

# Unionisation of Non-Local Workers: Capacity Building Opportunity for Trade Unions?

## POLICY BRIEF

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### Main Recommendations

1. Create effective modes of information circulation that include unions, management (employment chains) and workers. Unions should embrace the principle of “First – inform! Then – organise!” as is widely used among many trade unions in the EU. Actively collecting, sharing and facilitating transparent information circulation is a key precondition to protection and labour rights’ enforcement, but also a precondition to further, effective organising.
2. In order to cope with increasingly diverse and fragmented groups of workers, unions should both increase the existing shop floor intermediate capacities (especially by supporting and educating trustees) but also bring in new active members into the union organisation, including from a group of non-local workers.
3. The issue of equality and just wages should be treated by unions by following two “tracks”: first, by pressing for better recognition of and remuneration for all aspects of work (including experience, skills upgrading, training tasks, etc.) and, second, by acknowledging the situational vulnerability of certain groups and developing service packages that would remedy structural disadvantages.

## About the project

The policy brief is part of a research project titled “Employment of non-local temporary workers and its impact on local industrial relations in the Hungarian automotive industry.”<sup>1</sup> The policy brief is based on an action research conducted between April and October 2019. The field research was designed in collaboration with six plant level automotive trade unions in four Hungarian towns. Our intervention was planned and thoroughly discussed with the union representatives and some trustees. During our field research we did not only conduct recorded and unrecorded interviews with non-local workers and union representatives and trustees, but also carried out focus-group discussions involving more stakeholders. We also launched concrete actions with the unions and kept fieldnotes in the form of recorded discussions. In short, the research also included a capacity-building component for the plant-level unions, through understanding and tackling their organisational practices and capacities, but also concrete experiments in informing and sometimes even unionising non-local workers.

## Introduction

Plant level trade unions in automotives operate in a newly configured, highly volatile, crisis environment in Hungary. Besides insecurities stemming from market demand for production, the employment of non-local workers additionally increases the burden on organising work. Trade unions are not fully aware of the new environment: they need to reconsider their core values and adopt new organising strategies, and more apt practices in their operations.

Among the vulnerable groups affected are also non-local workers, those arriving from different regions of Hungary and abroad. Non-locals are increasingly present in workplaces, but their protection, more difficult unionisation and interest representation is not sufficiently discussed or defined in workplaces where unions are active. If non-local, temporary workers systematically face disadvantages in their employment, this also affects the life of the plant. Specifically, it puts pressure on employment standards and wages, but it also fragments and potentially divides the very workers unions are trying to organise. In order to maintain labour standards, trade unions need to define (preventive) mechanisms of protection but also consider interest representation of different social groups.

As the mission of trade unions face new challenges and uncertainties, the aim of this policy brief is to offer some practical recommendations for the plant level unions that wish to revisit their structure, goals, strategies and practices in the light of the changing composition of the workers. Many unions respond to changing production pressures in a reactive way, trying to apply old solutions of interest representation to the new conditions of work and employment. Trade union answers in the domains of values and organizational principles and capacities is a minimum requirement for their organisational reform. Our aim here is to stimulate a discussion that will help unions formulate their very strategies and practices, enabling them to take an open, proactive, assertive stance in relation to non-local workers. Forming strategies is a capacity building exercise as well: we believe that rethinking and redefining main organisational practices, learning about possibilities and adapting to new

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challenges is instrumental in increasing the internal organisational capacities of unions. Without this forward looking thinking, unions face the threat of staying behind the reality of today's challenges.

In our exercise we deliberately define non-local workers as all employees arriving from other regions, other counties of Hungary or other countries; all of them in need of housing, extra transport services in order to access job, and where cultural differences might be detectable, from different habits, dialect, or even languages.

The brief and background research concern the broadly defined sector of automotives. Automotive production increasingly taps into transnational labour markets. It requires geographic mobility, flexible, able workers, making quick adjustment both to new products and work processes. In these multinational enterprises labour sourcing – selection and employment of the most appropriate workers – pools from a broader geographical area, an area that has been further expanded due to widespread labour shortages. The role of labour-market intermediaries, especially temporary agencies was highly pronounced in the labour-market adjustment processes, including increasing the labour pool with third-country-national workers. Large, transnational enterprises have increasing power and state support.

Providing a flexible “labour force” of flesh and bone workers to ensure flexible, uneven production cannot be understood as a simple economic question no matter how dominant discourses try to make us think that way. Mobility or migration of workers is also a social and political issue – an issue that is or should be in the core interest of regulators, society, but also intermediary organisations – especially trade unions. Traditionally, trade unions in Europe concentrated on the control and regulation of labour markets at the national level. However, in conditions when companies' internal labour markets increasingly comprise of workers from abroad, the power of public institutions in regulating the labour market decreases.

## Recommendations and intervention points

Plant level trade unions operate with very limited organisational capacities. However, remaining passive in the face of this growing heterogeneous group of workers puts serious limitations on the union's actions and development. During our research it became clear to us that even under the present capacity constraints unions could do much towards reaching out to non-local workers. Small actions and initiatives, such as communication and responding to acute information deficits, made a big difference to union visibility. Unions need to act on more levels simultaneously within the union and outside – their work needs to be turned simultaneously towards plant management, workers and employment agencies where needed. Experiments in new practices, e.g. focus on better information collection and circulation, launching information sessions and training activities as well as learning from concrete international experiences can help unions on this road. Based on our experience in the field, we identify three points of intervention for unions to increase their capacities relating to non-local workers, and to empower these workers too. Each recommendation is then followed up by a discussion of its practical importance.

### **1. Information circulation and understanding the (internal) labour market**

The creation of information flows should take into account the companies' internal labour market and its geographic and sourcing characteristics. In this situation it is by far not enough for the unions to

simply pass on pieces of information they have to workers. They have to take on a much more proactive role in both information generation and circulation. In this light, we suggest viewing information circulation as comprised of three indispensable stages:

- A. Information gathering from production workers. For instance, the unions can map out who is who on the shop floor; what type of employment contracts are used, what differences there are in employment conditions; and what the needs and expectations of workers in these various employment relations. It is important that unions also map out the workers' social background and needs. In this way the unions can have first-hand information on the needs of various groups that would enable them to define more specific service packages for various groups.
- B. Trade unions should regularly request full information from employers (via work councils) on recruitment strategies. This should not only include insights into service contracts with temporary agencies, but also selection criteria for prospective employees. However, under the present conditions it is not sufficient to rely on management as a source of information. Thus, it is equally important for unions to establish and nurture effective communication channels with various employment actors, especially temporary agencies, but also state offices. Unions should also check information on workers' employment conditions and learn about available information from alternative sources (researchers, NGOs, international support groups and organisations). The horizontal exchange of information with other unions and learning from each other's experience is also crucial.
- C. Disseminating and circulating information in a systematic way, discussing, opening up spaces and channels is the final and crucial step. As such, it enables the union to increase its internal capacities, making it an indispensable actor as it gives the union the potential to exert an influence over employment policies and work practices at the very workplace. Information exchange is key, but the mode of dissemination and exchange should be discussed, so as to reach out to workers in a way that works for them.

There are various forms of labour-use strategies used by employers, along with newly evolving business models, which include the use of intermediaries as well as outsourcing. Unions need to be aware of, follow and mutually inform each other about these changes.

#### Practical tips:

- ✓ Conduct surveys on various issues in the workplace, visit dormitories for regular and one off information sessions and discussions, organise community events at various locations in order to map and gather information.
- ✓ Disseminate information (leaflets, Facebook groups, info boards about the union's mission and achievements).
- ✓ Provide free information – education sessions for the integration and protection of non-local workers' rights, e.g. a list of the most common risks, problems in rights' protection, invite external experts (lawyers, researchers, activists) to provide training and information.

The challenge Hungarian trade unions are facing is not without parallels or similar accounts in other countries. International organisations, transnational solidarity groups and organisations could provide good practices in protection and unionisation, and in developing collective-bargaining skills.

## **2. Non-locals' path to unionisation: long-term organisational strategies and capacity building**

In order to cope with increasingly diverse and fragmented groups of workers, unions should both increase their existing shop-floor intermediary capacities (especially: supporting and educating trustees), but also bringing in new active members into the union organisation, including from a group of non-local workers.

The protection and unionisation of non-local workers from various social backgrounds and with diverging needs is a difficult organisational task, especially for unions with modest resources and personnel, where union trustees are working in production. The challenge is to make it a doable and sustainable practice. The aim is both to guard standards, but also to increase the union's capacities.

Many union representatives and trustees have said that union work is ungratifying, and that it needs a very strong social commitment. Trustees suffer under a heavy workload but they are also in charge of many practical union tasks on the shop floor. Maintaining, supporting the work of trustees, and supporting them through training and professional growth is essential.

Unions should also include socially sensitive, assertive members from various groups in the organisational life of a union. With their help, unions can develop certain service packages that take into account both the vulnerability of these workers and their need for help in certain areas. Temporary-agency workers need to be addressed more specifically, via stretching out union links to temporary agencies as their employers.

Building up capacities should be a gradual process, in both reaching out to more active union members, while also increasing, sharing tasks and responsibilities among them, and equally importantly, securing regular exchanges on experiences, problems and good practices among them. The role of union leaders should be decreasingly that of "leading" an organisation in an authoritative sense, but rather that of managing active members and union functions. Implementing value-based choices would be necessitated through internal discussions and may lead to constructive debates and conflicts.

### Practical tips:

- ✓ Unionisation should occur as community organisation activity as well, and as such, also outside of the workplace. Integrational and educational programmes can occur in spaces where non-local workers are concentrated, such as worker dormitories. Trade-union educational activities can also be designed in a format or with the trappings of popular culture (e.g. screening films, music, club activities etc.)
- ✓ Reach out to activist groups, civil groups, but also to experts with special knowledge e.g. intercultural educators who could help with developing understandings but also with finding a common language with non-locals.

- ✓ Experiment and regularly discuss new practices (also with other unions) and design regular social events for trustees and union activists. Even for a small group of unionists, new organisational practices could be discussed at these gatherings, information shared and educational sessions performed.
- ✓ Make unionism socially appealing by collecting and recognising those members especially, trustees with strong empathy, organising skills and practical knowledge (e.g. speaking languages). Allocate time and work to educational – even emancipatory – community building practices and activities.
- ✓ Develop/invest in (rethinking) the union’s communication infrastructure: make sure that it is not only a platform for “spreading information” but also make sure that there is a net for receiving information and feedback.
- ✓ Reach out to international contacts and links, establish and nurture ties with unions or organisations in which locals are involved. Develop and help a network for the exchange of good practices as well as errors among plant-level unions. Establish an FAQ, and good and bad practices sections available in more languages on their own internet sites and in their publications.

### **3. The application of just remuneration and the justification of special services**

In our fieldwork we saw conflict between the workers’ groups that stemmed from the devaluing of established workers and resentment towards the newcomers. The former saw that their experience or extra tasks and skills were left unrewarded, while the latter were perceived as receiving preferential treatment in terms of housing, fringe benefits and quicker recruitment procedures. Our proposal for the unions is to recognise these processes and concerns as embedded in the deterioration of employment standards. Tackling both concerns simultaneously would help to prevent pitting sides against each other and help bringing the principle of solidarity to life. This could also remedy the processes of social dumping and downgrading. Such a strategy would request extra incomes and recognition for experienced workers, including the designing of training and mentoring positions with higher pay or extra benefits. On the other hand, trade unions should also make sure they see that “positive discrimination” in the form of a housing arrangement is a trap: a housing arrangement is at best a fragile mobility opportunity for vulnerable groups and worker individuals. Furthermore, trade unions should not shy away from developing and offering special services to non-local workers (e.g. helping with administrative etc. issues).

Trade unions can have an overview and influence over power relations at the workplace. However, it is precisely here that we sensed that trade unions have very limited influence e.g. over intermediary management conduct or the organisation of production. Is the allocation of certain jobs to non-local marginalised groups happening? Does requesting higher norms, greater discipline from the “others” occur? Even if currently these are outside of union capacities, the implementation of a two-tier strategy, with a separate focus on both local workers and non-locals, would enable unions to deal with these questions.

### Practical tips:

- ✓ Map interests of different social groups and try to find common denominators, differences and synergies (e.g. create a package – increase the base wage, resist an increased workload, insist on the monthly payment of overtime, as well as on premiums for weekend work).
- ✓ Press management to provide resources for Hungarian language courses for non-Hungarian speakers, as well as intercultural courses. Language courses may also cover the teaching of practical lessons and keywords, covering topics such as legal standards, health and safety issues, various potential conflict situations (e.g. the end of contracts), etc.
- ✓ demand extra benefits or new jobs for mentors, integrators, trainers, etc.

## Conclusion

Non-local temporary workers are an indispensable part of the industry in Central and Eastern Europe, including in Hungary. If unions want to survive and remain relevant actors in the fast-changing landscape of employment relations they need to think of win-win ways of protecting and possibly also including new groups of marginalised workers as their allies. Any thinking that unions can preserve power by exclusion of this workforce or capitalising on their vulnerability will only weaken the union in the short and the long run.

Unions face many constraints but they have to make an effort to increase capacities, especially via available resources. Such resources include using available know-how, information collection and sharing, support from civil groups, and establishing ties with various social actors.

Trade unions should aim at securing the means of workers training, their skill development not only directed to production, but also practical language courses for better integration of non-Hungarian speakers. With regular information sharing sessions, unions should involve (potential) members and thus also prepare more inclusive collective bargaining processes.

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