Negotiations at Company level:

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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)

- European plants in:
  - Belgium
  - France
  - Germany
  - Italy
  - Luxembourg
  - Poland
  - The Netherlands
  - Spain
  - UK
The company (3)

- Other owned plants in:
  - Brazil
  - Argentina
  - USA
  - Canada
- Participations in:
  - China
  - Morocco
  - Turkey
- More than 120,000 Workers involved Worldwide
Participation Agreement

• 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
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)

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

- 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

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

- 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
• 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

- 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
• 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!)
• 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)
• 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
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.
• 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
• 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
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.
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)

- 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.):
• 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)

• 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

• 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 a 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