

Trade Union Declaration

IndustriALL Global Union - industriAll Europe - TUAC

OECD Steel Committee 13-14 March 2023

Developments in Ukraine and impacts on the global steel market

Dear members of the OECD Steel Committee,

First of all, we would like to re-affirm the strong support of the global trade union movement to the cause of the Ukrainian people, defending themselves from the criminal and unjustified aggression by Russia.

Ukrainian trade unions have been on the forefront of the struggle from the first day of the Russian invasion, in February 2022. They offered their premises to shelter displaced civilians. They collected and delivered aid to combat areas. Union members are still working and sustaining the Ukrainian economy, while many have joined the military to defend the country.

TUAC, as well as Ukrainian unions, are aware that the war conditions require urgent interventions in the labour market, for the civil sector to contribute and adapt effectively to the evolving situation. We are also aware that the current Ukrainian labour code is 50 years old, and that previous attempts to reform it, before the war, were ineffective. Yet, we strongly believe that the labour code should not be fundamentally reformed without the full involvement of social partners and social dialogue, nor should any such attempt be forced before peace is restored and space for democratic public debate ensured.

Still, a series of laws passed by the Ukrainian parliament in 2022 have already curtailed the right to collective bargaining for all firms under 250 employees for the duration of martial law (but extendable afterwards) and introduced the possibility of zero-hour contracts. Other bills, pending or adopted already, impact transfer rights, the right to organise unions, collective bargaining, social assistance funds, pension rights and administration, safety and health enforcement, unemployment benefits and the system that sets minimum wages.

This is a concern for all Ukrainian and European citizens, and not just for trade unions. We support and encourage Ukraine's efforts to build ties and join the EU and OECD family, but these efforts will only succeed if democratic values and workers' rights to unionisation and collective bargaining are respected. This includes respect of the ILO Fundamental Principles, but also OECD instruments such as the Guidelines for Multinational Enterprises, to which Ukraine is already a signatory.

We remind Ukrainian authorities that the path to EU accession requires adhering to its fundamental values and principles, including the right to collective bargaining representation and social dialogue. Trade unions are essential to contribute to the country's reconstruction but to do so they must be part of the conversation, and not be excluded from it.

Regional steel market developments

Dear members of the OECD Steel Committee,

On behalf of TUAC, I would like to raise again the real concerns of steel workers across the globe.

Steel workers have stuck with the industry through thick and thin and after the disastrous impact of the global health pandemic on the international steel sector, which directly impacted steel workers across the globe, we expect workers to also benefit from the huge profits made by many major steel players. Trade unions insist that steel companies reinvest their profits both in their plants and in their workers.

The steel industry is, and will remain, a key player in the fight against climate change. However, this will involve a huge amount of investment, and again, we insist that steel companies reinvest their profits in developing and upscaling non-carbon technologies and processes, and that all public funding comes with strict social criteria.

Decarbonisation is a global challenge, and all regions and companies must increase their efforts to decarbonise the steel sector. TUAC asks the OECD Steel Committee to increase their work on levelling the global playing field which should also seek to avoid carbon leakage. Trade unions will not accept a race to the bottom to produce cheap and dirty steel nor for companies relocating simply to reduce costs regardless of the impact on workers or the environment.

With the steel sector receiving exceptional profits and paying extraordinary dividends, now is the time for real investment in decarbonisation, employment, training, health and safety, and to improve working conditions and salaries. It is no longer acceptable to focus only on margins and production levels and the financial performance of companies must go hand in hand with social and environmental performance.

Decarbonising the steel sector: scoping the Committee's work for 2023-24

Dear members of the OECD Steel Committee,

TUAC welcomes the increased attention of the Steel Committee on the topic of decarbonisation and reminds participants that steel workers are the centre of the green transition.

Trade unions support the transition to low-carbon steel production, but we insist that this is managed in a socially responsible way. For us, this means ensuring a Just Transition with no worker or region being left behind.

Concretely this means ensuring quality social dialogue in all steel producing countries with workers being involved in mapping the transition and being appropriately informed and consulted. While reskilling and upskilling are indeed important, it is also essential to ensure equivalent job-to-job transitions when required and that any new jobs linked to the circular economy are decent jobs.

Both steel companies and governments must invest in the green transition, and we insist that all public funding has strong social conditionality, this is non-negotiable. Furthermore, steel companies who

benefited from large profits in recent years must properly reinvest in both their sites and in their workers. Trade unions insist on fair distribution of returns.

We welcome the recognition of the importance of Just Transition to the steel sector, in the last Chair's statement from September 2022, and we ask for the Steel Committee to increase their focus on this area of work which indeed has significant labour and social consequences for all steel producing countries. It is impossible to discuss the topic without properly considering the impact on the millions of steelworkers worldwide.

Paris, 13-14 March 2023