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WORLD BANANA FORUM GOOD PRACTICES COLLECTION

COLLECTIVE BARGAINING IN THE BANANA INDUSTRY

Collective bargaining is defined by the [International Labour Organization \(ILO\)'s Convention No. 154 \(1981\)](#) as “all negotiations which take place between an employer, a group of employers or one or more employers' organizations, on the one hand, and one or more workers' organizations, on the other, for:

- determining working conditions and terms of employment; and/or
- regulating relations between employers and workers; and/or
- regulating relations between employers or their organizations and a workers' organization or workers' organizations.”

Collective bargaining agreements (CBA) aim to define the contractual employment relationship between the union and the employer. They involve the participation of representatives for both workers and employers. As the effective recognition of the right to collective bargaining remains a challenge in law and practice, governments need to play an active role in promoting collective bargaining, taking into account its voluntary nature. Collective bargaining agreements can be of two types:

1. to replace multiple agreements signed at a company level without negatively affecting previous agreements;
2. to establish a minimum level of conditions that must be taken into account in all individual negotiations of the company, both for unionized workers and for those who are not part of any workers' organization.

Collective bargaining in the banana sector

Collective bargaining in the banana sector can contribute to *inter alia* the availability of employment opportunities, improved occupational safety and health, higher productivity and workplace adaptability, higher wages and a more equitable distribution of wealth. Strong workers' and employers' organizations can therefore play a key role in rural development through facilitating access to services, ensuring a voice for those directly affected by rural policies and programmes, as well as through negotiating CBAs at the plantation level.

The banana industry is however traditionally characterized by a low trade union membership. Reasons for this include the increasing “casualization” of the workforce through sub-contracting and temporary contracts, deregulation and flexibilization of labour laws, and anti-union approaches by employers.

There are however many examples of effective social dialogue in the global banana industry that have been documented by the World Banana Forum Working Group on Labour Rights:

- [the Chiquita / IUF / COLSIBA International Agreement](#);
- **Colombia:** Sector level collective bargaining – SINTRAINAGRO / AUGURA;
- **Honduras:** two agreements – one national and one multi-national company;
- **Guatemala:** A social pact – SITRABI/BANDEGUA-Del Monte;
- **Nicaragua:** a new agreement: FETDECH-CST and two national companies;
- **Ghana:** Agricultural Workers Union (GAWU) / Golden Exotics Ltd. (GEL).

As a result of the analysis of, and learning from, these diverse collective bargaining agreements the Working Group has developed a set of good practices in this area.

TOOLS FOR IMPROVING LABOUR RELATIONS AND MAKING COLLECTIVE BARGAINING WORK AT POLICY LEVEL

- Ratifying and effectively implementing the ILO's Right of Association (Agriculture) Convention, 1921 (No. 11), the Rural Workers' Organisations Convention, 1975 (No.141), and the Plantations Convention, 1958 (No. 110).
- Establishing integrated national laws or adapting existing ones to the needs of rural workers to ensure their right to freedom of association and collective bargaining.
- Ensuring that there is adequate machinery, including responsible authority and labour inspectors, to ensure the effective application and implementation of laws, particularly those relating to freedom of association and anti-interference, in rural areas.
- Eliminating obstacles to the establishment of rural and agricultural workers' organizations in accordance with Convention No. 141 (Article 5).
- Protecting rural workers against dismissal or eviction based on their status or activities in workers' organizations, and protecting said workers against anti-union discrimination.
- Improving representation and outreach of social partners through capacity building of employers' and workers' organizations to help them to become more effective in organizing their diverse potential constituencies.



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TOOLS FOR IMPROVING LABOUR RELATIONS AND MAKING COLLECTIVE BARGAINING WORK AT PLANTATION LEVEL

1. Frequency and quality of communications

This includes communications between union leaders and plantation management, union leaders and their worker members, company managers and local plantation administrations. Tools and mechanisms for encouraging quality communications based on mutual trust, transparency, honesty, empathy and good faith include:

- ✓ union and company staff dedicated to managing local worker-management relations;
- ✓ regular meetings between workers, union representatives, middle managers and supervisors;
- ✓ company provision of meeting venues, transport and staff leave to enable participation;
- ✓ unrestricted workplace access for trade union officials;
- ✓ training and capacity building on communication and negotiation skills;
- ✓ a strong focus on consensus building, using external facilitators if necessary;
- ✓ investment in human resources in unions and companies to ensure effective follow-up on dialogue and outcomes implemented on the ground to build positive change.

This ongoing dialogue helps ensure that CBA negotiations are a “routine process” to formally agree on issues and policies that have already been in regular discussion. The existence of a Regional Agreement also assists by providing a defined framework and an additional platform for trade union and company dialogue in case local communication structures are insufficient for the resolution of conflicts.

2. Clear and constructive regulations, mechanisms and procedures

It is important that clear regulations, mechanisms and procedures are in place concerning:

- work roles, pay structures and wage negotiations;
- the resolution of grievances and conflicts;
- the ongoing evaluation and review of the agreement and its specific clauses.

These processes should be written into the CBA from the outset and revised if necessary and as appropriate. The structured “evolution” of agreements is important, so that initial demands from trade unions are not excessive and do not create conflict from the outset.

Alternatively, the union and company should work together towards gradual and well-structured improvements over time, with joint responsibility for ensuring the effective and sustainable implementation of these improvements.



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3. Two-way commitments: job security = quality of work = productivity

Mutual worker-company obligations and benefits should be at the core of dialogue and collective bargaining, ensuring that agreements are not simply a list of demands but a “social pact” towards a common goal. Workers need to feel a sense of ownership as much as local management need to recognize the links between productivity, worker job satisfaction and personal well-being (including decent working conditions, adequate occupational health and safety precautions, and living wages).

Regardless of the plantation size and productivity levels, important “win-win” mechanisms include:

- ✓ use of bonuses, over and above national minimum wages, to stimulate worker productivity;
- ✓ permanent staff contracts and commitments on job security;
- ✓ training for both male and female workers to develop their technical skills and efficiency;
- ✓ increasing awareness of plantation management on the links between workplace conditions and worker productivity;
- ✓ recognition of the productivity benefits of employing women workers in specific roles;
- ✓ increasing awareness of workers and union leaders on the links between the market realities faced by the company and its subsequent capacity to make significant improvements in workplace conditions;
- ✓ evaluations and revisions of incentives, if necessary, as part of annual CBA negotiations.

4. Commitments towards advances for female workers

Decent work for women not only increases the positive impact of the company on local social and economic development, but can also have a positive impact on both labour relations and productivity.

Ways of promoting such advances include:

- ✓ technical training for women workers to increase their efficiency and productivity;
- ✓ recognition and sharing of information on the positive impact of women workers on productivity, whether in the field, packhouse or in administrative and supervisory roles;
- ✓ empowerment of women to take on leadership roles in both trade unions and companies;
- ✓ ensuring that women representatives from both the union and company are active in negotiation processes from the outset in order to ensure the incorporation of gender specific clauses;
- ✓ proactively learning from the existing union and company experiences, expertise and specific clauses for women workers.

5. Capacity building for workers, trade union representatives and local plantation staff in the following thematic areas

- ✓ technical skills to enable male and female workers to increase the quality and productivity of their work;
- ✓ national and international labour legislation and related trade union, company and retailer policies;
- ✓ non-conflictual social dialogue, negotiation and bargaining skills;
- ✓ market realities and living wages: increase company understanding of the impacts of non-payment of living wages on workers, their families and communities; increase worker understanding of the economic and market realities faced by companies and impacts on capacity to invest in labour.

Training initiatives should, ideally, be formally written into CBAs and external trainers should be employed where appropriate.



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Promoting the sustainability of the banana industry

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