



# *inform* **contact**

**NEWS FROM THE GENERAL CONFEDERATION OF TRADE UNIONS**

No 34

July-September 2001

## **GCTU Appeals to CIS Heads of Government**

On the 15th anniversary of the Chernobyl disaster, the General Confederation of Trade Unions, GCTU, and the International Organisation «Chernobyl Union» issued a joint appeal to the Heads of Government of the CIS countries.

They expressed their anxiety about the tendencies in some CIS countries to reduce the level of social protection of the victims and «liquidators», i.e. people who participated in removing the aftereffects of the disaster.

Despite all the measures taken over the past years, the Chernobyl problems remain as acute. Particularly alarming are the high mortality rates among people exposed to radioactive radiation and, first of all, among children.

Many people have yet to be settled out of the contaminated areas. The unjustified amendments to current legislation infringe on the rights of the victims and liquidators, particularly in what concerns health care, social services, pensions, housing and public utilities. As a result, many victims have lost their former guarantees, privileges and allowances. The chronic delays in the payment of pensions and

allowances have caused massive protests in several countries.

The GCTU and the Chernobyl Union urged the governments of the CIS countries to pay more attention to providing social protection for Chernobyl victims.

## **GCTU Condoles With America**

12 September 2001, following the terrorist acts against the USA, the General Confederation of Trade Unions issued a statement that reads as follows:

«A series of terrorist attacks hit the USA yesterday, taking the toll of thousands of innocent lives. Terrorism has again shown its appalling nature. Acts of this kind, no matter where or when they are committed, have no justification, and any such displays of terrorism must be condemned and punished severely.

«The General Confederation of Trade Unions, speaking for its member organisations, extends deep condolences to the people and labor movement of the United States in connexion with the tragic loss of human life caused by the barbaric acts, and expresses particular sympathy to the families and friends of the victims.

«These acts of terror are an impudent challenge not only to the USA, but also to

the whole of civilised humanity. We call on the international community to take immediate and concerted steps to do away with terrorism on this planet».

The text of the statement was sent to the AFL-CIO, the ICFTU, the WCL, the WFTU and the US Embassy in Moscow.

### **GCTU Willing to Improve Information**

The social and economic conditions for elderly people were discussed at a session of the GCTU Commission on Humanitarian Cooperation and Information in Moscow.

Commission members were satisfied that most CIS countries had adopted special laws on war and labour veterans, elderly people and invalids. However, they thought the governments should be more consistent in carrying out the interstate agreements on the social support of veterans. The Commission proposed that the GCTU prepare a model draft law on the social support of war and labour veterans and elderly people, and submit it for consideration by the Inter-Parliamentary Committee of the five states, Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan.

As they discussed the GCTU's information policy, Commission members said they were dissatisfied with the quality and volume of the information exchange between the Confederation and its affiliates. The efforts made so far by Commonwealth trade unions to develop a single information space were inefficient. The unions were still lagging behind in employing advanced information technologies.

The Commission spoke in favour of formulating an integral concept of GCTU information activity.

### **Belarus: General Agreement Signed**

The protracted and bitter struggle by Belarussian trade unions, backed by the ILO's

intervention and international union solidarity, has yielded first positive results. The Belarus Government was forced to concede to concluding a General Agreement for 2001-2003. The document was signed by First Deputy Prime Minister Andrei Kobayakov, Chairman of the Employers' Confederation Mikhail Lavrinovich and President of the Belarus Federation of Trade Unions, BFTU, Vladimir Goncharik.

BFTU leaders describe the General Agreement as positive in many respects, even though some union demands have been rejected. It opens the way to signing wage agreements at the industry level, and is also instrumental in initiating collective bargaining campaigns in the regions and workplaces.

According to the Agreement, pay rises will at the least keep pace with the GDP growth rates, while the minimum wages and salaries in the budgetary sector will be raised sufficiently enough to match the subsistence minimum. The average national pay is expected to reach a sum equivalent to \$100 by December 2001.

The Government has, in particular, made the commitment not to increase the rents and utility rates unless an adequate raise in the population's incomes is secured. There are also plans to improve the tax system, a step meant primarily to relieve the plight of low income workers.

The problems of creating an agreeable environment for trade union activity were the main points at issue. As a result of the numerous rounds of talks, the unions have managed to protect their principal rights and guarantees.

### **Georgia: Social Partnership Reaches New Stage**

The signing, on 14 June 2001, of a General Agreement, the first ever in the country's history, was viewed as a breakthrough

outcome of the long-drawn out and complicated negotiations in the National Tripartite Commission.

The agreement between the national trade union centre, the employers' organisation and the government of Georgia covers the period of 2001-2002. Its seven sections contain over 80 commitments by the signatories in the spheres of economy, work remuneration, income policy, and living standards. It also deals with such problems as labour market development, social protection, health and safety, environment protection, social partnership, etc.

President of Georgia Eduard Shevardnadze, who was present at the signing ceremony, thanked the unions for their huge contribution towards a stronger social partnership. He said he was confident that a constructive approach by all the parties to the solution of acute social problems would make the achievement of tangible results easier.

### **Georgia: Unions Plead with ILO**

President of the Amalgamation of Trade Unions of Georgia Irakly Tugushi has sent a letter to Director-General of the ILO Juan Somavia asking for support of Georgian trade unions.

«Since the time it set course for economic reform, reads the letter, the country has been making efforts to build a law-abiding state based on the principles of democracy. Progress towards this goal has been impeded by all kinds of bureaucrats, careerists, and money-grubbers who are anxious to retain their privileged position in society. Trade unions are compelled to defend their legitimate rights against those forces».

The property of Georgian trade unions is one object of their attacks. Despite the ruling by the Constitutional Court and the instruction of the Cabinet of Ministers, the

unions are still waiting for their Palace of Culture to be returned; neither has the court-imposed arrest of the remaining trade union property been annulled.

In an attempt to establish control over the trade union centre, the ruling circles would stop at nothing to discredit its activity and even to get their own servile proteges elected as union leaders. Suffice it to mention the amount of pressure exerted on delegates to the recent congress of the Amalgamation of Trade Unions of Georgia held last December.

In July 2000, the parliamentary Committee on Economic Policy, exceeding its commission, organised hearings to discuss the situation in the Amalgamation of Trade Unions of Georgia. The Office of Prosecutor-General started scrutinising the finance activity of the trade union centre, though the law on trade unions does not give them such a right. All such attempts «to teach those unions a lesson» were taken by local authorities as a signal to launch an offensive on trade union rights.

Irakly Tugushi counts on the ILO's assistance in the struggles the Georgian unions are waging against all forms of pressure, against encroachments on trade union freedoms.

### **Kazakhstan: Close-up Social Portrait**

Unlike the Russian or Ukrainian miners' committees, the Kazakhstan trade unions have never been in the vanguard of adjustment reforms. However, they have always been active supporters of democratic change in their country.

It is to be regretted, though, that reforms in Kazakhstan have had such grave social consequences. The unemployment rates are enormously high, especially among women, young people and peasants. Statistics show that in 1999 over 950

thousand people, or 14.3 per cent of the able-bodied population, were out of work. Should the self-employed people who have failed to find a waged job be taken into account, the figure will jump up to 50 per cent.

The low employment rates weigh heavily upon the living standards and wages. Although Kazakhstan is a front-runner among the CIS countries as far as the wages are concerned, in physical terms the level of work remuneration is not high. In June 2001, the monthly wages averaged out at 17,570 tenghes (or US\$ 120), the statutory subsistence minimum at 4,726 tenghes (\$32), the minimum wages at 3,484 tenghes (\$24), and the minimum pension at 4,000 tenghes.

Quite a sizeable portion of the population can hardly get any medical services. By the end of 1999, there were only 917 hospitals left for 8,000 cities, towns and other built-up areas, while the number of hospital beds decreased by twice. The reforms have also told on education, with 619 comprehensive schools closed in the period 1994-1999.

The radically changed nature of trade union activity has weakened the motivation to join the unions, as they no longer deal with paying out social insurance benefits or with health and safety issues. The number of vouchers for rest homes and children's camps, formerly distributed by trade unions free of charge or at a reduced price, have been cut sharply.

As a result, the union membership has shrunk. The situation is aggravated by the general reduction in employment and by the changed employment structure. In 1995, the Federation of Trade Unions of Kazakhstan, FTUK, had 5.4 million members, whereas today only 2.24 million. Simultaneously, the level of organising in the industrial unions affiliated with FTUK is still quite high, 81 per cent on average.

In 1993, Kazakhstan trade unions were deprived of their right to legislative initiative. However, this has not discouraged the FTUK, and it started to get actively involved in the election campaigns. In 1999, the unions got nine of their candidates elected to Parliament's lower chamber, and another 72 to other legislatures of different levels. With their help, the Federation could contribute to the development and adoption of 70 laws regulating workers' social and economic rights. It was on the initiative of trade unions that Kazakhstan had ratified 15 fundamental ILO conventions.

If it were not for the trade unions, the country's social legislation could have been much stricter. For instance, together with its group of deputies the FTUK has succeeded in having the retirement age for workers in hazardous and unhealthy professions reduced by 13 years and the arrears of pensions settled in full. Now the Federation is looking for a solution to the pay delay problem. Thanks to the unions' insistence, the working week has been limited to 40 hours, and for those employed in hazardous and harmful jobs to 36 hours.

Both the FTUK and its affiliates advocate a stronger social partnership, often in spite of the government's opposition. Social dialogue develops on the basis of the helpful law on social partnership in the Republic of Kazakhstan adopted in 2000. The ratification of Convention 98 on collective bargaining has also been instrumental.

Collective agreements get particular importance now that the new labour law specifies only the minimum of labour rights. It was through collective bargaining that the unions had managed to negotiate a ban on fixed-term employment contracts in permanent jobs and on the dismissal of expectant mothers or women with children up to three years of age. It should be mentioned that the country's legislation holds

employers responsible for noncompliance with, or infringement of, the collective agreements, for shirking from collective bargaining, or for withholding the necessary information from the trade union.

Their active stand on many vital issues has made the unions a real and influential force on the country's political scene that can hardly be ignored either by the authorities or by the employers.

### **Kyrgyzstan: Tripartite Commission Meets**

The National Tripartite Commission on Regulating Social and Labour Relations held its regular session on the 24th of June 2001. The Commission revised the accomplishment of the General Agreement in 2000 and discussed the problems of work remuneration in the budgetary sector. The trade union delegation demanded that the government increase the minimum wages and stop the rises in electricity rates. Participants decided that special comprehensive measures would be necessary to meet the above mentioned demands and have the General Agreement fulfilled.

### **Russia: President Putin Meets With Mikhail Shmakov**

Social issues and problems of the aerospace industry were discussed at a meeting of Russia's President Vladimir Putin with Mikhail Shmakov, President of the Federation of Independent Trade Unions of Russia, FNPR, that took place 14 August 2001 in Moscow.

Special attention was devoted to the timely payment of salaries in the budgetary sector. According to Mikhail Shmakov, this year almost all regions in Russia have found the ways and means to secure the payment of vacation benefits to teachers on time. The unions stress that pay rises in the

budgetary sphere are currently one of their priorities.

Mikhail Shmakov and Vladimir Putin also discussed the problems of job protection and timely payment of wages in the aerospace industry.

### **Russian Government «Oblivious» of Tripartism**

The Russian Tripartite Commission on Regulating Social and Labour Relations started its session 31 August 2001 with a complaint by the delegations of trade unions and employers. Both parties claimed that the Government, in defiance of the General Agreement and current legislation, «forgot» regularly to invite the Commission's coordinators to attend its meetings dealing with socio-economic questions.

Thus, none of them was invited to the Government's meeting that discussed and approved the budget and extrabudgetary funds for 2002, which was a gross violation of the social partnership principles. Mikhail Shmakov believes such crucial issues as the country's budget and social funds should only be considered by the Government after the General Agreement has been signed.

The debate about the draft General Agreement for 2002-2004 revealed quite a few differences among the parties of the Tripartite Commission. A principal one was about the Government's reluctance to accept the proposal by the FNPR that the minimum wages in 2002 should be made at least equal to the subsistence minimum. The Government, in its turn, argues that in the coming three years the minimum wages can only reach 80 per cent of the subsistence minimum.

The unions have also rejected the proposals for establishing three national

extrabudgetary funds (for old-age pensions, social insurance and compulsory medical insurance). They confirmed their determination to fight for the abolition of the single social tax, for increased deductions to the insurance funds, for the restoration of the Employment Fund, and for the return to the solidarity-based system of social insurance.

On the initiative of the FNPR, the problem of Russia joining the WTO was examined. The Federation is concerned over the possible negative consequences the event can have for Russian workers. As it instructed the Ministry for Economic Development to prepare a detailed report on the problem, the Tripartite Commission decided to devote a special session to the problem.

### **Russia: End to Social Peace of Putin Era?**

A nationwide protest action «For Labour Rights and Workers' Social Guarantees» is to take place in Russia 14 November 2001. Rallies, marches, picket lines and work stoppages are expected to be held all over the country. So decided the FNPR General Council as it gathered in Moscow 25 September 2001.

The General Council issued a resolution saying that working people's rights are under a full-scale attack by the Government and employers.

Alexei Surikov, a FNPR Vice-President, believes that the Government, as it set about economic reform, should also have begun reforming the system of the population's incomes, so that wages could rise simultaneously with increases in the cost of living. In the first place, the minimum wages must be on a par with the subsistence minimum. But the Government is not willing «to develop any state policy in the sphere of work remuneration». President Putin, speaking about reform to the Federal

Assembly, did not even mention the word «wages».

The unions are particularly critical of the single social tax effective since the turn of this year. It has already stripped workers of whatever guarantees they used to have as unemployed, and left them with hardly any chances of getting treatment in health resorts or sanatoria. There will be even fewer guarantees left after the merger of the two extrabudgetary funds, the health care and the social insurance ones, as planned by the Ministry of the Economy.

That explains why trade unions will take to the streets 14 November 2001 demanding substantial pay increases, adoption of a new labour code that would protect workers, abolition of the single social tax, restoration of the unemployment insurance system, and preservation of the health-resort treatment of workers.

Last time the Russian trade unions organised a massive action of protest was before the general elections in the autumn of 1999.

### **Russia: Women Determined to Fight**

Although Russian law excludes gender discrimination, the actual situation of women in the labour market has worsened over the last decade. Most often, their labour pays less than that of men's. Women are the first to go during redundancies. They are being excluded from such traditionally female sectors as banking and insurance. Unmarried mothers and single elderly women belong among the poorest categories of the population.

These and other related issues were discussed at a seminar on gender equality held by the Federation of Independent Trade Unions of Russia, FNPR, together with the Norwegian LO from 27-30 August 2001. Based on its outcome, the Federation has

worked out a draft concept of its gender policy that will be presented to the forthcoming regular congress of the FNPR due next November.

The document stresses the need to make union members aware of the worsening status of women in society, change public opinion about social equality between the sexes, help enhance women's ability to compete in the labour market, and promote wage levelling in the budgetary sector.

The Concept's chapter «Health of Women Workers» points that unsatisfactory working conditions for women often result from the nonobservance of many labour code provisions relating to female labour. The triple load (work, home, family/children) and malnutrition affect the mental health and overall physical and emotional state of women.

The draft also deals with participation in the decision-making. Although women make about half the country's economically active population, they are still underrepresented in the authorities at all levels. Even in the FNPR, they form only 15 per cent of the General Council members, and the Executive Committee has only one female. The document suggests that a special provision be introduced into all trade union statutes, setting the maximum representation quota for either of the sexes at 70 per cent.

### **Ukraine: Battle of Minimum Wages**

In a new attempt to draw the attention of the Government and the public to the low rates of work remuneration in the country, the Federation of Trade Unions of Ukraine, FTUU, called on 12 September 2001 a round table meeting entitled «The Minimum Wages and the Tax-exempt Minimum: Real State Standards or a Myth?». Members of Parliament, representatives of the legislative and executive authorities, and employers were invited to attend.

Opening the meeting, FTUU President Alexander Stoyan said the trade union centre attached great importance to setting a socially acceptable wage in the form of a state guarantee, as proclaimed both by the Constitution of Ukraine and by the Law on State Social Standards and Guarantees.

But what does it look like in actual life?

Today's minimum wage of 118 hryvnias (or US\$ 22) a month is not enough to meet even the basic needs in food. It makes a mere 35 per cent of the statutory subsistence minimum of 331 hryvnias, or \$62 a month.

The unions cannot accept the Government's proposal that, in 2002, the minimum wages should be set at 140 hryvnias a month. Given the economic situation, they insist on 165 hryvnias, or \$31, which makes half the statutory subsistence minimum. They also demand that measures should be taken in the near future to bring the minimum wages up to a level where they will equal the subsistence minimum. The four-month talks held in the course of preparations for signing the General Agreement have produced no mutually acceptable decision.

Based on the opinion held by all trade unions, Alexander Stoyan has sent letters to the chairs of several committees in Ukrainian Parliament urging them to keep in mind the trade union stand on wages when they consider the state budget for 2002.

Round table participants were bitterly critical of the current sum of tax-exempt income amounting to 17 hryvnias, or US\$3.2. They described it as simply laughable and failing to meet any reasonable standards. The unions believe that the tax-exempt income of physical persons should be equivalent to the subsistence minimum. A bill to that effect has been presented to Parliament by FTUU President Alexander Stoyan who is also an MP.

PUBLISHED BY  
INTERNATIONAL DEPARTMENT AND  
DEPARTMENT FOR HUMANITARIAN PROBLEMS AND INFORMATION  
OF THE GCTU  
42 LENINSKY PROSPEKT  
117199 MOSCOW, RUSSIA  
TELEFAX +7(095) 938-2155  
PHONE +7(095)938-7215  
+7(095)938-8274  
TELEX 411 010  
Web site: [www.vkp.ru](http://www.vkp.ru); E-mail: [inter@vkp.ru](mailto: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 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](http://www.vkp.ru)