



Dupont Union Council

European Delegation Testimony August 9, 2004

Sponsored by:

Paper, Allied-Industrial, Chemical and Energy Workers International Union (PACE)
International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM)



PACE

**Paper,
Allied-Industrial,
Chemical &
Energy Workers
International
Union**
AFL-CIO, CLC

Boyd Young
International President

To our International Union Brothers and Sisters:

In April 2004, the DuPont Union Council invited a delegation of European union officials to come to the U.S. for a tour of PACE-represented DuPont sites. The delegation consisted of Nordin Belkhiri, a steward from the ACV Energie Chemie union at DuPont's Mechelen, Belgium facility and Marc Welters, an official of the ICEM. The tour was designed to allow the delegates the opportunity to visit our facilities, attend negotiations and see firsthand what our union members are experiencing.

The European DuPont management team actively discouraged participation in the delegation. It seems management would prefer to sever any relationships between European unions and their North American counterparts. The following comments are adapted from independent reports from each of the delegates based on their impressions and contact with U.S. DuPont workers. I believe this information should be shared with all union members at all DuPont facilities worldwide.

The DuPont Corporation, one of the world's oldest and largest chemical companies, has fought unions for over half a century. The company's strategies were remarkably successful—pay fair wages, offer good benefits and a decent retirement to employees, and support the establishment of small unions that were independent of the AFL-CIO. DuPont was able to maintain control of its work force with its in-house unions and keep out more powerful unions which could make a real difference in the lives of workers.

However, in the 1990's, a noticeable shift in the corporation's attitude toward its employees began to occur. The days when employees could share in the company's success were vanishing, even while the company was breaking profit records. Retirees on fixed incomes, who spent their working lives in contact with hazardous chemicals, had to pay increasingly more for health insurance; sub-contractors were performing work once done by DuPont employees; factories were closing and production was moved overseas. This is just the tip of the iceberg. Workers were upset that the company, on which they rely to support their families, was abandoning them.

In 1998, workers in Edge Moor, Delaware, who were represented by an in-house union, decided to change the system. The workers voted to affiliate directly with PACE. Since then, six more in-house unions have chosen PACE in the face of DuPont's unceasing and often illegal opposition. DuPont sold one facility after workers there voted to affiliate with PACE.

Relations between DuPont and PACE have become severely strained due to the company's anti-union stance that PACE believes is intended to break the union at each facility. The company has become a frequent violator of U.S. labor laws and is one of the most anti-worker companies in the United States. In the face of this constant assault on the shop floor,

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PACE members from the six plants formed the DuPont Union Council to better coordinate efforts and formulate solutions to common issues.

The DuPont Union Council has made countless efforts to engage the company in constructive dialogue, but has always been denied. DuPont claims to have progressive employee values and cites its inclusion in the United Nation's Global Compact as proof of how it treats its work force. However, DuPont has not incorporated all of the Global Compact principles in its mission statement and business conduct guide. Notably absent is Principle 3: that business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

In January 2004, I wrote U.N. Secretary-General Kofi Annan on behalf of the council, detailing DuPont's frequent violations of the Global Compact. I requested that procedures be established for removing DuPont and other companies who use the Global Compact for a public relations scheme but violate the compact's purpose and substance. The ICEM has presented similar procedures to the Global Compact governing body as a means to hold corporations accountable.

After contacting the U.N. regarding worker issues, the DuPont Union Council also solicited a shareholder proposal based on the ILO conventions regarding workplace standards. DuPont unsuccessfully petitioned the U.S. securities authorities to remove our proposal from its official securities filing. In the face of countless anti-worker allegations, DuPont argued that shareholders should reject formalizing ILO standards because it "believes the Company meets the overall objectives of the proposal."

The DuPont Union Council wishes to extend our study of worker rights at DuPont and examine how the company treats its workers worldwide. Crucial to our solidarity efforts is our continued coordinated work with the ICEM. With ICEM assistance, European unions were contacted to determine which unions represent DuPont workers. Many unions responded to our request. It is crucial to our efforts to further engage workers in other areas of the world where their rights are endangered.

In the midst of the trip, the company announced 3,500 job cuts. But the job cuts didn't just affect the U.S.—Europe felt the sting as well. In fact, Mr. Belkhiri's Mechelen plant suffered 63 cuts, just as the Deepwater, New Jersey plant will lose 36 workers. With DuPont's recent announcement of "moving the center of gravity of this company" to lower cost regions of the world and the threat of more job losses, it is imperative that all international unions at DuPont establish more cohesive communications.

I believe you will find the delegation's testimony to be a true indication of how DuPont treats its workers in the United States.

Fraternally,

A handwritten signature in black ink, appearing to read "Boyd Young". The signature is fluid and cursive, with a large initial "B" and "Y".

Boyd Young
President

PACE International Union

Delegate Comments:

Nordin Belkhiri – ACV Energie Chemie

Marc Welters – ICEM

Deepwater, New Jersey; DuPont/DDE Local 2-0943

Edge Moor, Delaware; DuPont Local 2-0786

The delegation attended negotiations at the DuPont Dow Elastomers (DDE) Deepwater facility. Edge Moor management refused to allow the delegation a plant tour.

Contract discussions were being held and the union invited us in to experience the negotiations. We were, however, not allowed to pay a visit inside the plant. The furthest we managed to go was a guard room by the entrance. I was very surprised by not being allowed to enter the plant.

The contract negotiations in Deepwater discussed only wages. The union was offered a 2.5%, or \$0.64 increase. The union had initially asked for 6%, which was refused. Then, they had asked for 5%, but DDE would not agree with that either. DDE stuck with its 2.5%. PACE asked why the company was unwilling to negotiate the 2.5% and DDE explained that an independent consultant had done a study for them. The study had come up with 2.5%. When asked how this was reached, DDE explained that the office had done a poll in 10 different companies and that this was the conclusion. When PACE asked for some documentation, they were told that there wasn't any, and that even if there were they still wouldn't give it to them. At the end of the day we did manage to get hold of similar documentation from union colleagues at Edge Moor.

We were refused a visit to Edge Moor. But at least we made a drive by the Edge Moor plant and took photos outside. I never expected this situation and wonder if we will even get in a DuPont plant on the whole trip!"

At the meeting with workers from the Edge Moor and Deepwater facilities we had the opportunity to speak about their issues. They were all amazed about the protections that union stewards and leaders get under our European labor laws. Many workers feel DuPont targets them for discipline because they are union leaders.

The company denied a visit to the plant! These were not what I would call negotiations. The DDE Human Resource manager offered a 2.5% wage increase, unchanged in 6 months of meetings. DDE uses a comparison study on wages done from a consultant. It seems that this study only compared the wages in one group, regardless if it is the same industry, productivity, benefits, shift structure or even if the facility was still open. No reasons were given where the figures come from and the company refused to supply further details of the wage survey.

It was a dictation, but for sure no negotiations.” After the meeting, the DDE HR director asked us our thoughts about how “things went.” I could only respond that negotiations are “very different in the U.S.”

Louisville, Kentucky; DuPont/DDE Local 5-2002

Louisville, Kentucky; Solae Local 5-1904

The Louisville DuPont site has been in contract negotiations for nearly three years. The DDE site is negotiating pension enhancements because the facility is scheduled to close in 2006. The Solae site is not in negotiations currently.

Upon our arrival at the plant, we were invited to attend the negotiations. We were very surprised to get entry inside the plant—even the PACE team thought we would be rejected.

It is different negotiations for this group, since first non-economic issues are discussed and only then economic issues. But it is even worse here. Both DuPont’s and PACE’s lawyers are present and take care of the negotiations. DuPont’s lawyer is an outside attorney that the company hired. I was confused why anyone who did not work for DuPont would be involved in negotiations. But I now understand the meaning of a union-busting lawyer. He was an arrogant guy who accused PACE of wanting to close down DuPont and who verbally abused PACE’s representatives.

The positive thing about the meeting was that when the people on the shop floor had a break, they attended the negotiations and contributed to them. About thirty-five workers came in the room. One worker scolded DuPont’s lawyer by telling him that he didn’t have a heart and by asking him how he could sleep at night with so much to answer for.

At the end of the day we were allowed to visit the plant, which was a rather positive note.

One thing is clear, however. When DuPont has made up their mind, they will not budge during negotiations. As a result there have been several court cases. PACE has tried absolutely everything. Even a moderator didn’t help.

PACE originally proposed they first talk about non-economic issues when DuPont claimed to have only minor matters, then discuss economic and wage packages. But now DuPont refuses to talk about wages and ignores all union economic proposals until the language about seniority and management rights is complete. The union officially protested. Workers have had no increase of wages since 2002. U.S. Labor board (NLRB) filed complaint against company on April 26 for this illegal bargaining strategy.

DuPont hired an external (union buster) consultant to lead the negotiations, instead of using a local manager or human resource agent. The company got whole contract proposals from PACE to change the existing contract. The company refused to accept even one point

and gave no alternatives. The negotiator blamed PACE that their strategy is to get DuPont out of business. I found this statement to be completely absurd. It's obvious that management's aim is not to sign a contract as long as possible. It's a violation of the principle of the Global Compact, like in Deepwater too. We later got a short tour through the neoprene production area.

In the meeting with workers a member passionately urged the delegation to return to Europe and report on the horrible treatment and disrespect he endures from DuPont management. We offered an opinion to the PACE members that they couldn't accomplish their goals with only local leaders and the committee taking action. The action needs to start at the shop floor to truly effect change.

Buffalo, New York; DuPont Local 1-6992
Niagara Falls, New York; DuPont Local 1-5025

The Buffalo contract negotiations are still on-going and the last time a contract was agreed upon, was 10 years ago. DuPont has the same 'take it or leave it' attitude here as well. They simply won't budge. We were not allowed in the plant.

PACE has only been in Niagara Falls for about 2 years. We weren't allowed to enter the Niagara plant either. But things seem to be worse here. We have heard that people are obliged to do overtime and to work double shifts.

The delegation was denied access by Buffalo Plant management claiming "there is no interest..." so the local leadership set up a parking lot meeting. About 15 Buffalo workers came to meet us. We took a group photo outside the plant gate and saw that managers were spying on us. The biggest problem that workers mentioned was the lack of a contract for ten years.

The Niagara Falls local suffers from regular overtime work – forced overtime. We asked for figures on this issue, and will get them. The Niagara Falls workers also spoke about extreme heat that they work in and that DuPont does not protect their health. One worker got sick recently for inhaling chlorine gas.

Conclusion

This was an important first step to build solidarity between unions. The trip opened my eyes to how different labor laws can be, even for the same company. Our European management explained their fears of "not wanting to bring U.S. problems back to Europe." I had heard that many labor disputes in the U.S. were settled in court, but didn't know why. Then I met local leaders who are personally being reprimanded by a management team that

uses anti-union attorneys to bully and intimidate. I can see that DuPont will eliminate jobs in Europe just as easily as they eliminate them in the U.S.

For the colleagues in U.S. it was unbelievable that DuPont was paying the salary for the ACV steward and that he did not even have to take a holiday to visit. They realized that in Belgium it is possible to put real pressure on the company by slowing-down the production. It costs a lot of power and money for both sides to fight against each other in the United States. It's seems like day-to-day business. DuPont takes every opportunity to get PACE out of its facilities and never seems willing to admit mistakes.

The European unions who did not participate this time will hopefully realize the benefits of exchanging information and solidarity as DuPont enacts its business plan of "moving the center of gravity of the company to 3rd world nations." To beat these companies in the long run it is crucial that we strive to increase global solidarity and discussion.