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# Negotiations at Company level:



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# The company (1)

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- European Steel Multi National Company
- Created in February 2002, by merger of three previous companies:
  - **Aceralia** (Spain)
  - **Arbed** (Luxembourg)
  - **Usinor** (France)
- First Steel Company Worldwide (second steel producer)





# The company (2)

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- European plants in:
  - Belgium
  - France
  - Germany
  - Italy
  - Luxembourg
  - Poland
  - The Netherlands
  - Spain
  - UK





## The company (3)

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- Other owned plants in:
  - Brazil
  - Argentina
  - USA
  - Canada
- Participations in:
  - China
  - Morocco
  - Turkey
- More than 120.000 Workers involved Worldwide





# Participation Agreement

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- First EMF negotiation: Trying to enlarge the employees representation to Belgium and Germany (existing national representatives from Spain, France and Luxembourg were agreed at national level)
- Result: One representative from each one of both countries were nominated permanent guests





# EWC Agreement (1)

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- Company committed to implement a Social Dialog, at European level, covering several important aspects:
  - Vocational Training
  - Health and Safety
  - Professional Qualifications
  - Employment evolution





## EWC Agreement (2)

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- Company committed to implement the European Company Statute
- Company committed (in principle) to develop the Social Dialog in a Worldwide dimension





# Negotiations Processes

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- Financial participation
- First attempt to agree an European Framework for restructuring
- European Health and Safety joint policy
- International Framework Agreement on Social Responsibility
- EMF Platform







# Main actors

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- National Trade Unions
- EWC
- EMF
- IMF
- Board of Directors Members appointed as Employee Representatives
- EMF Co-ordinator





# Financial participation

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- Company asked the EMF for opening discussions in order to develop Financial Participation Project at European Level:
  - Ad-hoc working group including the EMF and EWC representatives.
  - Final conclusions have been adopted as EMF policy
  - Company final project in accordance with the EMF principles





# EU Restructuring Framework

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- First attempt to define a common basis for restructuring at European level asked by the German trade union (IG Metall)
- Company agreed with one condition: to look for a pro-active approach instead of a defensive (traditional) approach
- Many problems appeared in between the EWC members





# EU Health and Safety policy

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- The EWC offered a joint commitment to reduce significantly the accidents and professional illnesses within the Company perimeter (including subcontractors)
- First UE convention (Bilbao) to define such policy, result: a real and continuous improvement to the H&S figures
- Permanent EWC/Management working group on H&S
- First joint **Worldwide H&S Day** already made





# IFA on Social Responsibility (1)

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- EWC + National Unions + EMF demand since the very first moment (May, 2002)
- Permanent EWC + EMF pressure
- Company agrees to open negotiations with the representative bodies: the IMF and the EMF (the EWC has nothing to do with matters out of the EU!)





## IFA on Social Responsibility (2)

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- Negotiation Body composed by:
  - Two members from the Company Management (HR Corporate VP and IR Corporate VP)
  - Two from the IMF (General Secretary and Steel Sector Director)
  - Three from the EMF (Company Policy Responsible, EMF Co-ordinator and EWC Secretary)





## IFA on Social Responsibility (3)

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- Conclusion: Joint commitments in:
  - Social and Human Rights
  - Social Dialog at local level
  - Health and Safety
  - Training
  - Anticipation of Industrial Change
  - Concerns Suppliers and Subcontractors
  - Main responsibilities addressed at plant level
  - Joint implementation and monitoring





# EMF Platform (1)

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- With regard with the difficult situation created by the take-over bid from Mittal Steel, the EMF has prepared an European platform on basic demands.
- This platform has been prepared and agreed between the **EMF** (General Secretary + EMF Co-ordinator), the **National Unions** and the Select Committee of the **EWC**







## EMF Platform (2)

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- Platform topics:
  - Employment sustainability
  - Fulfilment of all existing commitments
  - Deepening and enlarging the social dialogue at European and National levels (with a real interlink in between) including the permanent information and consultation on the medium and long term company strategy





## EMF Platform (3)

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- Platform topics (contd.):
  - policy of industrial change based on the following principles:
    - Exclusion of forced redundancies and new employments creation
    - Anticipation of the industrial change with workers involvement and mutual co-operation mechanisms
    - Adaptation and improvement of the workers qualifications
    - Reinforcement of the R+D and innovation policies
    - Involvement on regional re-industrialisation
    - Positive and pro-active definitions of mobility and flexibility
    - Socially responsible subcontracting policy





## EMF Platform (4)

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- Platform topics (contd.):
  - Agreed definition and implementation of a European Training Policy. All employees working in Arcelor should have the real possibility to maintain their jobs and to improve their working conditions (adaptation to the industrial change).
  - Firm and clear investment policy in the European Union (maintaining strong investments outside the European Union).
  - Urgent implementation and deployment of the IFA.





## EMF Platform (5)

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- The platform is going to be negotiated between the Company Management and the “EMF Social Dialog Group for Arcelor”.
- Two already existing EWC working groups (having each of them the permanent involvement of the EMF) are going to support such negotiation:
  - One dealing with **Training and Life Long Learning**
  - Another one dealing with **Employment and Restructuring**





# Key elements (1)

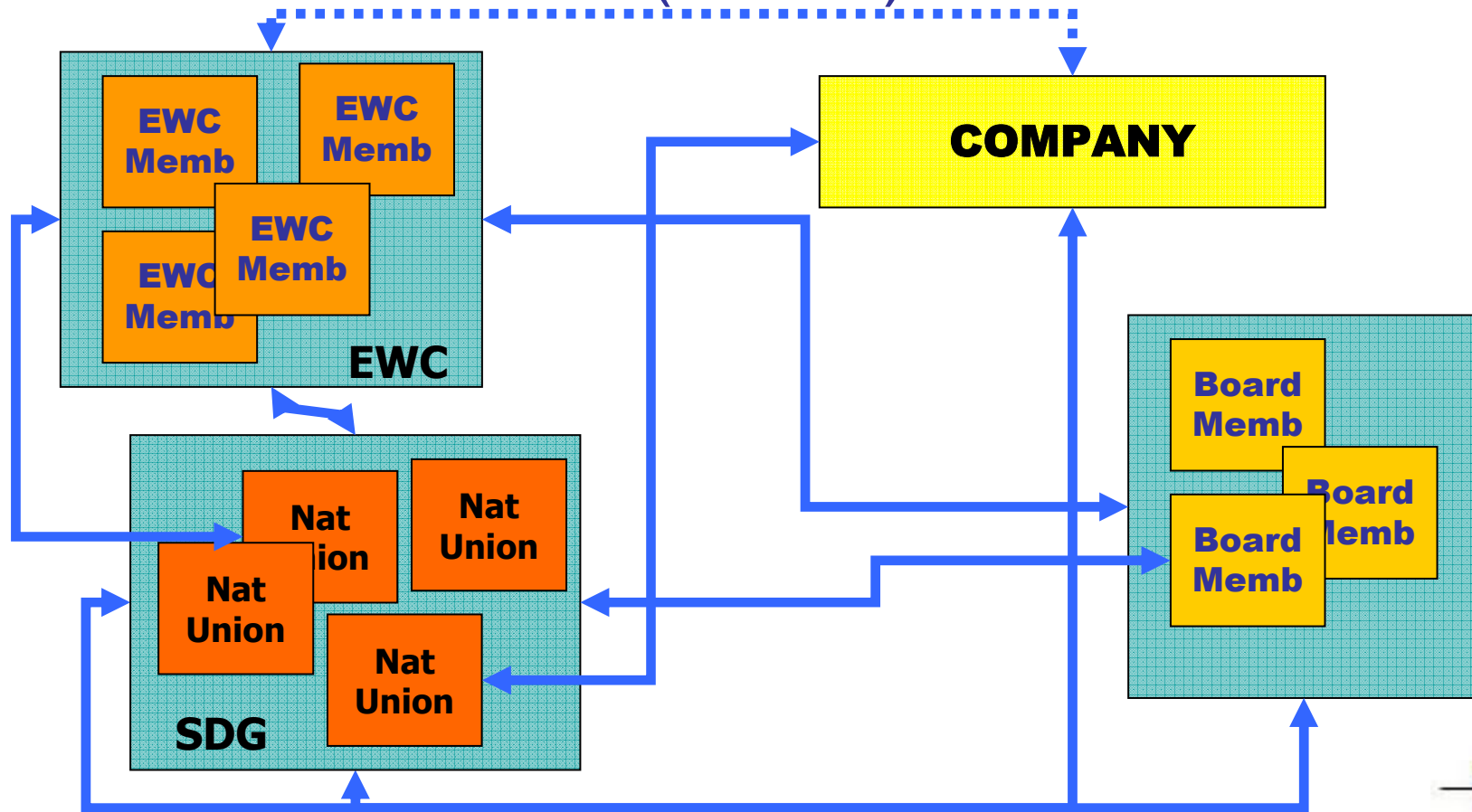
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- EMF Co-ordinator:
  - trade union officer responsible for each company at European level
  - Permanently working with the EWC
  - Link with the EMF and the national unions
  - Link with the Board Members
  - Trade union reference for the Company Management at European level
  - European awareness!!!



## Key elements (2)

- EMF Co-ordinator (contd.):





## Key elements (3)

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- EMF Social Dialog Group:
  - Trade Union co-ordination body specific for the Company
  - Composed by:
    - EMF Co-ordinator
    - EWC Chairman or Secretary
    - One representative from each of the national unions
    - EMF Secretariat is permanently invited
  - Responsible for political co-ordination; Social Dialog at Company level; industrial change strategy and general negotiations





## Key elements (4)

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- EWC:
  - Responsible for:
    - Information and consultation
    - Permanent relationship with the Company Management for internal matters related with its real perimeter (the EU)
    - Supporting the EMF (Social Dialog Group) developments and negotiations
  - Opening doors to other responsibilities internal to the Company, such as H&S, training, communication, industrial change monitoring,...







# Main Conclusions

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- The EWC as such is not able to deal with strategic negotiations
- A deep **European trade union** involvement is strongly recommendable (it is required to overcome the national approach and plants concurrency) as well as to have an general and global view
- It is basic to develop a real **co-operation in between all the actors** involved, as well as to formalise the European trade union role
- The EMF Co-ordinator can play a very positive role in this field for all the parties involved (including the Company Management). He can be the key element to articulate all the different actors

