IN RUSSIAN PROVINCES

"Almost 920 thousand people in the Irkutsk Region, Siberia, have no means of subsistence", said Alexander Obolkin, President of the Regional Trade Union Council. He thinks that poor people are those who get in pay less than 1 500 roubles (US \$ 50) a month. Despite the recent economic growth, the danger of poverty, as he put it, is actually "hanging" over engineers, technicians, teachers, artistic intellectuals, as well as workers in the municipal services, light industry, forestry and agriculture.

In a number of areas in the region, pay rates vary dramatically with the industries. For example, the average wage in the non-ferrous industry is 13 900 roubles a month (which is approximately equal to five subsist-

ence minimums), whereas in the light industry it is only 1 400 roubles (or 56 per cent of the subsistence minimum).

The regional trade union council suggests that the local authorities and employers should work out a special region-oriented programme to combat poverty.

Local trade unions report from the Murmansk Region that some 20 thousand employees in the budgetary sector had been left without pay at the turn of the year. The total wage arrears amount to 120 million roubles (US\$ 4 million). Those employed in the public health, education, municipal services and agricultural sectors suffered the most.

A protest action involving several thousand people was staged by the Russian Coalminers' Union 3 March 2004 in the town of Shakhty, the Rostov Region. Following an accident at a coalmine in the town of Novoshakhtinsk in October 2003, the decision was passed to close down some other mines, for safety reasons. However, the wage arrears had not been paid to the redundant workers, and the guarantees due to the workers of closed enterprises had not been fulfilled. Meanwhile, *Rostovugol* Company owes to the workers of seven closed mines 214 million roubles (US\$ 7.4 million) in wages alone. All in all, ten thousand workers have been rendered jobless.

RUSSIA: AIR TRAFFIC CONTROLLERS CHUCKED OUT

10 February 2004, electric power was cut off in the headquarters of the Fed-

eration of Air Traffic Controllers' Unions of Russia, FATCU, and on the following day the staff of the Federation were denied entry.

FATCU President Serguey Kovalev said the union rented the premises from the " employer", the Federal Agency for Air Traffic Management in Russia. As from 1 January, the rent was sharply raised to become unaffordable for the Federation.

Serquey Kovalev believes the true reason behind the actions by the employers was the tough position taken by the trade union on protecting the interests of the 19 thousand Russian air traffic controllers. "Moreover, they have started to dismiss trade union activists in our grass-root organisations", he added.

TAJIKISTAN: PRESIDENT DECREES PAY RAISES

Tajikistan President Emomali Rakhmonov issued a decree providing for a 25 per cent pay increase for employees in the budgetary sector as from 1 January 2004. The minimum wage rate is also to be raised from 4 to 7 somonis (from 1.3 to 2.3 US dollars) in all branches of the economy.

The Decree stipulates that special funds equal to US\$ 9 million be allocated in the State budget for 2004 to pay allowances to low-income families as compensation for the energy price rises.

UKRAINE: PRESIDENT FAVOURS STRONGER LINKS WITH UNIONS

9 January 2004, Ukrainian President Leonid Kuchma signed a written in-

struction calling for closer cooperation of the executive power bodies with trade unions. Together with the trade unions and employers' associations the Government is expected to work out, by 1 March 2004, a mechanism for a gradual increase in social guarantees till they reach the level of the subsistence minimum as stipulated by law. Within six months, the Government must find the sufficient funds to finance the increase in the expenditures of the National Council for Social Partnership and the National Mediation and Conciliation Service.

The Government has also been instructed to examine how the rights and guarantees of trade union activity stipulated by the Constitution and laws are observed in practice. The document prescribes all central, regional and city executive authorities to enhance their cooperation with trade unions to promote the implementation of the state policy in the social sphere.

UKRAINE: MINIMUM PAY PRIORITY IN SOCIAL DIALOGUE

The Ukrainian Government met trade unionists and employers on the 23 of February 2004. Following the consultation, Prime Minister Viktor Yanukovich said the minimum wages in Ukraine would reach the subsistence minimum by 2007. This will be done step by step. In 2005, the minimum wage will amount to 70 per cent of the subsistence minimum, in 2006 to 80 per cent, and in 2007 to 100 per cent. The subsistence minimum will also be raised in 2007.

The Prime-Minister also added that the Government would do their best

to raise the minimum wage level from 205 to 237 hryvnias (from 38.4 to 43.4 US dollars) already in September rather than in November 2004 as previously planned.

Speaking to a session of the Government 29 February 2004, President of the Federation of Trade Unions of Ukraine, FTUU, Olexander Stoyan welcomed the policy of closer co-operation between the Government and the unions. He stressed that the primary target today was to pull the worker out of poverty. At present, over 13.3 million Ukrainians live below the poverty line, which means they get in pay less than 211 hryvnias (US\$ 40) a month. To do away with this shameful situation, it is necessary to bring up the minimum wage closer to the subsistence minimum.

The FTUU is of the opinion that the Government, in conjunction with the trade unions and employers, must reverse the very approach to the problem of work remuneration. The essence of such a new approach could be expressed by the slogan "From the cheap workforce to a high-paid workforce".

The Federation believes that under the present conditions the establishment of a decent wage could help achieve dynamic development of the Ukrainian economy, replenish substantially the state budget, and increase the purchasing power of workers. Olexander Stoyan urged that the transition from the cheap workforce model to the expensive workforce model that is characteristic of all market economies should be accelerated.

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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 SEPTEMBER 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