

# Settlement Secures Permanent Jobs for Dismissed Temps at Unilever Pakistan Rahim Yar Khan

Tuesday 14 July 2009, by [IUF](#) (Date first published: 1 July 2009).

**See also: IUF, [Unilever Lipton Tea Workers Challenge Disposable Jobs Regime, Demand the Right ... to Work for Unilever!](#)**

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## IUF

### Uniting Food, Farm and Hotel Workers World-Wide

A settlement between the IUF and Unilever has secured the creation of new permanent positions for all the union-supported Action Committee members at the company's factory in Rahim Yar Khan, Pakistan. With the support of the National Federation of Food, Beverage and Tobacco Workers, these workers had challenged - on the streets and in the courts - their precarious employment status and the brutal mass dismissals which resulted from this challenge in October 2007. The Action Committee was formed to fight for their appointment as directly employed permanent workers with the right to join the union.

The settlement was negotiated under the auspices of the UK National Contact Point for the OECD, where the IUF had filed a complaint. The OECD Guidelines for Multinational Enterprises require overseas subsidiaries of transnational companies to conform to international standards of trade union and human rights, including adherence to ILO Conventions on the right of workers to organize trade unions and bargain collectively with employers.

The settlement stipulates that Unilever will create 120 new permanent positions at the plant, effective as of June 24 this year, and that all Action Committee members will be appointed to these positions. According to the agreement, these workers shall suffer no discrimination at the factory, and the company pledges to abstain from interference in the work of the union in which they will now be members. For the small number of Action Committee members who do not currently meet the education requirements, Unilever will provide a scholarship of up to two years equivalent to the monthly permanent wage, plus medical insurance. During this time, permanent positions are to be held open.

While Unilever publicly refuses to acknowledge that the dismissed temporary workers were sacked because they challenged the discriminatory employment regime, the dismissed former temps who do not receive new positions are to receive a lump sum payment equivalent to just under three years of their previous monthly wage. Those appointed to permanent jobs will receive a smaller lump sum payment. Implementation of the agreement will be monitored by the IUF and Unilever at local and international level.

The Rahim Yar Khan settlement constitutes an important union victory in the fight against disposable jobs and Unilever's strategy of reducing union bargaining power by radically shrinking the number of permanent employees eligible for union membership and inclusion in the collective bargaining unit.

The struggle against disposable jobs continues at the company's Lipton/Brooke Bond tea factory in Khanewal [see below], Pakistan, where a grand total of 22 workers out of over 500 (and at times over 700) are directly employed, with the remainder supplied by labour contractors. As at Rahim Yar Khan, a union-supported Action Committee is struggling for direct employment and union membership and bargaining rights. While publicly claiming to be "addressing" the issue, Unilever management has been seeking to destroy the movement by denying the workers employment under the "No work, no pay" system while bringing in new contract workers, driving them deeper into poverty and debt.

The Khanewal workers still face a long, hard struggle - you can support them now by sending a message to Unilever! <http://www.iuf.org/cgi-bin/campaign...>

Regular updates on the Khanewal campaign are available at [www.casualtea.org](http://www.casualtea.org)

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## **Unilever Drives Casual Tea Workers Deeper into Poverty for Claiming Rights**

**Posted to the IUF website 16-Jun-2009**

Slaves built the pyramids - Unilever casual workers build pyramid tea!

Click here to send a message to Unilever! <http://www.iuf.org/cgi-bin/campaign...>

Unilever Pakistan management has escalated its vicious attack on casual workers at its Lipton/Brooke Bond tea factory [1] in Khanewal, Pakistan, punishing workers who are demanding direct, permanent employment by denying them work and driving them deeper into poverty.

In a section of the "Sustainability" portion of the Unilever website ludicrously entitled "Respecting Rights", Unilever states that "Our Khanewal factory employs a mix of permanent and outsourced workers", and "To keep operations effective and competitive, Unilever Pakistan uses third-party service providers to supply workers for our non-core operations." They agree that running a factory with just 22 permanent workers out of an average employment level of 533 (which in fact has usually exceeded 700) "raises issues", but claim to be "addressing" them. Here's how Unilever has been "respecting rights":

Beginning April 27, Unilever began sending home without work some two-thirds of the 237 casual workers who have joined the Action Committee. Casual workers were paid the legal minimum wage of 6,000 Rupees, just 33% of the lowest wages (without benefits) of the 22 direct employees. But in order to receive their 6,000 Rupees per month they are required to work at least 26 days each month. If they don't get 26 days' work in a month, they are only paid 252 Rupees per day - the equivalent of slightly over 3 US dollars.

Under the latest "No work, no pay for Action Committee members" policy, workers who joined the

Action Committee and filed legal cases in the courts contesting their permanently precarious status are being given just eight days to a maximum of eighteen days' work per month. That is just 9% to 24% of the lowest wage of permanent workers. At the same time, new casual workers are being employed as Unilever deliberately foments divisions through intensified competition for poverty wages, perhaps hoping to foment a violent incident which would serve as a pretext for a frontal attack on the Action Committee and an excuse for scuttling the negotiation process it cynically parades on its website.

Since Unilever has set about deliberately impoverishing Action Committee members through employment discrimination, many have been forced to supplement their starvation wages with work in the countryside, either as agricultural labourers or as helpers on construction sites. The meager extra revenue this provides is still not enough to support the workers and their families, many of whom have been forced to borrow money and are sinking into debt.

The policy of reprisals against workers claiming their rights has been ratcheted up even as the UK National Contact Point for the OECD, a government body responsible for monitoring breaches in the OECD's Guidelines for Multinational Enterprises, has officially called for mediation under its auspices between the IUF and Unilever corporate management to resolve employment issues at Khanewal in line with international standards. The attacks on the workers are therefore aimed not only at the increasingly impoverished workers and their families. They are directed at the Action Committee they have formed with the support of the IUF and the National Federation of Food, Beverage and Tobacco Workers of Pakistan and ultimately is an attack on Unilever unions around the world. These attacks demonstrate Unilever's contempt for the international human rights conventions referenced in the OECD Guidelines and for the UK ministry which has accepted the IUF's OECD submission on the company's systematic, exploitation of precarious workers and is trying to provide a space for negotiation.

Cut through the "sustainability" nonsense and the policy is clear: Unilever is manufacturing poverty, humiliation and permanent insecurity.

***STOP DISCRIMINATION AND REPRISALS AGAINST THE KHANEWAL ACTION COMMITTEE WORKERS - [CLICK HERE TO SEND A MESSAGE \[2\] TO UNILEVER!](#)***

Tell corporate management to stop retaliating and start negotiating!. The Lipton Khanewal temporary workers fighting for justice through their Action Committee must be given permanent, direct employment status - and the way to implement this is through direct negotiations with the affiliated National Federation of Food, Beverage and Tobacco Workers of Pakistan.

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## **Footnotes**

[1] <http://www.iuf.org/casualtea/>

[2] <http://www.iuf.org/cgi-bin/campaign...>