

Dutch OECD to Look into Labor Complaint Against IKEA Parent Company

IKEA® Industry
Danville

BWI and its affiliates, the IAM and GS-Facket, were surprised by a July 10, 2019 announcement that IKEA would close its U.S. production facility in Danville, Virginia and lay off 300 workers. The announcement was made without any prior negotiations, discussions or consultations with IAM.

The Dutch Organization for Economic Cooperation and Development (OECD) today announced that the labor issues raised by an international labor coalition against the Netherlands-based IKEA Holding BV are "material"

and prima facie substantiated."

The Dutch OECD released its <u>initial report</u> on the matter, saying that "there is a link between the enterprise's activities and the issues raised in the specific instance." The submission was made by the Building and Woodworkers' International (<u>BWI</u>), the International Association of Machinists and Aerospace Workers (<u>IAM</u>) and the Swedish Union of Forestry, Wood and Graphical Workers (GS) in December 2020 based on the OECD Guidelines for Multinational Enterprises.

Before the closure, the union was able to negotiate an agreement to cushion its possible negative impact on workers. However, the closure itself was already a done deal. The union and its members were told that the costs of raw materials were too high, so production would be shifted to Europe.

Possible alternative sites in the U.S. were not considered because the company was unwilling to have discussions. The labor coalition believes that appropriate and timely discussions with unions would have allowed a quality examination of all factors and circumstances related to the closure, including the effects on the workers. Discussions could have led to jobs remaining in the U.S.

The unions signed an International Framework Agreement (IFA) with IKEA in 2003. It was later renegotiated in 2013 and 2014, but the latter was never signed. The IFA provides a structure and a process to resolve conflicts, including arrangements to take responsibility for associated human rights risks or impacts of its operations, which are in line with human rights and due diligence requirements in the guidelines. However, Inter IKEA did not recognize the IFA, particularly in the 18 months between July 2019 and the filing of the case last December 2020. Inter IKEA's responses proved neither meaningful nor effective.

"Transparency and communication are the two biggest items lacking in the international labor coalition-IKEA relationship," **IAM International President Robert Martinez Jr. said.** "We must create a culture of honest communication between all parties and agree that all workers should be represented without fear or intimidation. This is the exact reason why neutrality cannot be lip service but a genuine agreement that recognizes the workers' rights. Our union and this strong coalition are committed to moving forward to find solutions to the social, economic and environmental challenges facing IKEA and its dedicated workforce.

BWI General Secretary Ambet Yuson expressed satisfaction with the OECD's initial assessment and welcomed its offer of mediation.

IKEA—Continued, Page 2

UPDATE— FOREST STEWARDSHIP COUNCIL



The Building and Wood Workers International (BWI) general secretary Ambet Yuson reported earlier this year to BWI's World Board a significant victory. After many years of campaigning, the Forest Stewardship Council (FSC) has finally adopted the ILO core labor standards as requirements in the chain of custody. The core labor standards are: freedom of associa-

tion and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labor, effective elimination of child labor and, elimination of discrimination in respect of employment and occupation. He said the next policy agenda in the General Assembly of the FSC is a motion on the right to Occupational Safety & Health (OSH) representatives and a motion on the right to access and organize workers.

IKEA—Continued from page 1



"With the abrupt and unilateral decision to close the Danville plant, workers were robbed of their voices," **said BWI General Secretary Ambet Yuson**. "It is especially painful because after IKEA opened the plant in Danville, IAM and BWI affiliates launched a three-year global campaign to persuade IKEA to allow its workers to choose to be represented by the IAM. Despite the fact that there had been a collective bargaining agreement, management has chosen to remain silent about the closure, not informing workers until the very last minute."

"Many companies assume that with their adoption of the United Nations Guiding Principles on Business and Human Rights, and the corresponding changes in the OECD Guidelines for Multinational Companies, they are not breaking laws. They put the blame to 'other legal entities,' or distant companies that simply supply to them. Yet, their 'we cannot help the workers' mantra can no longer shield them from their real responsibility," **continued Yuson**. "Everyday, in many regions around the world, we are facing complex corporate structures that are not transparent. Companies have deployed additional complications to global supply chains, and some quite creatively, but irresponsibly, used schemes to avoid employment relationships."

For his part, **GS President Per-Olof Sjoo said** that they are looking forward to have a serious dialogue with IKEA on how to ensure that all production employees, at the global level, are enjoying good working conditions.

"We want to sign a global framework agreement with IKEA to clarify how different changes in production can be resolved collectively by both parties, in the same way as many other Swedish multinational companies have done already. A global agreement also strengthens our commitment against child and/or slave labor. In addition to guaranteeing the reasonable and decent working conditions of IKEA's employees, we believe that consumers also have the right to know how their products have been produced."

'TIS A NEW SEASON

You may have seen it on the news or experienced it firsthand, but big box companies relying on cheap, imported goods are seeing their international supply chains disrupted. This is causing price increases and delayed shipping of many items Americans plan to put under the tree this year for Christmas. This may shift demand to more readily available American made goods. So, shop U.S.A. and union-made gifts this year.

Consider doing your Christmas shopping early. Major carriers like UPS and the Post Office are already warning of reduced service levels this holiday season. By securing gifts for your loved ones early, you'll be ensuring your presents arrive on time and alleviating the stress on your fellow American workers in the logistics and transportation industries.

Is it Union?



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*You do not need to be present to win.





Jackson, Golden and New England Logging Cooperative Meet with U.S. Labor Secretary



From Left To Right: Craig Hughes, IAM Grand Lodge Representative, Dana Gardner, a wood-hauler from St. Francis, Congressman Jared Golden, U.S. Labor Secretary Marty Walsh, Senate President Troy Jackson, D-Allagash, Dave Sullivan, Chief of Staff to the IAM Eastern Territory General Vice President.

AUGUSTA – On Tuesday, October 5, Senate President Troy Jackson, D-Allagash, Congressman Jared Golden (ME-02) and members of the New England Loggers Cooperative, met with U.S. Labor Secretary Marty Walsh at the Maine State House to discuss the challenges facing loggers and wood-haulers in northern Maine. The misuse of foreign labor by employers in the northern Maine woods has hurt loggers and wood-haulers in Maine.

"For years, Maine loggers and wood-haulers have raised the alarm about the misuse of foreign labor by large landowners and trucking companies. It seems clear that this practice violates federal law by adversely affecting the wages, working conditions and job opportunities for folks trying to make a decent living in the Maine woods," said President Jackson. "The fact that Labor Secretary Walsh took the time to meet with us today and talk directly with those harmed by this injustice really means a lot. I'm hopeful that it will lead to further action by the federal government."

"I appreciate the Secretary of Labor meeting with me, Senate President Jackson, and Maine loggers and truck drivers today to discuss ways the federal government can address unfair labor and trade practices from Canada. We look forward to partnering with Secretary Walsh to address these issues and help protect American logging and trucking jobs." – Congressman Jared Golden (ME-02)

President Jackson has repeatedly sought action on both the state and federal level to end this unlawful practice and hold violators accountable. He even brought Gov. Paul LePage up to Fort Kent to hear directly from the affected truckers in 2017. In the Maine Legislature, President Jackson has introduced several pieces of legislation to protect Maine trucking jobs and penalize offending companies for breaking the law, including a new state law that takes effect October 18. In addition, he has written to the Department of Agriculture, the Department of Homeland Security, the Secretary of State and the Department of Labor. Last summer, he filed a complaint against the Department of Labor for failing to enforce federal cabotage laws.

WOODWORKERS ON THE LONG OF THE

Above: Daniel Tobin on the job at Roseburg Forest Products Local Lodge W12 in Weed, CA

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BIO-CORNER

In May 2017, Betty Bond began working at Northwest Hardwoods in Longview, Washington pulling green chain in the Planer Department. Seven months later Sister Bond tested into becoming a Lumber Inspector, the position she has held for over 3 years now. Having settled into her job, Betty took on the role of Local Lodge W356 Chief Shop Steward in 2019 and Local Trustee in 2020.

Betty has an Associates Degree from Lower Columbia College and raised 2 adult children. She finds time to enjoy lifting weights, archery, hiking and running. She just finished her 3rd half-marathon.



Left: Betty Bond, Lumber Inspector Northwest Hardwoods in Longview, Washington Right: Betty Bond, Chief Steward at Local Lodge W536

