

Vicious Assault on Employment and Trade Union Rights at Coca-Cola Pakistan

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IUF

Uniting Food, Farm and Hotel Workers World-Wide

Union members rally for employment and trade union rights at Coke's Karachi bottling plant

While Coca-Cola Company (CCC) executives in Atlanta, Georgia, USA were preparing to celebrate the holidays and enjoy their buoyant third quarter results, management at Coca-Cola Beverages Pakistan Limited (CCBPL, owned by CCC) were carrying out a vicious attack on employment and trade union rights at the company's Karachi operations in defiance of a local court order to desist.

Union-busting is a traditional management reflex at Coke Pakistan. In Central Pakistan, unions were busted in Lahore and Gujranwala and union officers have been dismissed. At Rahim Yar Khan, the union president was dismissed in 2001 and only reinstated after a tough 3-year legal battle the company continues to contest.

Where dismissals alone fail to break the union, massive casualization has become the main management tool for maximizing insecurity and limiting union bargaining power. At the Rahim Yar Khan plant, 6-700 casual workers are employed at peak season - including 250 "seasonal" workers employed year round and some 50 who have worked at the plant for 5 or more years. To further restrict the potential union membership base, 200 permanent workers are excluded from union membership after having been reclassified as "managers" or "supervisors" - despite the fact that they work as operators and have no management authority.

At CCBPL Karachi, where operations include a bottling plant and sales/distribution center, there are 336 regular workers and 250 casual employees, who are hired directly and through labour contracting agencies. Direct hires are employed on 6- and 9-month contracts - and perform jobs previously filled by union members.

The Coca-Cola Beverages Staff and Workers Union opposed an earlier management effort to outsource the maintenance and transportation departments (where there are 29 permanent workers, all union members), and has been preparing to fight the extension of casual contracts. At both Karachi and Rahim Yar Khan, unions have made rolling back casualization through regularizing employment contracts a principal bargaining aim through coordinating their bargaining demands for 2007.

So on December 9 management launched a preemptive attack by sending over 150 termination letters to CCBPL Karachi employees, informing them that their jobs were being outsourced. Among those receiving notice of termination were four union officers, including the President, Vice-President, Treasury Secretary and members of the management committee. The letters were sent to the individual workers' homes, bypassing the union, and security at the plant - including continuous visits from the police - was beefed up in anticipation of workers' protest.

Despite the heavy security, workers rallied at the factory gates and, at a membership meeting, voted to reject the terminations and compensation packages. After several days of protest and a sit-in at the gates, management increased the terms of compensation under the “voluntary retirement scheme” and 153 workers opted to accept the increased redundancy package.

The union informed management that it would accept no more redundancies or “voluntary” schemes, and obtained an interim court order on December 23 prohibiting management from dismissing, terminating or taking any action regarding employment until January 8, at the earliest. But Coke returned to the offensive and continued to pressure individual workers on December 24 and, keeping its office open for this purpose, the national holiday of December 25. Despite the court order, over December 24-26, another 38 employees were pressured into accepting redundancy. On December 28 - in open defiance of the court order - management posted notices informing employees that that day would be the last for processing the voluntary retirement applications, following which no applications would be accepted. Three senior managers personally met with workers to pressure them to accept the terms. The union is preparing to file a contempt of court petition in response to the company’s cynical disregard for the court order enjoining it to cease pressuring employees to accept the mass terminations.

Coke Pakistan’s massive intimidation of union members and officers is of a piece with the aggressive attacks on employment security and trade union rights which characterize their operations throughout that country. The IUF is requesting mass protests to Coca-Cola Atlanta, calling on the company to halt these attacks and enter into unconditional negotiations with the union representing CCBPL Karachi employees, the Coca-Cola Beverages Staff and Workers Union. Copies will automatically be forwarded to the union and to the IUF secretariat.

Use this link to send a message (or click on the special field under the title):

http://www.iuf.org/cgi-bin/campaigns/show_campaign.cgi?c=247

We thank you in advance for your solidarity and support.

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P.S.

* Posted to the IUF website on 29-Dec-2006.