

# Fair Deal NOW

## Campaign for Justice at Vale

### The Vale Record: Massive Profits and Little for the Workers

The Brazil-based Vale is the second largest mining company in the world with operations, exploration and development all over the globe. In recent years, Vale has made enormous profits -- \$13.2 billion (USD) net profit in 2008 alone. According to the company's own data, each Vale employee produced \$221,223 of 2008 net profits. Unfortunately, Vale has shared little of that with its miners who risk their lives everyday. In contrast, it paid six top executives \$33 million in 2008 compensation. Vale executive officers' pay increased 121% in the last two years.

Vale is a hostile employer to trade unions and workers. **At Vale's Brazilian operations:**

- Workers can be terminated "without just cause".
- There is no long-term commitment to workers. A majority are terminated for one reason or another after 8 to 10 years (sometimes sooner).
- Workers have no rights to seniority.
- Workers have no right to union representation in the workplace.
- Even the most dangerous jobs don't have access to a formal individual grievance procedure in the collective agreement.
- Workers do not have access to a system of arbitration in collective agreements.
- There is no collective contract. All workers sign individual contracts.
- Most workers are outsourced employees, above all in auxiliary activities.
- The health and safety standards are low.

### Internationally Strategic Fight

The United Steelworkers (USW), the largest private sector union in the U.S. and Canada, has long worked closely with unions in Brazil to confront anti-union practices of multinational corporations like Vale. When Vale acquired Canada-headquartered nickel mining company Inco in 2006, it was clear based on Vale's record in Brazil that USW would need to work closely with its Brazilian allies and union allies around the world to counter Vale's aggression.

At Inco, through years of union building and struggle, USW miners extracted a fairer share of profits for workers and communities in Canada than almost anywhere else in the world. Since the 2006 acquisition of Inco by Vale, labor relations have deteriorated.

In 2009 during labor negotiations with USW, despite huge profits, Vale claimed that they needed deep concessions. The company adopted a divide-and-conquer approach by demanding that future workers receive worse benefits than current workers. USW members offered to work under the existing agreement but Vale said no, take it or leave it. USW rejected this unfair demand, and 3,500 USW members employed by Vale went on strike in mid-July.

Since USW struck Vale, the company has announced that it will:

- withhold an increase in the Christmas bonus that widows receive every year
- hire replacement workers during the strike

Vale's strategy is simple:

1. Destroy a premier union contract and set a precedent for deep cuts in wages, pensions and worker rights worldwide, and
2. Use "savings" extracted from workers to finance the company's ambitious plans for expansion and enlarge its campaign to weaken trade unions throughout the world.

Global mining companies have become increasingly aggressive with trade unions and are carefully monitoring the outcome of Vale's actions. If Vale is successful in destroying this premier contract in Canada, it will encourage other company attacks on miners and their trade unions throughout the world.

## **Fighting back against Vale**

USW and unions in Brazil and elsewhere working with the IMF and ICEM are running a global campaign for justice at Vale. We are reaching out to workers, unions and communities; staging rallies, press conferences and other solidarity activities; manning picket lines in Canada 24 hours-a-day seven days a week; dialoging with other unions in South America, North America, Africa, Europe, and Asia; raising concerns with Vale executives, board members and shareholders in Brazil; and lobbying governments in Canada, Brazil and elsewhere.

This global campaign is an historic challenge and opportunity to confront and win victory against the growing power of global mining companies. All trade unions can gain from this struggle.

**We will continue to increase pressure on Vale through this campaign for justice, and we seek your support!**

For Up-to-date Information on the USW strike at Vale: **Visit [FairDealNow.ca](http://FairDealNow.ca)**