

## TCAs in practice

Cooperation between company-based and trade union employee representatives for the implementation of international framework agreements in companies

### 3rd Transnational Project Workshop

November 12 - 14th 2012 in Barcelona (Spain)

German, Polish and Swedish trade union representatives and shop stewards of the companies Pfeleiderer, Wilkhahn, Schwan-Stabilo and Staedtler have participated in the third transnational project workshop in Barcelona.

The focus of the meeting was targeted at the current cross-company exchange of information, a review of the implementation of PASOC in 2012 and plans for the future as well as concrete agreements on continuous activities and the ongoing cooperation between the involved companies.

The final workshop in Spain allowed for a first direct contact between the shop stewards at Wilkhahn with their Spanish colleagues from Castellon.

The countrywide general strike of November 14th, 2012, also established a framework for the discussion with Spanish trade unions about the contemporary financial, economic and employment crisis in Spain.



*The participants of the final workshop in Barcelona*

## Integrated Audit at Wilkhahn in Castellon, November 12th, 2012

The **Wilkhahn shop stewards** from the European project group visited the Wilkhahn site at Castellon for the first time for a full day IFA audit. The audit and its organisation and requirements had been prepared beforehand at the company's head office in Bad Mnder. The audit took the form of an integrated audit and thus included additional issues such as the economic situation, the production site location and quality and environment management in addition to the issues of the IFA implementation. The shop council chairperson Olaf Stender presented the main results of the audits at the project group meeting on Tuesday.

>>> See "*Meeting of the European Project Group*" below

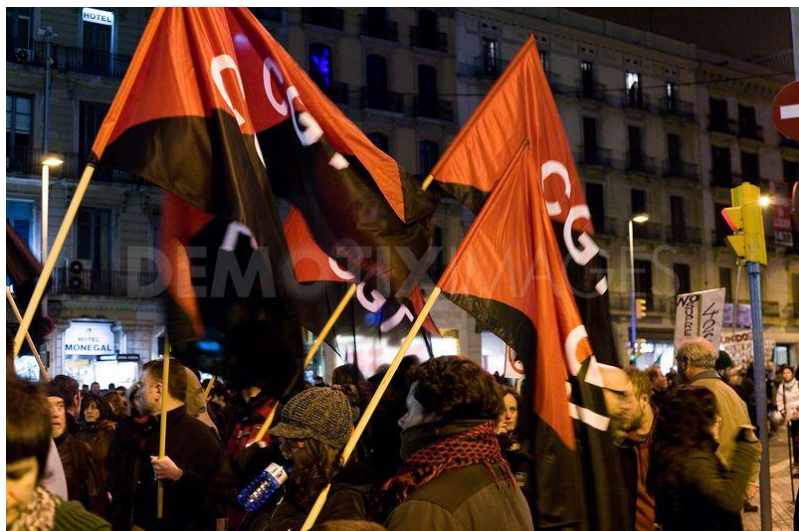
## „Spain before the General Strike“ – Discussion with the CGT Catalonia about the Social, Economic and Trade Union Situation in Spain

According to an invitation of the Spanish trade union CGT (*Confederacin Nacional del Trabajo*), the workshop participants discussed the backgrounds and consequences of the current economic and employment crisis in Spain with the Secretary General of the CGT, **Angel Bosquet**. After the CO.00 and the MCA-UGT, the CGT is the third largest trade union in Spain.

As a result of the financial and real estate crisis in 2008/2009, the social situation in Spain has exacerbated dramatically. The economic depression, bankruptcies and layoffs have had significant consequences on employment policies, such as a growing unemployment rate, especially among young people and adolescents. Currently, every second adolescent in Spain has no job or apprenticeship. Regarding the high national debt and the lack of public or private investments, government policies are reduced to revolving cut-backs in health care, pensions and educational systems, as well as an ongoing decline of the labour legislation, for instance in the field of dismissal protection and labour time.

The trade supported general strike at November 14th, 2012 was an expression of the massive protest and resistance of the Spanish people and employees against social service and education programme cuts as well as the conservative administration.

The main demand and the objective of the strike was "Distribute Wealth"! The political measures behind this demand are e.g. higher taxes for rich people (for instance inheritance taxes, property taxes, and a tax for market transactions, comparative to similar measures discussed in Germany), the reset of the cuts to pensions, social systems, health care and education as well as public investments in infrastructure and education as a countermeasure against the high unemployment rate, particularly among young people.



## Meeting of the European Project Group 13.11.2012

**Klaus Gutbrod** (AuL BI) opened the session and informed the participants about organisational issues and contents. Due to the participation of the Spanish colleagues, it became necessary to compress the workshop programme to allow for the additional discussion with the colleagues from UGT.

**Gisbert Brenneke** (AuL BI) reported about the topics, stations and current results of the mutual project implementation in 2012. He emphasized the topics and results from the mutual European exchange of information and practices, the employer/employee exchange at the conference in Berlin and the results of the multiple enterprise shop council survey (especially about the issues of information and profile), as well as the results and conclusions of the implemented audits. Thus, the essential aims of the workshops are accordingly the identification of potential problems and finding agreements for the sustainable continuation with the IFAs, both in the specific enterprises and on a cross-company level.

>>> See also the presentation "Status Report" on the website [www.pasoc.innopas.eu](http://www.pasoc.innopas.eu)

### ➤ Current Information about the Situation at Pfeleiderer

The European Shop Council chairperson **Frank Bergmann** informed the participants about current decisions concerning the restructuring of Pfeleiderer. The company management informed the ESC about the sale of the subsidiary PERGO in Sweden/USA in late October. The buyer is the MDF and lamination producer UNILIN which already has a European production site in Belgium. The Unilin group is itself a subsidiary of the American corporation Mohawk. The chipboard production site in Novgorod, Russia, has also been sold (to a subsidiary of IKEA). Thus, in the future Pfeleiderer will be presented only in Germany and Poland, markets with diminishing turnover shares. This will also have consequences for the composition and future activities of the European Shop Council.

The PERGO trade union representative **Peter Andersson** explained the decision from the perspective of the Swedish colleagues. After numerous speculations for a few months about the future of PERGO, the sale to the investor UNLIN was assessed as a chance due to the strategic investment. The decision to continue PERGO as a brand and thus to access the Scandinavian market via the enterprise has been assessed as a positive sign for the future of the production site in Trelleborg and the employees there. Nonetheless, there will be restructuring measures in the new company group, e.g. the dislocation of central functions like IT, financial resorts and staff management to the European headquarter in Brussels.

A central question of the following discussion was how the "Pfeleiderer AG Social Charta" can be transported to the new company structure- The most important approach in this regard is the current establishment of contacts between the Swedish colleagues and the European Shop Council at Unilin (a first contact has already been established). The EFBH in Brussels is going to be asked to arrange a meeting between all involved actors soon.

### ➤ Report about the Integrated Audit at the Spanish Wilkhahn Site in Castellon

The shop council chairperson at Wilkhahn, Olaf Stender, informed about the audit visit at the previous day. The Wilkhahn audit at Castellon was implemented for the very first time, which also marks the first time that a production site abroad was included in the audit process for the IFAs (the site in Australia is supposed to follow in 2013). The implemented audit was integrated, thus the social charta issues were not isolated but included with other issues such as environmental and health protection. Preparation and implementation of the audit were well organised. The staff had elected a representative. The management on location prepared the company-specific framework information and stood ready for interviews. Ad hoc needed additional information were gathered, and few additional material will be handed in subsequently. Due to the ongoing economic recess in Spain, the sales volume has dropped by about two thirds (from 12 Million € in 2008 to 3.8 Million € in 2011), and the number of employees on location has halved (from 40 to 20 staff members).

A few results of the audit:

- The framework agreement is known at the site among all employees (but not all staff members knows about its specific regulations)
- There is a trade union interest representation on location
- The social and labour norms laid out in the IFA are complied with
- There are no temporary workers on location
- The vocational training corresponds to the usual Spanish laws and standards (not comparable to the German dual educational system )
- The company-specific labour protection system is well developed. There is an annual external analysis of potential dangers. The resulting documentation is checked and further developed throughout the year.

The following, concrete agreements were made:

- a) measures for the increased presence of the IFA regulations among the employees (contents of the agreement) are intensified
- b) The audit is presented within the site
- c) Agreement on the continuous exchange of information between the actors in Germany and Spain

For the shop council representatives from Germany, it was very important to reassure their Spanish colleagues that the employees and site in Spain are not up to disposition despite the ongoing cost reduction programmes at Wilkhahn.

In total, this starting audit is considered a full success for the international implementation of the Wilkhahn IFA.

### ➤ Spain prior to the General Strike: Discussion about the current Economic and Employment Crisis in Spain and Corresponding Trade Union Reactions

The Spanish colleagues from MCA-UGT - **Juani Arenas Gómez**, MCA-UGT, National Secretary and Responsible for Building Sector und **José García Fernández**, MCA-UGT Secretary for the Metropolitan Region - informed about the backgrounds and objectives of the general strike planned for the next day. The population of the Southern European countries within the EU have been much more affected by the ongoing economic and financial market crisis - but they are also affected by the rigid cuts to all public budgets. Due to the ongoing bank crisis and the financial and political pressure from the European Union, the conservative government in Spain has conducted further massive cuts to education, social welfare and health care. The mass protests planned for November 14th were supposed to demonstrate the wide resistance against these policies.

All large national trade unions supported the action. Alone in Barcelona, the organisers expected about a Million participants at the main demonstration on November 14th. After the central rally for the autonomy of Catalonia in March 2012, this is the second major demonstration in Barcelona this year.



The Spanish colleagues from UGT-MCA - **Juani Arenas Gómez** und **José García Fernández**

The following discussion showed the unanimous opinion that the political activities of the government and the crisis management especially in Southern Europe are mostly connected to a massive redistribution of the society's wealth at the expense of employees and their interests. Social achievements are undercut, educational changes and health care become more limited and employee rights are diminished. There is no money for public investment programmes in infrastructure, labour market or education, because potential source of public revenue such as reforms of the financial sector or higher taxes on financial transactions or capital assets are not accomplished on a political level. As long as this trend continues, the mass protests in Spain and other (southern) European countries will continue as well. The participants also agreed that the national states are unable to solve "their crises" on their own, and that a strong Europe with Europe-wide balancing mechanisms concerning finances and economies is a necessity for the solution of the crisis. This includes an end of the prescribed austerity of public budgets. Infrastructural programmes with active investment and employment assistance are much more viable for the economic and fiscal recovery of the "crisis countries".

### ➤ **PASOC – Results and Continuation of the IFAs**

**Gisbert Brenneke** offered an introduction to the topics and procedures (workshops and plenum debates). The topic is divided into two separate discussions: (1) Review and experiences from the IFA implementation; and (2) approaches for continuous activities. Both discussions concerning these topics resolved along a previously prepared structured list of guiding questions for the group phase.

>>> *See the presentation "Practice Check" and Criteria for the Group Work (Guideline Questions) at the website [www.pasoc.innopas.eu](http://www.pasoc.innopas.eu)*

The results of the work groups can be summarized as followed, including the experiences from the previous IFA implementations:

### Information and Presence:

The IFA survey among shop councils and trade union representatives in the involved company has shown that

- (a) the local interest representatives and staffs are only partially informed about the regulations, relevance and results of the IFAs;
- (b) Union representatives and shop stewards are the main actors for the spread and publicity of the IFAs.

Conclusively, the internal presence of the IFA has to increase continuously, as well as the flow of information; the company managements and shop councils should inform the staff regularly about the contents, measures and consequences of each step of the IFA implementation; the information and reports within the company-specific communication and report channels have to be intensified.

### Implementation and Monitoring:

The company managements have recognized that the European and national shop councils demand the implementation of the agreements and that this requires concrete activities of board and management.

(Wilkhahn, Schwan-Stabilo, Staedtler) The instruments and mechanisms for the implementation of the audits have been established in practice and are accepted by the employer site and thus applied mutually (invitations, social check lists, protocols and reports, monitoring of results and open regulations).

(Pfleiderer AG) In 2012, the implementation activities within Pfleiderer took a backseat to the financial and economic restructuring measures within the enterprise. However, the primary audits in the production site in Poland have shown significant deficits for the implementation and sustainability of the IFA. major problems include the lack of understanding of the responsible managers about the function of local audits and the occurring problems resulting from insufficient consultations for their preparation and implementation. The European Shop Council of Pfleiderer proposes the following measures to solve these problems:

- Form: Announcement of the audit in due time and invitations to the audits on location
- Participation: Public announcement of the audit participants (with inclusion of the site management and shop stewards / union representatives on location)
- Preparation: Information from the company management to the local management about topics, information and materials which should be prepared beforehand
- Documentation: Complete development and presentation of the "social checklist" as well as the involved attachments, contracts, communiqués etc.
- Sustainability of Results: Protocols in due time, and mutual agreement procedures for the audition results, including open or debatable issues and the agreed continuations and development measures

The measures above will be included in a principle discussion of the employee representatives for the IFA and the responsible parties of the company management.

### The following ideas and approaches for continuous activities were gathered during the open discussion for further activities:

- Audits have to be implemented more regularly (without too long spans of time between the different audits).
- In addition to the bilateral IFA committees on company level, local IFA boards could support and monitor the implementation of measures continuously and on location and thus keep up the "implementation pressure" for the site management. The IFA implementation should become a fixture of collective wage agreement negotiations and similar talks. Local measures - e.g. regular security checks in the production sites - can be combined with other checks, such as the evaluation of social issues.

- The employee representatives for the IFA should coordinate their cooperation and practices at regular meetings.
- The IFA audits have to attach to already existing management systems, systems and processes within the specific company and thus e.g. combine the check-up of social standards with measures for an increase of labour and health protection.
- Another idea was to end each audit with a certificate signed by the IFA contract partners. Such a certificate could increase the acceptance and relevance of the IFA implementation within the company.



Participants of the Conclusive Workshop

### ➤ **Continuous Cooperation – Approaches and Forms of IFA Cooperation in 2013**

The participants agreed on the following measures for the continuation in 2013:

- PASOC core team: The PASOC core team (European and local shop councils, IG Metall, Arbeit und Leben) established in 2012 continues to exist and will further fulfill its coordination role for organisation and cooperation
- Continuous cooperation between the Project partners: there will be a shop steward seminar lasting several days and dealing with the exchange of IFA-related information and practices (internal and with management representatives responsible for the IFA) once per year;
- Sector Exchange and Cooperation: Initiation of a sector-specific work group of shop council representatives of the wood/furniture/pencil industry concerning social and labour standards within the industry
- Trade Union Cooperation: Involvement and active participation in a federal IFA board at the IG Metall board of directors in Frankfurt
- Strategic Considerations: IFA work groups - if the case may be including video conferences- with an annual meeting of IFA-responsible shop stewards for the coordination of future activities and objectives ("What does we want to achieve?")
- Intensification of Information and PR activities: Articles in newsletters and union papers (Metall-Zeitung/ intranet); leaflets, company newspapers and newsletters within each company; information at company and department meetings

Arbeit und Leben Bielefeld is commissioned to prepare the organisation of the first IFA shop steward seminar (probably for Fall 2013).

## ➤ Documentation of PASOC Results

**Gisbert Brenneke** (AuL Bi) informed about the accompanying information and documentation measures which were implemented alongside the project (flyers, website, materials). The objective of the final documentation is to gather the experiences and results of the project implementation in a focus report "TCAs in Practice". This report is supposed to become a practical guideline for shop councils for the implementation and monitoring of company agreements on European or international level.

>>> *see presentation "Documentation of Results"*

The discussion of the structure draft has shown that the focus on "Implementation/Monitoring" has actually become a further development of the previous reports and publications, since those have been primarily concerned with the topics of "development and negotiations". Therefore, it is important to emphasize the experiences with the practical implementation. For the content, it was suggested to include the used "social checklists" of each PASOC enterprise in the report, either synoptically or each on its own. Due to the very different audit experiences, it was also suggested to describe an "exemplary audit" including the various levels and activities of the involved IFA parties (shop councils, trade unions, an management). This would help other interest representatives to avoid certain delays and detours.

The Focus Report will be developed by Arbeit und Leben starting in December 2012. The PASOC core teams will counsel and accompany the draft and final versions of the report.

*November 27th 2012 / Arbeit und Leben Bielefeld / Gisbert Brenneke*