



# *There's Blood in Your Coffee*

## *The Struggle of Filipino Workers' in the Nestle Strike*

*The Filipino workers are in the line of fire. The labor unrest already being experienced now by the workers' rank is threatened to be worsened by various state-sponsored legislation (Revised Labor Code, Strike Moratorium and Anti-Terrorism Bill) that will further justify union busting, workers' exploitation and capitalists getting scratch-free from any unfair labor practice and repression they have committed against the workers. These are big battles that the Filipino workers must be united in confronting, as the capitalist-state also fortifies its alliance in repressing us. These are core issues of the workers' rights and life, that all the Filipino workers must defy, which we will win only if we are united.*

**-Ka Elmer Labog, May First Movement (KMU) National Chairperson**

The Nestle workers' strike in the Philippines, which is now in its 21<sup>st</sup> month, is the symbolic picture of the oppressed condition of the Filipino workers and unions in the country. The language of unity and collective resistance, however, which the workers' had learned as the only hope to guard their rights is mostly met with suppression by the capitalists and the government using private guards and state police force. Amidst all these, the Nestle workers stood firm on the ground and continue to struggle as attested by the following events in the Nestle Workers' Strike in the Philippines:

### **Brief History**

Nestle, being one of the giant transnational food company is scattered in around 70 countries with 500 plants, producing more than 8,000 kinds of food products. The Nestle Cabuyao Plant in the Philippines is now the oldest Nestle plant in country. For the past three years, Nestle Philippines has made a P8.76B (Philippine Peso) profit.

- 1987.** Nestle Workers' launched strike with the Retirement Benefits as the main subject of the Collective Bargaining Agreement (CBA) deadlock. The dispute was won by the workers when the National Labor Relations (NLRC) ruled in 1989 that the Retirement Plan is indeed a collective bargaining issue, after a two-year workers' strike.
- 1991.** The Nestle Phils., Inc. questioned the decision that reached the Supreme Court which ruled in favor of the workers in February 4, 1991 that "The Court (SC) agrees with the NLRC finding that the retirement plan was a collective bargaining issue right from the start". Since then, the Retirement Plan has been an essential part of the CBA under Article XXXVIII-Retirement Plan.

### **The Present Struggle**

When the existing CBA between the Union of Filipino Employees-Drug and Food Alliance-Kilusang Mayo Uno (UFE-DFA-KMU) and the Nestle Company expired last June 2001, the company started to refuse negotiations on the CBA unless the Union agrees that the Retirement Plan be excluded as a CBA issue.

The Union who has won the inclusion of the Retirement Plan in the CBA through its arduous struggle stand to be robbed again of those rights had it not resisted the Nestle company's unfair demands. About 600 union members are currently on strike.

In Oct. 30, 2001, the Union was forced to file a Notice of Strike on CBA deadlock and in Nov. 29, 2001 filed an Amended Notice of Strike on the grounds of Unfair Labor Practice for violation of the Article 284 of the Labor Code, particularly Nestle's refusal to bargain, or bargaining in bad faith. However, even before going on a strike, the Department of Labor and Employment (DOLE) imposed an Assumption of Jurisdiction on the labor dispute arguing that a strike would be

inimical to the "national interest". The Union then, questioned the Constitutionality and legality of the said order and filed a MOTION FOR RECONSIDERATION which was thrashed by the DOLE.

January 14, 2002, the Union, thus was pushed to the wall, launched a strike which was again tried to be subdued by the DOLE Sec. Patricia Santo Tomas by issuing a Return to Work Order. Most of the times, the DOLE which is supposed to protect the workers' rights would rather issue decisions and order that blatantly favor the capitalists interests. The workers defied the return to work order and stood firm on the justness of their demands and the Supreme Court's Ruling that the retirement benefit is a legitimate CBA matter.

But orders do not just come in papers, they do come in full battle gears attested by the numerous cases of brutal dispersal of the picket-line (make-shift tents) of the striking workers. The striking workers, who are now having a wide community support base, had fought firmly for the picket-line and had endured already three major violent dispersal from the composite teams of the Nestle private guards, the Philippine National Police (PNP) and the Regional Special Action Force (RSAF) of the Philippine Army. The first dispersal last January 28, 2002 was conducted by 400 member composite teams and the June 2002 dispersal conducted by around 700 truncheon-wielding and water canon-armed police and private guard seriously injured 14 workers. The latest dispersal last June 23 and 24, 2003 had left 50 workers and supporters injured who were sent to the hospitals. Seven of the workers had already died of ailment in the course of the strike due to incapacity to seek medication. The Union members and leaders experience constant harassment from the private guards of Nestle and surveillance from the PNP.

## Status

The Office of the Solicitor General had also assailed Labor Sec. Sto. Tomas' Assumption of Jurisdiction and Return to Work Order and even expressed abuse of power. The Court of Appeals had already issued a ruling since last April 2003 directing the Union and the Nestle Company to negotiate, with respect and inclusion of the Retirement Benefits of the workers in the CBA. Despite all these, the Nestle Company refuses to negotiate and undermine all the Philippine judicial institutions that had issued the legal ruling on the legitimacy of the workers' cause, even the decisions of the Supreme Court of the Philippines.

The DOLE and the government remain deaf and continue to run privy to the oppression of the workers. President Macapagal-Arroyo herself graced the launching of expansion project of Nestle Philippines and DOLE had never penalized the Nestle for its illegal actions.

The Union had again filed a petition to the Supreme Court The union also noted that the Nestle management was expected to submit last Sept. 15, 2003 its comment on the union's petition on the case of unfair labor practice and moral damages. Yet the management submitted its motion for time only on Sept 23. The motion for time calls for another 30-day extension in submitting their comments. As of this time, the company's motion has not yet been granted. Nevertheless, the union said that the Nestle management has committed a technical default already.

Meanwhile, the union still continues its Monday habit of picket protests, candle lightings and other activities in front of the company. The union says it will continue its strike until the management abide by the 1991 Supreme Court decision and resume the CBA negotiation.

The brutal force unleashed on the workers to crush the strike picket-line and the workers' morale all the more strengthens the workers' unity and their will to win the struggle. Now, the workers' strike goes on with the Union's undying resolve to fight for the workers' rights even at the face of the Nestle goons and the Philippine Police. The striking workers consider their struggle not just as a struggle of and for the Union members but a struggle of and for the working class in the Philippines and in the other parts of the world.

## OUR APPEAL FOR SUPPORT

We are echoing the appeal and strongly encouraging you to actively support the struggle of Nestle and all the Filipino workers who are victims of the rampant trade union repression in the Philippines. Your solidarity to the struggle could be expressed through supporting and doing any of the following:

1. Email or fax barrage protest letters through the Nestle Philippines, Nestle Switzerland, Philippine Department of Labor and Employment (DOLE), Supreme Court and the Commission on Human Rights (CHR). Strongly urge the Nestle management to adhere to the courts' decisions and ruling that Nestle face the Union in the negotiating table. Call on the Supreme Court and the DOLE to order Nestle to submit to the Philippine Highest Court's decision and immediately settle the labor conflict. Call on the CHR to do an impartial investigation of trade union violations in Nestle.
2. Send Solidarity Messages to the Nestle Workers' Union.
3. Hold picket, rallies and other protest actions at Nestle offices in your respective countries.
4. Actively campaign for the boycott of all Nestle products
5. Raise material and financial support to the workers. The long-running labor conflict had depleted the resources of the workers. The Nestle workers would most welcome material support to sustain their picket-line and the campaign against Nestle's labor repression.
6. Other pertinent actions you may deem necessary that can help to immediately settle the labor conflict is highly encouraged.

Following are the addresses where you can send the protest letters:

**Juan B. Santos**

CEO and President  
Nestle Center, 31 Plaza Drive  
Rockwell Center, Makati City , Philippines  
Fax No. (632) 8906681  
Email: JuanB.Santos@ph.nestle.com

**Hon. Patricia Sto. Tomas**

Philippine Labor Secretary  
Depart of Labor and Employment  
7<sup>th</sup> floor, DOLE Building  
Mulla St., Intramuros, Manila,  
PHILIPPINES

**Peter Brabeck**

Chief Executive Officer  
Nestle Vevey, Switzerland  
Email: Peter.Brabeck.etmathe@nestle.com

**Hon. Purificacion V. Quisumbing**

Chairperson, Commission on Human Rights  
SAAC Building, University of the Philippines  
Complex Commonwealth Ave., Diliman Q.C.  
Fax: 0063-2-9290102

Likewise, Solidarity Messages may be sent to:

**Mr. Diosdado Fortuna**

Union President  
UFE-DFA-KMU  
c/o KMU International Dept.  
Balai Obrero Foundation  
63 Narra St. Proj. 3, Q.C.  
Fax: 0063-2-4211049  
Email: kmuid@i-manila.com.ph

Please inform us of your planned solidarity action/s.

Kind furnish us a copy of your letter/s at migrante melbourne email address [melbourne@migrante.org.au](mailto:melbourne@migrante.org.au).

**Onwards with the struggle!**  
**Long live the Filipino Nestle workers!**  
**Long live the working class!**  
**Long live International Solidarity!**

**Migrante Melbourne**

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