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American Federation of Labor and Congress of Industrial Organizations

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9 countries and 4 countries to be warned

Chile 15/19871
KW
REV yes
OUT Suspd (7)

Haiti
4/1/1987
KW
REV 1
OUT 4 (TS)

June 1, 1987

ORIGINAL

Mr. David P. Shark
Chairman
GSP Subcommittee
Office of the United States Trade Representative
600 17th Street, N.W.
Room 517
Washington, D.C. 20506

Dear Mr. Shark:

I enclose the arguments of the AFL-CIO with regard to a number of countries whose violations of worker rights and labor standards should be considered in the annual review of benefits granted under the Generalized System of Preferences.

In our view any fair reading of the worker rights provisions of Title V of the Trade and Tariff Act of 1984 would require that Chile, Indonesia, Republic of Korea, Paraguay, Singapore, Suriname, Taiwan, Thailand, and Turkey be denied GSP benefits. Other countries are serious labor rights violators whose practices need review, but, because of changes in government or other special circumstances, require special consideration. These countries -- Guatemala, Haiti, the Central African Republic, and Zambia -- should be issued a warning that GSP benefits could well cease unless improvements are made.

9 countries

4 countries for warning

The AFL-CIO recognizes the reluctance of your office to consider cases involving countries that have so recently been examined. Nonetheless, we feel that the evidence and arguments herein presented warrant your review of all cases, both old and new.

The AFL-CIO will cooperate with you fully during the course of the next review. I strongly urge you to include all the enclosed cases in its scope.

Sincerely,

Tom Kahn

Tom Kahn
Director
International Affairs Department

INTRODUCTION

The AFL-CIO once again welcomes the opportunity to present documentation to the United States Trade Representative (USTR) concerning the failure of certain governments to abide by internationally recognized standards for worker rights. This information is provided pursuant to provisions contained in the Generalized System of Preferences as extended by the Trade and Tariff Act of 1984. We will present below evidence to support our contention that certain countries which have particularly heinous worker rights records should, as required in U.S. law, be denied the privilege of importing goods to the U.S. under preferential tariff conditions. Those countries cited include Chile, Indonesia, The Republic of Korea, Paraguay, Singapore, Suriname, Taiwan, Thailand, and Turkey.

The AFL-CIO also recommends that a number of countries with extremely poor records be issued a warning during the upcoming annual review, though we are not prepared to urge full denial of GSP benefits at this time. These countries are Central African Republic, Guatemala, Haiti, and Zambia.

Our decision not to include any particular GSP-eligible country in this review does not necessarily suggest approval of its labor rights record. We are presenting cases with regard to countries where we have the most detailed and reliable information.

Several of those cited (Chile, Guatemala, Haiti, Republic of Korea, Paraguay, Suriname, and Taiwan) were included in previous testimony submitted by the AFL-CIO and were considered during the recent general review. Although the President chose not to remove them from GSP eligibility in January 1987, we believe that the facts warrant further examination by the USTR. Other cases are totally new (the Central African Republic, Indonesia, Turkey, Thailand, Singapore, Zambia). In those cases already considered by the USTR in its most recent general review, we have made new observations or replied to the consideratinos presented by USTR Clayton Yeutter in his April 15, 1987 letter to AFL-CIO President Lane Kirkland.

In the AFL-CIO's view, all of the countries cited here have long-standing, repressive labor postures, and they have consistently refused to take significant or meaningful steps to extend internationally recognized rights to their workers. These rights, cited in the law, include: 1) the right of association; 2) the right to organize and bargain collectively; 3) a prohibition on the use of any form of forced or compulsory labor; 4) a minimum age for the employment of children; and 5) acceptable conditions of work with respect to minimum wages, hours of work and occupational safety and health.

In presenting cases for this year's annual review we would like to clarify a number of positions having to do with such issues as: 1) the balanced use of worker rights criteria; 2) international worker rights standards and relative levels of development; 3) law and practice; and 4) the process of case selection.

Balanced Use of Criteria

The AFL-CIO considers infringement in any one of the five rights categories designated in the law to be deserving of serious attention. No fair interpretation of the law would weigh some criteria more heavily than others, granting beneficiary status on the basis of acceptable performance in just one area when other practices stand in continuing violation of minimal internationally recognized standards. The right of association, for example, is the underpinning of all collective economic and political trade union action and as such forms the bedrock of workers rights. Without the right to organize and bargain collectively, independent of state or employer control, union functions, whether economic or political, have no meaning. Thus, wage improvements in a country where unions have no political freedoms or where workers cannot form unions should not count as sufficient evidence that it is "taking steps" and thus deserving of the GSP privilege. Nor does the relative freedom of association in a country like Thailand absolve that government of its responsibilities to observe and enforce minimal standards with regard to child labor.

Each of the five criteria has been included in the law, and due consideration should be given by USTR to all five basic rights categories. Some involve political freedoms, others economic conditions. There can be no trade-off between them since both combine to define the condition of worker rights.

International Worker Rights Standards and Levels of Economic Development

The AFL-CIO has never advocated that the economic standards contained in the worker rights provisions be applied to GSP beneficiaries according to the standards familiar to the industrialized world. AFL-CIO President Lane Kirkland has said, for example, that "in order for the concept of 'internationally recognized workers rights' to be applied in a meaningful fashion . . ." the USTR should "specifically reference appropriate ILO Conventions as a means of defining criteria". These ILO Conventions are general guidelines that take into account differing levels of economic development. In presenting these cases the AFL-CIO has taken care to consider the relative level of economic development of the countries concerned. There can be no double standard on the other hand, when it comes to the right

of unions to exist. The fundamentals of freedom of association and the right to organize and bargain collectively lose their meaning if judged by shades of relativity. For these a single standard of judgment is essential. In presenting these cases the AFL-CIO has also made appropriate reference to relevant ILO Conventions.

Law and Practice

A country's official declarations of intent or the existence of written law do not merit a positive judgement that improvements are in fact being made. It is easy for governments to point to impressively drafted laws which appear to conform to ILO standards to prove that they are taking steps in the direction of granting workers rights. Our experience and information, gleaned from a world-wide network of AFL-CIO representatives, lead us to conclude that in many cases de facto labor practices bear little resemblance to the law. Thus we choose not to credit promises of Taiwanese or South Korean government officials, who seek to frustrate our inquiries with protestations of good intentions and efforts to explain how free workers really will be in their countries, until these promised changes become realty. All too often the actual conditions of workers and their unions bear little resemblance to the lofty ideals described in official communications from ministries of state. Our conclusions, based on observation of the facts, form the basis for filing cases against the governments cited herein.

Process of Case Selection

The AFL-CIO is solely responsible for the cases submitted herein. Although we consulted extensively with the trade unions in the countries cited, they bear no burden of blame for our submission.

We strongly urge that all of the cases presented here be included in this year's annual review. The first group should be denied GSP eligibility. The second should be warned that an ongoing examination has been urged and that benefit withdrawal is a possible result.

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"Worker Rights Violations Abroad"

A Submission by the AFL-CIO regarding the Generalized System of Preferences

June 1, 1987

Submitted to:
David P. Shark
Chairman, GSP Subcommittee
Office of the United States
Trade Representative
600 17th Street, N.W.
Washington, D.C. 20506

The following countries should be removed from the list of countries eligible for benefits under the Generalized System of Preferences, for violations of worker rights:

1. Chile
2. Indonesia
3. Korea, Republic of
4. Paraguay
5. Singapore
6. Suriname
7. Taiwan
8. Thailand
9. Turkey

CHILE

The AFL-CIO petition to deny Chile the rights and privileges of GSP benefits because of its denial of worker rights continues under "review" by the USTR. We continue to feel as we did two full years ago when the first review was initiated that worker rights systematically and effectively are abrogated by the Government of Chile. Notwithstanding notations made by the USTR with regard to formal modifications in Chile's labor policies, the AFL-CIO urges that Chile be stricken from the ranks of GSP beneficiaries.

The issue here is not what Chilean labor law permits or proscribes but rather how these laws and accompanying regulations actually apply to labor's right to organize and bargain collectively. In that context, the AFL-CIO fundamentally disagrees with USTR's disposition to accept Chilean government statements as reflecting the realities faced by Chilean labor today. As one of our respondents stated in reference to the Chilean government's September 1986 "Response to the 'Labor Rights Document'," presented by the Chilean Embassy in Washington:

> "With this document drafted by the Ministry of Labor in Chile, the Government attempts, once again, to engage in disinformation regarding real conditions which severely restrict both the right to organize unions and their freedom of action in defending worker interests. Through the use of partial citations of legal norms in effect, and hiding the restrictive context in which they are applied, together with the use of false historical antecedents that are easily disproved, (the Government) attempts to justify the illegitimate and violent rupture of the democratic order in place before the 1973 coup d'etat..."

More specifically, the supposed steps taken by the Government of Chile to remove restrictions on labor, as cited by Clayton Yeutter in his April 15 letter to AFL-CIO President Kirkland, do not at all accord with real practice.

The trade union situation in Chile continues to be tense. There is little indication that the Chilean Government is prepared to respond to the legitimate demands of the democratic labor movement. Statements by the Government that it would remove restrictions on trade union activitites have not been followed up with action. The implication is clear that the dictatorship of Augusto Pinochet has no intention of easing the pressure on democratic labor. The result is continuing trade union complaints of violations of the fundamental rights of freedom of association, organizing and collective bargaining.

1. Freedom of Association

Intimidation and harassment continue, understandably heightening the apprehensions of trade unionists for the safety of themselves and their families. Widely publicized were the arrests of labor leaders, together with other civic leaders and political party representatives, following the July 1-2, 1986 general strike staged to demand a return to democracy by way of free elections. Among those held for a prolonged period was Osvaldo Verdugo, head of the teachers union. The Government's harsh attitude toward this union encourages employers in the private sector to act against union organizers with impunity. Not as widely noted were other acts against labor figures:

In September, 1986 a car owned by the General Secretary of the Confederation of Democratic Workers and driven by his son was riddled with bullets, presumably intended for the General Secretary ~~himself.~~

In October, 1986, Jorge Millan, President of the Chilean Laboratory Workers Union, was detained by individuals who entered his home identifying themselves as members of the National Investigation Central (CNI). While agents remained to interrogate his family, others forced him into a van and drove him around for three hours. During this time he was questioned threateningly about a labor training course he was scheduled to attend in the United States, sponsored by the AFL-CIO's American Institute for Free Labor Development. To frighten Millan, the agents debated among themselves ways of killing him, by strangulation or by slitting his throat. In the end a pistol was put to Millan's head and the trigger pulled three times on empty chambers; he was then released. Other unionists preparing to attend the same training program received threatening phone calls before they left the country.

The victims in this pattern of violent intimidation, as well as others that have been previously documented, had done no more than carry out their trade union functions and work toward the restoration of democracy in Chile. These acts of intimidation (and perhaps attempted murder) cannot be proven to be the work of the government, but the failure of the authorities to arrest or prosecute suspects is noteworthy.

The AFL-CIO sees no evidence to substantiate the Chilean government's allegations that it "does not and will not condone the harassment of unions or union leaders."

2. Right to Organize and Bargain Collectively

The Labor Plan implemented by the Pinochet regime in 1979 continues to fragment and weaken the labor movement. While modified in 1984, 1985 and again in 1986, the provisions of this plan inhibit colletive bargaining and other legitimate forms of union civic activity and forbid the establishment of union federations and confederations.

Dues checkoff, by which independent trade unionism survives, is so circumscribed as to be a dead letter. The Government's claims that it has eliminated the requirements on unions for biennial renewal of dues check-off authorization and the depositing of these funds with the official Central Bank, as well as the requirement to obtain advance government approval for expenditure of the funds, are also not true, according to our sources. They report that in the public utility services and other government enterprises, a system is maintained to restrict both union organization and the collection of union dues. In the private sector the union dues of the members are subject to the arbitrary will of the employer; although labor legislation provides for a mandatory payroll check-off of union dues, private sector employers ignore such provisions and government authorities simply are not available to correct the anomaly.

"Limiting the potential for use of audits for harassment purposes" is scant assurance that this practice will not continue as before. In any case, the unions have not as yet had enough experience with the Chilean government's "reforms" in this respect to form authoritative judgments.

The International Confederation of Free Trade Unions (ICFTU) continues to find Chilean labor law to be in specific violation of the International Labor Organization's labor rights conventions. In a recent ICFTU mission report, the posture of the Pinochet regime with regard to human and trade union rights was termed "disgusting" and the following provisions of the labor code intolerable:

a) Restrictions preventing union organizing activity, including (1) the government's power to interfere in union elections, to deny union recognition, to restrict the number of trade union officers, and to inspect national union records, including finances (2) prohibitions against the unionization of civil servants and (3) prevention of collective bargaining in state agencies, in some privately mangaged public utilities, and in other companies financed in part by the state.

b) Restriction on establishment of federations and confederations for multi-plant collective bargaining and representational purposes.

c) Prohibitions against trade union participation in political activity.

d) Restrictions on the right to strike and particularly on the right of employees to strike at any enterprise the government determines is "essential or strategic". Employees striking more than 60 days lose their jobs.

Our sources report that the Chilean Government has not reduced from 48 to 23 the number of public enterprises where strikes are not permitted and compulsory arbitration is required in the case of an unresolved labor dispute. Furthermore, there is no possibility of success for a strike since these enterprises have the authority to hire replacement workers for striking personnel as soon as a strike is initiated.

With respect to the alleged establishment of special labor courts, our sources indicate that no such courts have been established. In reality, only a few preliminary trial labor courts (Juzgados) have been reestablished; but these in no way satisfy the demands of workers for these reasons:

a) The number of these trial courts is insignificant in relation to the actual needs of the country;

b) The new law on labor trial courts, for the first time in history, grants the employers the "right to reconvene", that is, to institute legal action against the workers involved in the complaint; this means in fact that workers are intimidated from resorting to the labor trial courts for fear they themselves will end up the indicted parties; account is not taken of the enormous dispartiy in resources between the contending parties;

c) The law represents a considerable increase in the cost of the process, inasmuch as the complaining workers, according to the new legal provisions, must pay directly for all the legal costs involved (notificaitons), which previously were free; and

d) The law greatly prolongs the process, which in turn discourages the workers from denouncing before the judicial system the abuses they have suffered.

Conclusion

It is clear to the AFL-CIO that the dictatorship of Augusto Pinochet has no intention of easing the systematic and repressive pressure being applied to democratic labor. The result is continuing trade union complaints of violations of the fundamental rights of freedom of association and organizing and collective bargaining. It is the view of the AFL-CIO that the behavior of the Chilean government warrants the removal of Chile from the GSP list.

INDONESIA

Major violations of internationally-accepted worker rights occur in Indonesia in the following areas: 1) the right of association in both the public and private sectors; 2) the right to bargain collectively in both the public and private sectors; 3) standards regarding child labor.

Democratic rights are greatly restricted in Indonesia; the freedom of speech and the right to voice an independent political philosophy are among the rights that suffer most. The State Department's 1986 Report on Human Rights summarizes these infringements. Abridgement of these rights undermines the ability of trade unions to represent their members. All organizations, including trade unions, are required to adhere to the state ideology of Pancasila whose sole interpreter is the government. Government officials have stated publicly that while Indonesia is a party to ILO conventions on the right to organize and bargain collectively and on forced labor, these conventions will not be allowed to override Pancasila labor principles. Similarly, a lack of press freedom means that trade unions cannot effectively communicate with their members and that in the vast majority of cases violations of trade union and other human rights generally go unreported. For example, Indonesian unions have even been prevented from printing data which show that the rising cost of living has reduced the real income of workers.

1. The Right of Association in Both the Public and Private Sectors

Public Sector:

Presidential Decree 82, which regulates the officially-sanctioned government employees organization called Korps Pegawai Republik Indonesia (KOPRI), is in direct violation of article 5 of ILO convention 151. The article states that public employees organizations shall enjoy (among other protections) complete independence from public authorities. Decree 82 directly contravenes this principle by establishing an organization that runs parallel to that of the government employees hierarchy. The central board is chaired by the Minister of Internal Affairs and its members are the general secretaries of the various government departments. This set-up is mirrored at the provincial and regency levels. Furthermore, no process has been established in Indonesia which allows public servants to negotiate with the government about conditions of work or benefits.

KOPRI's guiding principles, also outlined by the decree, are to maintain political stability, improve the quality of members' work, maintain a feeling of unity, promote cooperation, and increase allegiance to the Government and State. KOPRI's duty to represent workers is given low priority.

Teachers are similarly denied the right to organize into any association that is able to represent them in substantive negotiations with government officials. The official teachers organization, the Persatuan Guru Republik Indonesia (PGRI), does not have the right to represent teachers at negotiations on the conditions of their employment. Its singular purpose is to structure and control teachers' actions. The Minister of Education and Culture is an official advisor to PGRI, as are governors at the provincial level.

The violations of the rights of public sector employees in Indonesia have raised protests from a number of groups concerned with human rights issues. Recently, as a measure of its growing concern about this situation, the International Confederation of Free Trade Unions filed a formal complaint with the International Labor Organization.

Private Sector

There are two chief violations in this area. The first violation concerns restrictions on the autonomy of private sector trade unions; the second involves extension of civil servant status to workers who have only the most remote links to the Indonesian government.

With regard to restrictions on union automony, law and practice in Indonesia directly contravene ILO convention 87, which states that workers shall have the right to establish their organizations without prior authorization and to draw up their constitutions and rules, to elect their representatives, and to adopt programs of action without government interference. Direct violations of convention 87 are:

a. Legal restrictions allow only one trade union federation, the All Indonesia Workers Federation (SPSI), to operate. That organization is required by the Social Organizations Law to adopt Pancasila as its official ideology.

b. The Ministry of Manpower exercises control over SPSI policy and day-to-day operations through direct and indirect pressure. For example, the Ministry forced the SPSI's predecessor organization, the All Indonesian Federation of Labor (FBSI) to restructure its operations in 1985. This restructuring led to the elimination of 21 industrial unions by government fiat and union acquiescence and the formation of nine departments as replacements for the unions. The rationale used for the change was that industrial unions could not control local affiliates. This preordained change in structure was accomplished without consultation with the unions. It followed a year-long campaign by the Minister of Manpower who rejected several attempts by the

confederation's leaders who sought to save the federations by consolidating their numbers.

According to high-level sources, the Minister also directly influenced the election of the confederation's new chairman by sitting in on meetings during which the choice was discussed and by laying out criteria for the selection. Lastly, the Minister was the main force behind the move to have the confederation eliminate the word "labor" from its name. In his view "labor" implied that conflict between workers and their employers was acceptable. This government-directed censorship was nothing new. Earlier, the Ministry mandated that any vocabulary that might legitimize an "adversarial" approach to labor relations be eliminated from use.

c. The government forces senior SPSI officials to be members of its political party--GOLKAR--and requires GOLKAR candidates to be appointed to key SPSI provincial positions. Similarly union rank-and-file members have no hopes of rising within their organizations to these leadership positions.

d. The government prohibits the SPSI from organizing workers in industries that it has declared vital, such as air transportation and oil.

e. Legal requirements mandate that unions need prior government approval before holding regional or national meetings. If approved, these meetings are usually attended by government security personnel.

As mentioned above, the designation as civil servants of workers who have the loosest connection to the government or its work under Presidential Decree #4 (apparently only in order to preclude their unionization) is a pervasive problem in Indonesia. The prohibition on unionization in the past extended to civil servants and employees of state-owned corporations, such as the state oil company, Pertamina. During 1983, the government effectively ended unionization in the petroleum industry when contractual changes were implemented with a number of major foreign oil concerns. The effective and representative unions in place were dissolved and their members have been required to join KORPRI (the civil servants organization).

During 1984, a further trend in this direction was observed, called by some Indonesians the "creeping cancer of KORPRI." Businesses with even a minority government equity have had unions dissolved. In one case, a private American company, on contract with another private American oil company, which in turn is on contract with the State Oil Company, Pertamina, has been excluded from unionization by the Minister of Manpower. In other cases,

private companies, with equity from military men in a private capacity, have been excluded from unionization.

The most straightforward elaboration on the presidential decree came in an address by Minister of Manpower Sudomo during a major business conference. He stated that companies with even one share owned by the government may be excluded from unionization. Though he had voiced this opinion in private or semi-private forums in the past, his public pronouncement makes this, in effect, official policy.

The fall-out has been predictable. Officials of the State Investment Coordinating Body (BKPM), which acts as a clearing house for foreign and domestic investors, have been unofficially advising potential investors that to avoid unionization it is only necessary to grant a minor share to some government ministry. Military officials have advised investors that in return for a small share of the business (on a private, not official basis) they can guarantee a union-free establishment. Government officials assert that this is a reaffirmation of long established policies, and that only a few enterprises will be affected. The facts contradict this and there is considerable potential for a negative impact on the union movement. On one plantation where the Asian American Free Labor Institute was engaged in a community development program, the activities were disbanded when the union lost representation rights due to a military person, in his capacity as a private citizen, owning some minor share in the business.

2. The Right to Collectively Bargain in Both the Public and Private Sectors

Public Sector: This right does not exist. The right presumes the existence of a public employees organization that is able to represent its members' interests. Collective bargaining is not a part of the government-controlled organization's purview.

Private Sector: While the right to bargain collectively exists, it has been severely undercut by government interference in the process. In 1984, the Ministry of Manpower took issue with the term "Collective Labor Agreement" and changed it to "Common Agreement". At the same time, the Ministry moved to undermine the entire philosophy behind collective bargaining by replacing legitimate agreements with a standard model that leaves only minor details to be filled out by the parties involved. The strike threat, a key tool in a union's collective bargaining game plan, is all but unusable in Indonesia. Though strikes are legal if approved by the government, such approval is never given.

3. Standards Regarding Child Labor

According to reports appearing in the Indonesia press, there are over 2 million children between the ages of seven and fourteen employed in both the formal and informal sectors of the Indonesian economy. The employment of these children is against the law in Indonesia and is contrary to ILO conventions 59 and 138. One of the worst examples of the Indonesian government's failure to enforce its own laws is the large numbers of children who begin work in cigarette and battery factories when they are only six years old.

Conclusion

The Indonesian government shows that it does not take international recognized worker rights seriously. Government involvement at all levels of the central federation proscribe true worker representation in institutional policy-making. For these reasons and those discussed above, Indonesia should be denied the privileges of GSP.

PARAGUAY

In its deliberations during the annual review just completed, the USTR found that the workers rights situation in Paraguay warranted a one-year suspension. The AFL-CIO submits that no improvements have been made, and that harassment continues. Such a pattern indicates that there is no potential for constructive change in General Stroessner's policies at this time. Abrogation of workers rights--with regard to freedom of association and the right to organize and bargain collectively--remains a fact of life in Paraguay.

1. Freedom of Association

Independent union activity is still strongly discouraged and unions are required to belong to a single government-controlled federation whose leaders are not independently chosen by the members. The Paraguayan government shows no sign of relinquishing its control in spite of diplomatic assurances to the contrary.

2. Right to Organize and Bargain Collectively

The harassment of union leaders continues unabated and their activities are closely monitored by security forces. The 1986 crackdown on independent union organizing was followed in 1987 by the arrest of a peasant union leader who was held several weeks without charge. While he was released in May -- following a 34-day hunger strike and intercession on his behalf by a visiting delegation of international trade unionists -- the regime manifested its intent to harass independent trade unionists by the subsequent arrest of Victor Baez, Secretary General of the Bank Workers Union. Baez was held only 24 hours, again without charge, but his arrest was widely and correctly interpreted as a continuation of the government's attempt to intimidate the labor movement.

Conclusion

When confronted by international pressures, the Paraguayan government regularly seeks to present to the world an appearance of civility and moderation. Yet when Paraguayan workers show any sign of exercising their right to organize, a threat to stability of the regime is declared and the regime turns to force -- even when it has given its word not to, as in 1986. Suspension from GSP benefits should be changed to removal from the GSP program. In suspending Paraguay from the GSP for one year the USTR correctly noted in its "General Review of the Generalized System of Preferences Worker Rights" that the Government of Paraguay "failed to comply with both the spirit and letter" of assurances made during consultations with USTR earlier in 1986.

SINGAPORE

In Singapore, unions function as an extension of the government. While they provide a variety of effective social services to their members, they do not serve as an independent voice which represents members' interests. Simply put, they are a tool which a paternalistic Singaporean government uses to mobilize workers to achieve its development goals. By limiting trade union autonomy, the Government of Singapore has violated international standards that guarantee freedom of association and the right to bargain collectively.

1. Freedom of Association

For all practical purposes, the Government of Singapore runs the trade union movement. Its control is most clearly illustrated by the fact that the General Secretary of the National Trade Union Congress (NTUC) is a deputy prime minister and by the fact that a number of members of Parliament serve on the NTUC Board of Directors. Few of these individuals have extensive experience in trade union work; they were government officials before they became officers in the NTUC. In addition, a review of key officials of the NTUC shows that an increasing number of government technocrats are being substituted for rank and file leaders who have in the past enjoyed a measure of legitimacy among rank-and-file workers. For example, when NTUC officials recently traveled to the Philippines to attend a regional trade union conference, they requested that they be reimbursed for business class travel instead of coach class since, as "government employees", they were normally entitled to fly this way.

Finally, the government has implemented a series of plans that have led to a restructuring of the trade union movement. This has further destroyed the unions' potential to oppose government policies which workers think are inconsistent with workers' interests. One union leader who represented a potential source of opposition simply disappeared from sight in 1979. The unions he led were broken up into smaller units more subservient to government policy.

Violations also include a system of union registration that all but forecloses the formation of unions without the blessing of the government-controlled NTUC. Out of the approximately 190,000 trade union members in Singapore, all save 1,000 belong to NTUC affiliates. The government agency responsible for certifying new unions--the Registrar of Companies--all but refuses to certify unions that may have linkages to groups other than the ruling People's Action Party. In 1985, for example, when seven retrenched workers approached the sole opposition Member of Parliament to represent them, they were accused of bringing politics into the labor movement.

2. Collective Bargaining

Because the government sees its nation's trade union movement primarily as a tool to marshall support for the state planners' understanding of economic development, the give and take of collective bargaining outside of strict government guidelines does not exist in Singapore. One piece of evidence behind this assertion: one short strike in eight years.

The key agency which determines wages in the country is the National Wage Council. Though the body has a nominally bipartite character, union representatives are oftentimes government officials. The Council not only fixes wages but also dictates the wage policies that the country must follow in the future. Key guidelines have dictated that wage increases not interfere with economic growth, not deter investment and should increase workers' productivity. Ultimately labor has no choice but to accept the recommendations of the Council. Its most important role had been to educate its members as to the reasons why wage restraint is necessary.

Where the collective bargaining process has been effective is in the area of non-wage benefits. However, it should be noted that advances were achieved here because the government desired them, not because they were priority items chosen by workers.

Conclusion

The government's practice of controlling the labor movement constitutes a serious infringement of ILO conventions. A preponderance of evidence substantiates our claim that no organization can exist outside the officially sanctioned central labor body. Furthermore, even that labor federation does not engage in actions that are not specifically sanctioned by the ruling party. For these reasons, the Government of Singapore should be disqualified from receiving the privileges of GSP.

SURINAME

In response to the AFL-CIO's petition, Suriname was considered previously by the USTR in its annual review of GSP beneficiaries. The AFL-CIO feels that harsh circumstances warrant continuation of the examination for another year.

The case against Suriname is based on practices within the country which 1) prevent workers from freely associating into unions of their own choosing; and 2) deny workers the right to organize and bargain collectively.

1. Freedom of Association

The political climate within Suriname is clearly designed to intimidate workers and discourage them from joining together to form independent, representative unions. Memories of the barbaric, cold-blooded murder of union leader Cyril Daal continue to discourage workers from speaking or acting out beyond the established parameters of behavior. When a country's government perpetrates such a crime and subsequently claims that its policies are not anti-labor, the onus of responsibility for convincing a wary public is on the perpetrators of the crime. Official Suriname is clearly satisfied with the chilling and daunting effect the murder has had. We believe that USTR underestimates the calculated machinations that the Government of Suriname constructed to assure itself virtual free rein over its labor unions in the wake of the murder. That fear and that intimidation are alive and well today. It behooves the USTR to require that the Government of Suriname show good faith by engaging in positive efforts to change the atmosphere created by its previous actions.

2. Right to Organize and Bargain Collectively

The USTR's annual review with regard to Suriname concludes that "labor unions appear relatively free to undertake activities including collective bargaining and, if necessary, strikes." What this observation fails to take note of is that the last vestige of independent trade unionism in Suriname, the Moederbond federation, has been co-opted by the dictatorship and now functions as an integral part of the government. Because Moederbond's systemic collaboration with the regime had made it something other than a genuine trade union, the International Confederation of Free Trade Unions suspended Moederbond in late 1986.

CONCLUSION

Suriname should be removed from the list of GSP beneficiaries until such time as the government adheres to

accepted norms of civilized behavior, including taking positive steps to permit the formation of independent unions. The absence of such a policy is clearly and extensively documented in the State Department's Human Rights Report for 1986.

Extending the privilege of GSP to Suriname under the existing circumstances tends to confer a measure of respectability upon a sordid regime that appears even now, as armed rebellion continues in one part of the country and public disorder grows in the capital, to be on extremely thin ice.

TAIWAN

In Taiwan, there continue to occur systematic violations of internationally-accepted labor rights standards in the following areas: 1.)freedom of association (including the right to organize and bargain collectively) and 2.)acceptable standards of work with respect to minimum wages, hours of work and occupational safety and health.

1. Freedom of Association (including the right to organize and bargain collectively)

The U.S. Trade Representative's General Review of the Generalized System of Preferences Worker Rights has found that Taiwan's "announced plans to remove martial law are likely to have a widespread and profound effect of the freedoms of trade unions and workers". This may be true, although it is doubtful whether the enthusiasm reflected in the USTR's assessment is warranted, but it has certainly not happened yet.

Under martial law, the island garrison commander may suspend the right of association which is guaranteed by Article 14 of the constitution. He may also ban strikes, which are nominally permitted under the Constitution. As of this writing, martial law continues in effect on Taiwan as it has since 1949 and, according to the government, it will remain in effect until the Legislative Yuan approves new laws to take its place. Contrary to the assertions of the USTR, there is no evidence that a new national security law will improve the worker rights situation. In fact, the draft document approved by the cabinet contains requirements couched in language that is so broad and sweeping that, arguably, trade unions could be worse off under the revisions than they currently are under martial law.

Specifically, Article 2 of the proposed law states that:

> "The people's right of assembly and association must not contravene the Constitution or the national anti-communist policy and must not advocate separatism.
>
> "The assembly and association of people mentioned above is to be governed by laws to be enacted separately."

As noted by the Taiwan Association for Labor Rights and other human rights groups, the Government of Taiwan has frequently and conveniently labeled dissenters as communist sympathizers or advocates of independence. Furthermore, the National Security Law, if approved, will be implemented by legislation that must be approved separately. The substance of this all-important implementing legislation has yet to be

released. In the meantime, a full five months have passed since USTR's decision on Taiwan was disclosed; by the time a decision in the present review is announced, a full year will have passed. The promises of the government are indeed empty if all they need do is stall. Better that USTR strike Taiwan this year and have the government hasten to prove they were serious in their promises.

If martial law eventually is repealed, the Statute for the Punishment of Sedition will likely remain on the books. According to Amnesty International and other human rights groups, the Taiwanese government has used the sedition acts to punish, not advocates of a violent revolution, but non-violent critics of government policy.

Despite government promises to draft a new trade union law, and the USTR's confidence that these promises will be kept, the old restrictions remain in effect. Civil servants and defense industry workers still are denied the right to organize. Private sector workers in recent years have organized new unions at the enterprise level, but only one federation is permitted per industry, and no national federation may organize in competition with the government-recognized Chinese Federation of Labor (CFL).

The constitution gives workers the right to strike only when wages fall below a "standard wage" which has never been defined by the government. Since strikes are banned under martial law there has never been the need to define this "standard wage". Strikes over non-wage issues are forbidden by the National General Mobilization Law.

The USTR calls the existence of 250 collective agreements in Taiwan evidence that collective bargaining takes place. But collective bargaining in any meaningful sense does not exist in Taiwan. This view is buttressed by a recent issue of the newsletter published by the Chinese Federation of Postal Workers. In a front page article, the union president appealed to the government to help unions to increase their "powers of negotiation". He called the present labor-management relationship "one-sided", noting that "Management does not recognize the status of labor unions, labor-management meetings are rarely held and, as a result, labor unions function unsatisfactorily."

2. Maximum Hours of Work, Occupational Safety and Health, and Child Labor

The passage of the Taiwan Labor Standards Law of 1984 was hailed by the USTR as a great step forward in the establishment of minimum labor standards for Taiwan. Nonetheless, there is a considerable gap between what the new law calls for and actual practice. Compliance is difficult to monitor. Actual

enforcement of the law, which covers only half the workforce, is minimal due to inadequate staffing. Furthermore, because workers usually must take the risk of filing a formal complaint with the proper authorities before action is taken, such complaints are rare.

Conclusion

One might argue that Taiwan's promises to repeal martial law and enact more progressive trade union laws represent progress of a sort. However, at least in the case of the proposed legislation that may replace martial law, the treatment may be worse than the disease. Even if a statute with acceptable language is adopted, the true test of progress in the field of worker rights must begin and end in clear and pervasive practice in the workplace. One thing is clear: the current labor postures of Taiwan fall short of the standards expected in nations at its rather advanced stage of industrial development. On this basis it should be stricken from the list of beneficiaries of the Generalized System of Preferences.

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THAILAND

Thailand violates a wide range of internationally recognized worker rights, most flagrantly the prohibition against child labor, which for many boys and girls in their early teens amounts to involuntary servitude. Accordingly, Thailand should be declared ineligible for any GSP benefit.

1. Freedom of Association/Right to Organize

Although the right to form unions is guaranteed by law, it is subject to severe restrictions:

a. Civil servants and local government employees are an exception and are denied the right by law.

b. Workers in the private business sector face harassment and even discharge when they start organizing unions. They have no effective legal recourse against such reprisals.

c. Under the law, union officials must be workers in the plants they represent and must remain in that capacity full time. This requirement, although ignored in some instances, is a severe hindrance to the growth and the development of labor organizations, both at local and at national levels.

d. Under the law, as few as 10 workers can constitute themselves into a union--and even in the same work place where another union already exists. This provision makes it easy for employers themselves to create company unions. Moreover, the provision promotes multiple unionism and enables employers to play one union group against another. The government is also able to play one union off against another through its power to appoint union representatives to decision-making commissions.

2. Right to Bargain Collectively

The restrictions on union organization have their impact on the exercise of the right to bargain. Consequently, most bargaining on wages has a very minimal goal--to win wage increases pegged to the legal minimum wages (see section on minimum wages below).

The right to bargain, as well as the right to organize, is undermined further by a growing practice to force employees, especially new ones, to sign individual work contracts that have the effect of taking them outside a union's jurisdiction and depriving them of many legal benefits and protections, such as severance pay and sick leave. One company near Bangkok, for example, has put 60 of 250 workers on individual work contracts and thereby has weakened a recently organized labor union.

Under the circumstances, the right to strike, permitted in the private sector under legally established procedures (but not for civil servants or in state-owned enterprises), is a feeble weapon. Furthermore, the government has available a powerful weapon against strikes: it may, under the law and at its own discretion, order an end to any strike that "may affect the economy of the country or cause hardship to the public or endanger the security of the country or be against public order." Although this legal weapon is not frequently used, its existence does have an inhibiting effect on collective actions.

3. Forced or Compulsory Labor

Compulsory labor by children in commercial enterprises is widespread enough to arouse the concern of the daily press and child welfare organizations. The practice of child labor warrants consideration both as forced labor and as willful refusal to implement child labor standards.

4. Child Labor

Legal prohibitions against child labor are scant, and even these minimum standards are often flagrantly ignored, to the extent that thousands of children are bound to a near-slave status in commercial enterprises.

A summary of the loose laws and looser practices follows:

a. No child under 12 years old may be employed, but they often are, especially in the informal sector.

b. Children aged 12 to 15 are legally permitted to work in stores, in other "light work" (defined as carrying no more than 22 pounds), and elsewhere at the discretion of the Labor Department. According to one estimate (considered low by some demographic experts), 100,000 children from ages 12 through 15 work in factory occupations in the Bangkok area alone, some in hazardous jobs such as the manufacture of firecrackers.

c. Children from 16 through 18 may work anywhere, with the exception of dangerous occupations, but, like 12 to 15-year-olds, they too, are frequently found in such jobs.

Children, including those under 15, do repetitive manual work in hundreds of factories in the textile, garment, plastic, leather, toy, candy, and other industries, including those engaged in export. Most come from rural areas, "leased" by their parents for two or three years, in return for 3,000 to 6,000 Baht ($118 to $236) in payments to parents. No payment is given to the children except for small irregular allowances. Children live on the work site 24 hours a day, seven days a week, working on one floor and sleeping on another or on an elevated platform,

sometimes with only corrugated cardboard as a mattress. They work long hours, often from 7 a.m. to 10 or 11 p.m., or even later. They commonly are prohibited from leaving the work site at any time, and sometimes are forbidden even to see their parents.

Some girls, usually the prettier ones, do get a break of sorts from this routine. Evenings, they are given lipstick and led over to massage parlors for late hour apprenticeships in prostitution.

For thousands of boys and girls, these jobs go beyond child labor abuses and are actually forms of compulsory labor. The facts, though shocking, are beyond dispute, documented by the press, the Thai Labor Department, and by private organizations, including the Children Rights Protection Center in Bangkok. However, enforcement of even the law's low standards is weak because of inadequate labor inspection and the willingness of many, even in high places, to tolerate the exploitation and to profit from it.

The existence of this involuntary servitude is sometimes rationalized as existing "only" in small businesses. However, small business firms employing 20 or fewer persons are a large component of the Thai economy, and they produce not just for domestic consumption but for export. Moreover, children can be found working even in factories employing more than 20 persons. In any case, the large presence of children in the Thai labor market has a depressing impact on adult standards and is undoubtedly one reason for the low wages paid throughout Thailand.

Employers who violate Thailand's minimal prohibitions against child labor face no penalties under the labor code but must be prosecuted under criminal law, a more difficult procedure. Violators usually get fines so low that they can afford to pay them and still easily continue exploiting children in exactly the same way. Thus the fines are simply a cost of doing business.

5. Minimum Wages

The minimum wage for workers in the Bangkok area (comprising 90% of the country's industrial and service workers) is 73 Baht per day ($2.86), or about 37 cents an hour. A month's work at the minimum wage will pay about half the cost of renting a modest apartment for a worker's family. At a conference on human rights held in Bangkok in March 1987, leading Thai experts noted that approximately 40% of the country's unskilled workers make less than the legally mandated minimum wage. Many work for $2 a day or less.

Not only is Labor Department inspection inadequate, but employers have loopholes through which they can escape enforcement by explaining that part of the wages are paid in kind, e.g., by free meals for employees.

6. Hours of Work

The maximum hours of work--48 hours a week in industry--are often exceeded, and without payment of the legally established premiums of 50% to 200% for overtime. This is particularly the case in small business firms.

7. Occupational Safety and Health

Occupational safety and health laws contain large gaps in protection, and even minimal explicit standards are often ignored. The daily press frequently reports on factory fires in which workers die because they are trapped by locked doors and barred windows. On February 7, 1987, for instance, the Bangkok press reported the death of 19 persons, including a family of four, who could not escape from a burning leather goods factory because they were locked inside the building. The employees had worked from 8:30 a.m. to 1 a.m., and were asleep in the factory when the fire broke out. Police said the victims died from inhaling lethal sulphur dioxide gas from the burning of paint thinner stored in the factory.

8. Women Workers

Well-educated women have made some highly visible gains in the professions and in government service, but their status is not typical of women in this country. That same progress is not matched among unskilled and semi-skilled women workers.

Some cases of discrimination have received wide publicity. Women flight attendants of Thai Airways until recently were transferred to other positions upon getting pregnant or reaching the age of 30, but now are edged out of all employment altogether with the company. One flight attendant is challenging this policy in court, with the outcome still undetermined.

Conclusion

Thailand's social policies and practices, individually and collectively, have seriously lagged behind the pace of its economic growth. The lag is so serious that Thailand does not merit privivileges of GSP. Continuing GSP for Thailand is to subsidize its backward policies and practices, especially the exploitation of children.

TURKEY

In its pursuit of economic growth, the government of Turkey is giving low priority to guaranteeing the rights of workers, and is ignoring the role that free trade unions play in national development. Because of its cavalier attitude toward internationally recognized worker rights, Turkey should be denied the benefits of GSP.

1. Right to Organize/Freedom of Association

Under the Turkish constitution workers have the right to form "unions and higher level organizations [federations and confederations] for the purpose of protecting and extending the economic and social rights and interest of their members in their labor relations." This basic right is greatly watered down by the labor code and by the policies and practices of the government and private employers.

The government sets a bad example, first of all, by forbidding 1.5 million civil servants and 500,000 teachers from joining or organizing a union. Since 1980, in state-owned enterprises and in the private sector, where workers over the years developed an impressive labor movement, unions have been hamstrung because of a repressive labor code and because of actions by public and private employers to curtail unions.

The law delves deeply in union internal affairs and denies union members the right to make certain decisions that ought to be theirs to make. No one may become active in organizing a union until after he or she has at least a year's seniority in a work place. Union members may only elect as officers those who have worked in their office or plant for 10 years. An officer of a local union, as well of a federation or confederation, may be elected for only four consecutive terms.

Other matters that properly are up to the unions are determined by the government. The law sets up occupational categories into which union organizations must fit, and permits a federation of unions to function within a category only if it has a membership of at least 10% of the workers in that category. The auditing of union books can be called for by a number of agencies--the President's office, the Labor Ministry, and the Finance Ministry--and is an instrument often used arbitrarily.

Recently the government established its first free trade zones--in the port cities of Antalya and Mersin on the Mediterranean coast--and has prohibited any union activity in those two zones during their first ten years of operation.

The government's most extraordinary intervention into labor affairs has been its five-year-long trial, which ended in December 1986, against leaders of the Confederation of Revolutionary Trade Unions (DISK). The military tribunal of Istanbul ordered the permanent disbandment of DISK and confiscated all its assets on the basis of illegal activities involving "organizing in order to establish the supremacy of one social class over another." DISK leaders, 265 of them, including six top officers, were sentenced to up to 10 years in prison, with time off for time already served. While the sentences are being appealed, a procedure that may take up to two years, the convicted leaders are at liberty.

In a statement on the military court's decision, the ICFTU said: "The outcome of this unjust trial, in which normal trade union activities have been considered as crimes, is a flagrant violation of basic trade union rights."

Although the government justifies its crackdown on DISK on the grounds that it advocated change through revolutionary means, the police authorities also closely monitor the more centrist Turkish Confederation of Labor (Turk-Is). The police sit in, uninvited, at union conventions and sometimes tape record them. They make reports that cause union leaders to be summoned to the public prosecutor's office to "explain" this or that action, such as inviting an opposition political leader to sit on the platform at a union conference.

When an AAFLI representative from Washington met privately with a small group of union officials in an Istanbul union office recently, three policemen waited outside and afterward quizzed the interpreter about the discussion. For many, such police intrusion has a chilling effect on behavior.

On March 24, 1987, police forces intervened and broke up a peaceful demonstration during which Turk-Is leaders sought to present a petition for labor reforms to Parliament. The government had for many months completely ignored the case made for reforms made by Turk-Is, and the demonstration was planned as a way of dramatizing the issues. The Turk-Is petition remains ignored.

Another example of the hold that the bureaucracy has on labor is that unions can affiliate to international organizations only with government approval.

The labor code bans "political involvement" by labor unions. Specifically, unions cannot directly support political parties or candidates, a restriction that severely limits their ability to defend their members' interests through political action. One important reform that Turk-Is seeks is to change public policy

and practices that isolate unions from participation in normal democratic political processes.

Meanwhile, however, the ruling Motherland Party continues to push changes that would make the already restrictive labor code even more restrictive. The latest move is a bill introduced in Parliament that will give the government greater control over a union's financial affairs and will increase the opportunity and likelihood of politically motivated harassment through auditing of union accounts.

2. Right to Bargain Collectively

Workers in the non-agricultural private sector and in state-owned enterprises have the right to bargain, but legal and political restrictions apply. For example, disputes unresolved at the company level must be submitted to an arbitration board, which is weighted in favor of the employer and government, and whose findings are de facto binding.

The right to strike, guaranteed under the constitution, is heavily encumbered. Strikes are illegal not only in the government service but in numerous other fields, such as public utilities, coal mining, oil and natural gas production and distribution, banking and notary services, transportation, schools, hospitals, and other medical service institutions. Administrative bodies and military authorities have the right to postpone strikes or declare them illegal based on ill defined criteria.

The bargaining power of unions is further weakened by the fact that they are prohibited by law from collecting monies for strike or solidarity funds.

The combination of these and other forms of repression has had its impact at the bargaining table. Worker wages have fallen 60% in real terms since 1979, and continue to decrease.

3. Minimum Wages

Although the labor code provides for a minimum-human-needs wage adjusted to inflation, government regulations have set up a tripartite commission to fix the minimum wage. Currently, that minimum is 42,000 Turkish lira ($53.85) a month. Rent for a very modest Ankara apartment is 40,000 to 50,000 lira per month.

Enforcement of that minimum is very deficient with an understaffed labor inspection corps unable to check on non-union employers who ignore the minimum.

4. Occupational Safety and Health

Minimal safety and health standards are established by law, but observance of those standards is lax. Unions, on the defensive on many fronts, have a hard time being heard when they seek remedial measures. One union leader recently told us it may take as long as two years to force an employer to comply with even minimal contract requirements, such as the provision of safety shoes to those working in hazardous areas.

5. Women Workers

Participation of women in the work force is low. According to Turk-Is, only 10% of its membership is female. Women who do work in industry are largely confined to "female" jobs with lower pay scales than those of males. Cultural and religious norms, unchallenged by public policy, have a heavy influence on restricting the role of women in paid employment.

Conclusion

In its evolution toward democracy, Turkey must pay more attention to the basic rights of its working men and women. Until the government of Turkey does so--until it begins to listen and act upon Turk-Is appeals for reform--Turkey should be disqualified from receiving the benefits of GSP.

The following countries have demonstrated only minimal regard for the rights of workers, and should be warned that they are in danger of losing eligibility to participate in the Generalized System of Preferences program unless real progress is demonstrated.

1. Central African Republic
2. Guatemala
3. Haiti
4. Zambia

CENTRAL AFRICAN REPUBLIC

The Central African Republic (CAR) is a poor, landlocked country located in the heart of Africa with a subsistence agricultural economy and a national legacy of political instability and economic setbacks. Since the bloodless coup which overthrew the Bokassa government on September 1, 1981, President Andre Kolingba has made tentative steps to restore consitutional rule to the people of the CAR. The AFL-CIO welcomes the continued improvement in the human rights record of the CAR and urges the Kolingba government to hasten the restoration of democratic institutions and processes for workers in that country.

However, the AFL-CIO regrets certain actions noted below taken by the Kolingba government with regard to the General Union of Central African Workers (UGTC). In spite of the CAR's ratification of ILO conventions on the freedom of association and the right to organize and bargaining collectively (Convention Nos. 87 and 98), the UGTC was dissolved by a Presidential Decree on May 16, 1981.

The CAR has also been formally cited by the ILO for imposing compulsory labor sentences on prisoners jailed for unauthorized political activity. The situation continues unchanged, and the Government of the Central African Republic has not seen fit to respond to the ILO citation.

In addition to the worker rights violations mentioned above, the CAR systematically fails to enforce its own laws and regulations regarding child labor.

1. Freedom of Association

In May of 1981, the UGTC was dissolved by the Government of the CAR by administrative fiat. No effective labor movement, save for the government-sponsored National Confederation of Central African Workers (CNTC), which exists mainly on paper, has been in existence since then. Along with the UGTC's dissolution, four senior trade union officials were dismissed from their jobs for their union involvement. The UGTC's assets were frozen, premises were occupied, and censorship was imposed on the organization. For all intents and purposes, the government wiped out the 15,000-member central federation. Today no vestige of union activity remains in the CAR.

2. Right to Strike and Bargain Collectively

On May 15, 1981, one day prior to its impending dissolution and following unsuccessful attempts at collective bargaining with the government and employers, the UGTC gave its required notice and called a general strike throughout the private sector. The

government rejected the list of grievances presented by the workers and accused the UGTC of exercising a trade union monopoly. The UGTC was then dissolved.

3. Child Labor

While employment of children under 14 is prohibited by law, many children under that age are in the labor force. No significant effort on the part of the government is made to remedy these infractions.

4. Compulsory Labor

The government has been cited by the ILO for violations of ILO Conventions 29 and 105 for allegedly imposing compulsory labor on prisoners jailed for political activities. Originally filed by the International Confederation of Free Trade Unions, the case remains open because the CAR had not provided the documentation requested by the ILO.

Conclusion

Since 1981, The Central African Republic has refused to allow workers to establish organizations of their own choosing and has prohibited workers from carrying out trade union activities. For these reasons and because of the country's policy of sentencing political prisoners to compulsory labor, the AFL-CIO recommends that the privileges of GSP be denied the CAR.

ZAMBIA

Zambia has had a long tradition of independent and effective labor union organizations. The country's eighteen national labor unions, which are organized by industry or profession, are all members of the Zambia Congress of Trade Unions (ZCTU). The AFL-CIO strongly endorses the Zambian government's past record of labor practices endorsing the right of Zambian workers to form free trade unions. Notwithstanding the laws enacted to protect the rights of workers, the AFL-CIO notes with increasing alarm the recent attempts by the government to: (1) abrogate freedom of association and the right to organize for Zambian workers; (2) restrict the right to bargain collectively; and (3) severely limit the right to strike.

1. Freedom of Association and the Right to Organize

During the 18th National Council of the United National Independence Party in 1982, a proposal was made to re-structure the ZCTU and its affiliates into a "mass organization", thereby attempting to undermine the independence and democratic practices of the Zambian trade union movement. To date, the proposal has not been acted upon.

The government has also attempted to introduce compulsory party membership as a requirement for holding office, and it has granted the Minister of Labor "unlimited powers" in dealing with trade unions. Vehemently rejecting all these proposals, the ZCTU remains at odds with the government over control of the central labor federation.

2. The Right to Bargain Collectively

Although the right to bargain collectively exists on paper, a ten percent ceiling on annual wage increases was declared by the President in June 1983. The ZCTU, while sympathetic to Zambia's worsening economic situation, argues that given the combination of low wages for workers, high inflation, and decontrol of prices means that the Zambian worker bears the brunt of Zambia's economic policies. It is not possible for workers to earn even a subsistence wage with the ten percent ceiling in place. Zambian workers are denied the right to bargain collectively for a fair wage.

3. The Right to Strike

Current legislation theoretically allows the right to strike, but limits it severely by restricting it to specifically defined situations and by requiring in advance a complicated and lengthy legal process, often lasting as long as one year. In practice, therefore, virtually all strikes are illegal.

If the President declares workers of a particular industry "essential", strike actions are specifically prohibited, and workers participating in such a strike are subject to arrest, trial and imprisonment. On March 31, 1985, the President enacted Statutory Instrument No. 35 declaring all workers in financial institutions and in almost every other industry "essential", therefore effectively abrogating almost all workers' right to strike.

Conclusion

In the past, Zambia has stood at the forefront of the international struggle for workers' rights. However, given the seriousness of steps taken by the government to compromise the independent and democratic nature of the Zambian trade union movement, the AFL-CIO recommends that Zambia be warned that it could lose its GSP benefits and that a comprehensive review be undertaken by USTR.

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