

Working for Coca-Cola

Coca-cola is a huge and powerful multinational corporation, whose tentacles reach all over the world. But the workers' movement is also growing in many parts of the world - winning improvements and beginning to challenge the rule of international capitalism.

Guatemala: Coca-cola revisited

Since 1975 workers at the Guatemala City Coca-Cola plant have been fighting for recognition for their union (STEGAC) and to save their jobs after the local company staged its own bankruptcy (see SALB 10.1, Aug-Sept 1984 for background). On February 1st 1985, the STEGAC union, the International Union of Foodworkers (IUF) affiliate, representing workers at EGSA bottling plant in Guatemala City, signed an agreement with the new Coca-Cola franchise holders in Guatemala City. The agreement specified that the plant would commence operations by 1st March, guaranteed job security for 265 workers and recall for the remaining 85 workers when job opportunities became available. It also covered a new collective bargaining agreement. The agreement, reached after long and arduous negotiations since November 1984, also guarantees recognition of STEGAC.



The IUF action in support of the STEGAC workers, both in 1984-85 and in the earlier 1979-80 campaign, was the largest ever carried out by the IUF, and indeed by any international trade secretariat. The recent campaign involved 90 IUF affiliates, nearly twice as many as in 1979-80. The involvement of organisations in the Nordic countries was strong in both campaigns, but the IUF's report of the campaign shows a marked increase in and consolidation of solidarity activity at local level.

Another major progress was the increased involvement of North American IUF affiliates. The IUF attributes this to the functioning of the recently-formed IUF North American Regional Organisation, indicating the import-

ance of establishing strong regional structures within the IUF.

The broad base of the 1984-85 campaign, which involved IUF affiliates working in close co-operation with the church, public interest and solidarity groups worldwide, was crucial in mobilising public opinion. At the same time, the IUF recognises in its report that, "the secretariat and affiliates clearly made the error of claiming a victory too early". Even when Coca-Cola management finally met with STEGAC in the presence of the IUF, and signed the agreement on May 27th 1984 in San Jose, Costa Rica, crucial issues were still left uncovered.

One of the lessons of 1979-80 was the need for regular and reliable information to counter company propaganda. This need was largely met by Coca-Cola Information, the regular bulletin produced by the solidarity visits undertaken by the North American affiliates.

The 1984-85 campaign also involved for the first time the use of visual media in order to reach potential supporters more quickly and effectively, through the making of the film, The Real Thing. It provides a graphic demonstration of the value of international solidarity. Part of the income derived from the film will be donated to the IUF to defray the substantial sums it has donated to STEGAC.

During the campaign, the acute financial hardship of the striking workers prompted the donation of almost R150,000 by over 100 organisations and individuals in 18 countries, for food and other basic necessities. The IUF also made a special levy on its members to finance the campaign. Clearly, if campaigns of such scope are to be conducted in the future then the IUF must establish the financial means to cover such unforeseen costs.

As the IUF's report notes, "the closing of EGSA (was) not a closure as experienced in many other cases". Coca-Cola's conduct throughout the dispute constituted a clear attempt to damage the IUF's credibility in its dealings with trans-nationals in all countries. In rising to this challenge, the importance of the IUF's Coca-Cola campaign in Guatemala cannot be overestimated.

(from the IUF's Special Report on Coca-Cola, 30 January 1985)

Coca-Cola in South Africa

CUSA's Food Beverage Workers Union (FBWU) won a significant victory for workers this month when it successfully negotiated an agreement to reduce the number of planned lay-offs at three Coca-Cola plants from 203 to 63 - saving 140 jobs. Coca-Cola announced the first retrenchments in February. It would have affected 104 workers at the Bedfordview and Benrose plants. After FBWU stepped in the number of planned retrenchments was chopped down to 20. The rest of the workers agreed to work on a rolling-leave system: they would go on unpaid leave every sixth week.

But just when FBWU thought it had won the battle, Coca-Cola announced more retrenchments at the beginning of this month - this time 99 workers would have lost their jobs at the Devland branch. However, after negotiations with the company, the number was reduced to 43. Workers were once again prepared to go on rolling leave - work every 20 days and lose two days of their monthly wages - or work for a limited amount of unpaid over-time to save costs (and jobs).

The company also agreed to implement some of FBWU's suggestions to save the jobs of remaining workers:

- * the rolling-leave system;
- * no new employment;
- * no over-time;
- * no casual labour;
- * early retirement; and
- * a limited freeze on the company's expenditure on capital equipment.

FBWU also won an agreement with Coca-Cola that there would not be any further retrenchments this year. This represents an important victory for workers - it shows that workers are no longer at the mercy of the bosses, and that it is possible to protect workers' rights even in the middle of a vicious recession.

(CUSA: Izwilethu May 1985)

Brazil: Union Wins at Sao Paulo Coke Plant

A minimum 2% across-the-board increase, a 10% hike for all workers previously earning under the minimum wages, a 100% cost-of-living increase, an additional quarterly cost-of-living adjustment of 100%, and uniform rates for all jobs on the basis of the highest present level - these were among the benefits achieved by the workers at the Campinas Coca-cola concentration plant (in the state of Sao Paulo) and their union, the Federation of Food Industry Workers, in an agreement signed with management on April 16.

The success came after a nine-day strike by the plant's two hundred workers which completely stopped all operations. The IUF, which supported the union, also expressed its solidarity with the position of the workers at the Brahma plant in Rio de Janeiro where there is a dispute with management over a wage increase and other issues.

Hong Kong: Coca-Cola Workers Win First Contract

In March, the staff union of Swire Bottlers Ltd., a Coca-Cola franchise in Hong Kong, won a 10% pay increase for 1985 with their first labour agreement concluded with management. The contract also provides for an increase in annual leave allowance. However, the union sees these gains as only a beginning and is seeking greater improvements in negotiations to take place later this year.

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