

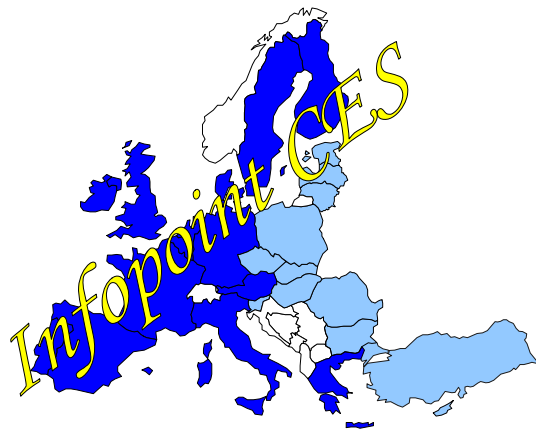


***ETUC - CES***

***GUIDE ON THE ECONOMIC, FINANCIAL AND SOCIAL  
INFORMATION  
FOR COMPANY WORKER REPRESENTATIVES***

(July 1999)

*with the support of the European Commission SOC 98 100704 05D02*



## By way of an introduction

### a long history...

**In the beginning**, five seminars or conferences on information and consultation were organised in the countries of Central Europe and the Baltics. They revealed a clear willingness on the part of the trade unionists from these countries to invest in this social right established in the European Union by way of the 45/94/EC directive.

- This was firstly a political step: to manage, in the case of many agreements, to bring about the integration of branch representatives in Central European and the Baltic countries into the existing European Works Councils; to get the Commission to make this directive part of the first series of Community 'acquis' to be transposed by the governments of the applicant countries;
- It was also about the need to provide trade unionists with the means to get to know, understand and communicate information concerning their company.

**Next**, with the aid of three seminars, it was possible to draw up a list of the needs, and to explore the feasibility of a particular action from one country to another.

In the third phase, the trade union experts used 2 seminars to devise, write and structure the "**guide on economic, financial and social information, for use by workers' representatives from companies in Central European and the Baltic countries**". This was backed up by an evaluation seminar.

Throughout the preparation of the guide, four requirements were taken as the running theme :

- to work with praticians, trade unionists who know the companies;
- to cope with everything despite the numerous diversities and the language and comprehension difficulties;
- to produce a useful, clear tool, which is homogenous whilst allowing differences to come through ;
- to enhance the workers' point of view and encourage the use of the guide by trade unions.

### Four major themes...

... *the company in context (1), social information (2), economic and financial information (3), cross-sectional information (4)*. The reason for this choice? First of all, as a result of the outcome of the initial seminars. But also, to take account of practices which may be encountered within the countries of the European Union.

These kinds of themes are encountered daily during the trade union life of a grassroots militant in a company, they include themes such as:

- improving working conditions and the employment situation for the well-being of all workers, but also
- taking into account the economic realities of the company in the face of competition and, in the sectors of activity which need constant attention and surveillance because of the way they are evolving;
- integrating the financial aspects of the company into general trade union considerations but also

- the degree of autonomy, or non-autonomy of the company in which one works.

Most importantly, these four themes are also a tool for action:

- evaluating the company's situation socially, economically and financially;
- measuring the changes which are brought in;
- appreciating developments which have come about as a result of trade union action.

In short, these four themes allow quite a comprehensive inventory to be carried out on the condition of the "patient" (the company) by means of data, some of which may be crude, but which have to be interpreted. This is the very duty of a trade unionist representing the workers in the company. It is all about making a diagnosis which must be updated constantly to avoid running the risk of '*social infection*' (conflict) or even a *heart attack* (caused by the voluntary liquidation of a business).

These four areas are covered by several sheets which are sub-divided into identical chapters corresponding to :

### **Three stakes...**

*Gathering the information:* In order to play the game, you have to be familiar with the data and know how to deal with it ; to acquaint yourself with the data, you have to put the right questions and learn how to gather the information.

To do this, you need firstly to identify the scope (.2), so you know what you are dealing with. Next, you need to have information and indicators (.3). The information represents all the data which you need to know in relation to the real situation in which you work. The indicators are the parametres which allow comparisons to be made with other situations and/or in relation to the historical development of the subject. This means requesting information from all sources (.7) both inside and outside the company, which requires us to have the opportunity of referring to legislation, regulations and collective agreements (.8); and also to trade union texts (.9)

*Processing the data:* To have the maximum number of trump cards at hand, it is necessary to be able to transform the data into action.

To do this, you need to interpret the data (.4), to find out the major facts which it reveals, to see whether these are positive for the employees, or for the company in general. And if these are negative, it is necessary to define the causes, the responsibilities and the means available to change them.

Next, tools must be developed in preparation for trade union action (.5). The employees must know the data and the interpretations which are drawn from them; checks must then be made to see if the latter share the interpretations and suggestions. This will allow various forms of action to be proposed: to inform those in charge about the analysis made and about the willingness to see the situation changed; to discuss, negotiate, and if necessary, to exert pressure; without forgetting that it is sometimes necessary to agree to a balanced compromise.

*The distribution of information:* in order to win, you need to make information available to everyone, circulating it from grassroots level to the top, and vice versa.

To do this, there need to be links with the European Works Council (.6): the exchange of information between the trade union representatives in branches, and between the latter and the parent company. This can certainly cause geographical and cultural problems; for this reason, standardised sheets, where there is similar data to deal with, can be very helpful.

This can be done using internal or external sources of information (.7), references to national and European legislation (.8), references to European and national trade union texts (.9). The result is an added value for trade union action.

### **A varied usage...**

The usage of this guide may be varied; it depends on how each individual uses it and it can be adapted to suit its target audience.

The guide can be used in its entirety, taking a pedagogical approach and following the progression suggested in the guide. Some of the sheets can be used for specific circumstances such as the preparation of negotiations, or meetings on a particular subject...) or can be incorporated into existing training..

The users and the target audience might be, in no particular order, members of a European Works Council, workers' representatives at a company, whatever the type of company involved, those in charge of trade union industry federations, multipliers and trainers. This would normally presuppose the availability of accompanying material in order to make the guide more directly operational.

Finally, this guide is not a finished work, it must evolve and change. It supposes firstly that every user, whether at national or sectoral level, will fill in the information which is at his or her disposal: for each sheet, points (.7, .8, .9); sheets (4.1, 4.2, 4.3); and of course, not just once, but every time there are developments or changes.

This also requires him or her to be experienced and usage of the guide must bring about possibilities for change. It is towards this aim that we would like to draw your attention to the evaluation sheet which is enclosed with the guide. We would ask you to fill this out each time the guide is used, either entirely or in part. ETUC's service<sup>1</sup> **Infopoint CES** will gather this information and the authors of the guide will deal with it in due course.

### **Numerous thanks...**

This guide could not have been produced without the help of the numerous people who contributed to it:

- The *Infopoint CES* team - Annemarie, Claudio, Jérôme, Michel, Pierre – who directed and carried out the work;
- The 11 experts from the countries of Central Europe and the Baltics - Andrzej, Dragos, György, Jan, Joana, Maris, Milan, Peter, Stjepan, Tiit, Vladimir – who co-produced the sheets;
- The 11 co-ordinators - Ana, Daiva, then Ieva, Hana, Jozefa, Katarzyna, Laurentiu then Mihaela, Adrian, Lilija, Metka, Szilvia, Tiit, Vesselin and then Lazoura – who acted as intermediaries for the duration of the work;
- Those who have overseen the work, the multipliers - Alguirdas, Andreeij, Ben, Damir, Dusan, George, Giuseppe, Jorge, Katarina, Miroslav, Oie, Pavel, Ruth, Stanislav.

All of the above are duly thanked.

Brussels, 24 September 1999

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<sup>1</sup> Formerly UAT

## 1 – THE COMPANY IN CONTEXT

### 1. Sheet 1.1 The identity card of the company or group of companies

#### 2. Scope

- To be able to define a company's identity and profile, one must be aware that :
- the company is an organised system whose purpose is to convert several elements in order to produce goods or services.
  - the company is a unit. Whatever its form, it answers to a single command.
  - the company is immersed in a sector (or sectors), which displays numerous aspects (economic, social, etc.) and as many markets as input and output factors.

The company's main regulating principles are :

- ❖ **the external market**, which is the context in which the company carries out its trade : acquiring production factors (labour, capital, raw materials, technology), releasing goods and/or services, and which regulates the relationship between the company, input factors and its products (see sheet 3.2);
- ❖ **the sector**, always external, and which is the place where the competitive confrontation happens;
- ❖ **the organisation**, which combines inside the various factors according to the plans and capacities of the employer (see sheets 1.2 and 2.5).

The sector and the market are impersonal, whereas organisation is an expression of the culture of company and of the employer.  
The company is constantly reorganising, modifying and reshaping its structure (resources and organisation) and varying its management choices.

#### The company exists thanks to a certain context

- ◆ The creation of a company and its long-term survival are linked among other things, to its capacity to establish positive interaction with its territory (road, rail, telecommunication, energy infrastructures etc.)

### 3. Information and indicators

Three dimensions can be distinguished within the information required by union representatives:

a) general	<ul style="list-style-type: none"> <li>◆ to which Group does the company belong?</li> <li>◆ when was it created?</li> <li>◆ where is/are its site(s) of operation: (management, establishment, subsidiaries, etc.)?</li> <li>◆ what is the organisational structure?</li> <li>◆ what is its legal status?</li> <li>◆ what is its employment structure?</li> <li>◆ what is its turnover?</li> </ul>
b) specific	<ul style="list-style-type: none"> <li>❖ what is/are its <b>sector(s)</b> : ?</li> <li>❖ what is/are its <b>market(s)</b>: ?</li> <li>❖ what is/are its <b>territory(-ies)</b> : ?</li> </ul>
c) products and/or services	➤ (describe):

#### a. the company and its sector(s)

➤ concentration within the sector :	<ul style="list-style-type: none"> <li>- <b>high</b> (a limited number of major producers)?</li> <li>- <b>average</b> (a few large producers and many smaller ones)?</li> <li>- <b>low</b> (numerous SMEs)?</li> </ul>
➤ The company's vertical integration compared with the sector:	<ul style="list-style-type: none"> <li>- <b>high</b> (the main part of the production cycle is internal to the company)?</li> <li>- <b>average</b>?</li> <li>- <b>low</b> (the cycle is split between several companies)?</li> </ul>
➤ main competitors:	<ul style="list-style-type: none"> <li>- <b>strengths?</b></li> <li>- <b>weaknesses ?</b></li> </ul>

#### b. the company and its market:

➤ Products and/or services:	<ul style="list-style-type: none"> <li>- typology and/or sector of activity :?</li> <li>- geographic division: ?</li> <li>- share of the market: ?</li> <li>- trend (expanding, fully developed, declining): ?</li> </ul>
➤ to whom one sells:	<ul style="list-style-type: none"> <li>- type of market (competitive, oligopolistic, protected) : ?</li> <li>- main customers: ?</li> </ul>
➤ Sales network:	<ul style="list-style-type: none"> <li>- branches: ?</li> <li>- sales representatives: ?</li> <li>- salesmen : ?</li> <li>- wholesalers: ?</li> <li>- retailers : ?</li> <li>-</li> </ul>

#### **4. Interpretation of data**

The data collected in this way should prevent the risk to the shop steward of simplifying the description of the identification profile of the company.

It is imperative that shop stewards in the same company share sufficiently clear ideas on:

- "who" the company is (identity card, ownership, history etc.) and its geographic perimeter;
- the power hierarchy in the company (who counts and takes the strategic decisions concerning personnel matters etc.)
- its mission (product lines, their evolution etc.)
- its place and its influence on the sector(s) and on the market(s)
- the perspectives regarding outplacement, restructuring, development or crisis.

There are no major demands or difficulties in interpreting this data: in most cases, it is a question of factual information.

However, this must never be considered as a "fait accompli", trusting in the appraisals linked to image and the "public" information which the company gives about itself.

This is particularly true when collecting and interpreting information on ownership, the power structure in the company and strategies for penetrating and controlling markets, for example. The workers themselves are the source of important information and interpretation of this information.

It is vital for the shop steward to learn to check the information provided by the company, and from other sources too; press articles, sectoral studies etc. He must also understand exactly what the powers of the management representative facing him are, always insisting on dealing with the person with the capacity to take decisions.

#### **5. Trade union action**

In this field, trade union action concerns in particular the workers' representatives' right to, and real capacity, to collect and organize the information mentioned in point 3.

It is possible to measure the culture and real willingness of the company vis-à-vis correct practice concerning exercising rights to information and consultation from the shop steward's primary and fundamental right to knowledge.

In other words, if the company is reluctant to or hostile towards providing information on the ownership or market shares it owns, this poses a concrete problem for trade union action in confronting management, and a strong argument for raising workers' awareness and rallying them to take action.

#### **6. Links with the European Works Council**

The profile of a company is only complete once its identity card is enriched with wider knowledge of other subsidiaries, the group as a whole and its transnational dimension.

For this reason, it is imperative to establish a complete framework of knowledge at European Works Council level, available to all workers' representatives, from each subsidiary and from all the the countries, on all the themes mentioned in point 3.

The shop stewards from a company must know: within which company or group they are active, within which power or strategy hierarchy, which part of the market is held by the group and the sectoral variations which exist.

They must be able to benefit from this information from the European Works Council whilst able to convey the information which they already know.

## **7. Sources of information inside and outside the company**

- Internal sources:
  - information from management during formal or informal meetings, negotiations, training courses etc. contained in official documents, databases etc.
  - information collected by workers' representation bodies from: employees, the company trade union(s), the group works council etc.
- External sources:
  - analyses and case studies,
  - profiles of other companies in the same sector and with the same cycles/products,
  - the national and European industry federations,
  - workers' representatives in the European Works Council,

## **8. Reference to European and national legislation, regulations and collective agreements**

- European references:
  - "Davignon" report and the Commission's draft directive on the participation of workers in the EUROPEAN COMPANY. European Company Statute. (1998).
  - Directive 94/45/EC on the establishment of European Works Councils.
- National references

## **9. Reference to European and national trade union texts**

European Trade Union Confederation – ETUC	
European Industry Federations	
European Works Council	
National Trade Union Confederation	
National Industry Federation (sector)	
Works Council	

## **10. Glossary**

- Concentration within the branch (sector)
- Competition
- Company
- Group
- Vertical integration (in the company)
- Market
- Organization
- Sector
- European Company

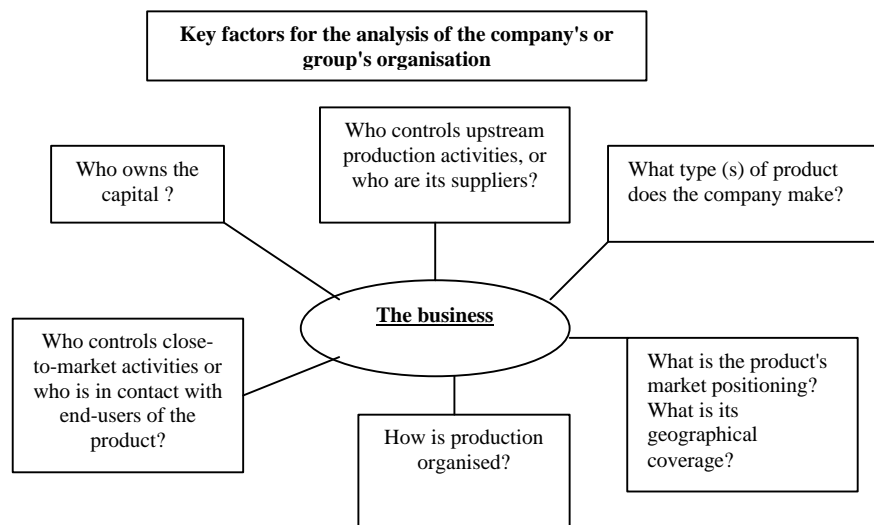
## 1 – THE COMPANY IN CONTEXT

### 1. Sheet 1.2. Company or group organisational structure

#### 2- Scope

All business organisations create a division of labour between their workers. The **organisational structure** (or organisation chart) of a company is a **formal reflection of the how authority and functions are allocated within the company**. It makes a technical distinction between areas of specialisation and situates the company's employees within the hierarchy.

But it also reflects the **organisation's corporate direction and business strategy**. In the short-, medium- and long-term. This is an "independent" strategy for businesses which control the production process end-to-end, but also one which can be mapped out without regard for those in the workplace by the principal shareholder or shareholders, especially in multinationals.



What constitutes an undertaking or group of undertakings varies from one country to the next. What constitutes an undertaking or group of undertakings at Community level is defined each time in the Directives (cf. Point 8).

#### 3- Information and indicators.

*▷ Look at the company's strategy to understand its organisational structure*

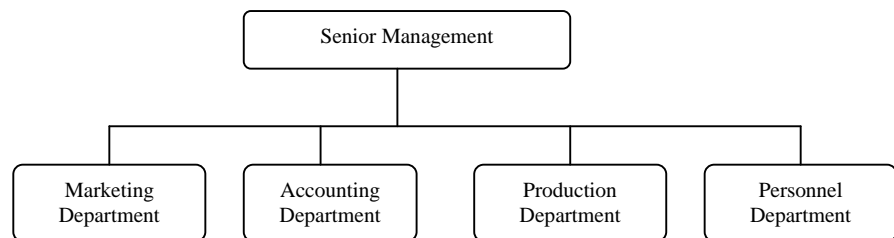
- What product(s) does the business produce?
- Is its product line diversified or not?
- Are the products competitive?
- Is it in a "growth" sector or line of business?
- How much does the principal shareholder have invested in the firm?
- For what market? local, regional, national or transnational ?
- How much of its production is exported?

- What are its links with its suppliers, and who are they?
- What are its internal structures, especially as regards human resources?
- What sort of production process does it use?
- How do the different functional units fit into the business?

***D Kinds of organisational structures.***

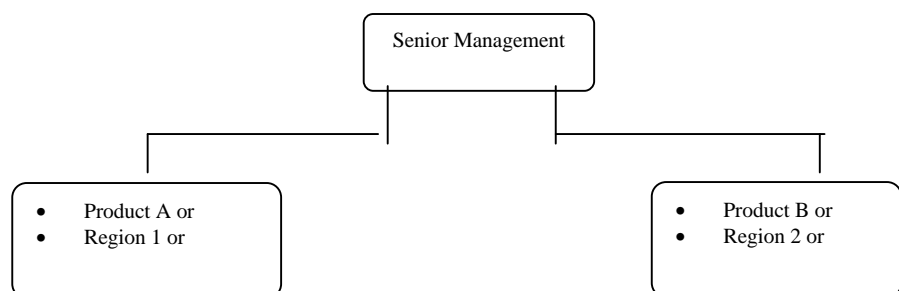
**Traditional functional organisational structure**

- The standard functional organisational structure is the most traditional form of division of task activities. Workers are assigned to identifiable functional divisions (or departments), i.e., production, marketing management, purchasing, stock control. Internal resource management functions are sometimes centralised into a single organisational unit, like the administrative head office. In other cases, they are separated into more specific organisational units like accounting, financial, personnel and logistics management. So, the production department will be responsible for all manufacturing and ancillary operations like supplies, maintenance and servicing for everything the business produces.



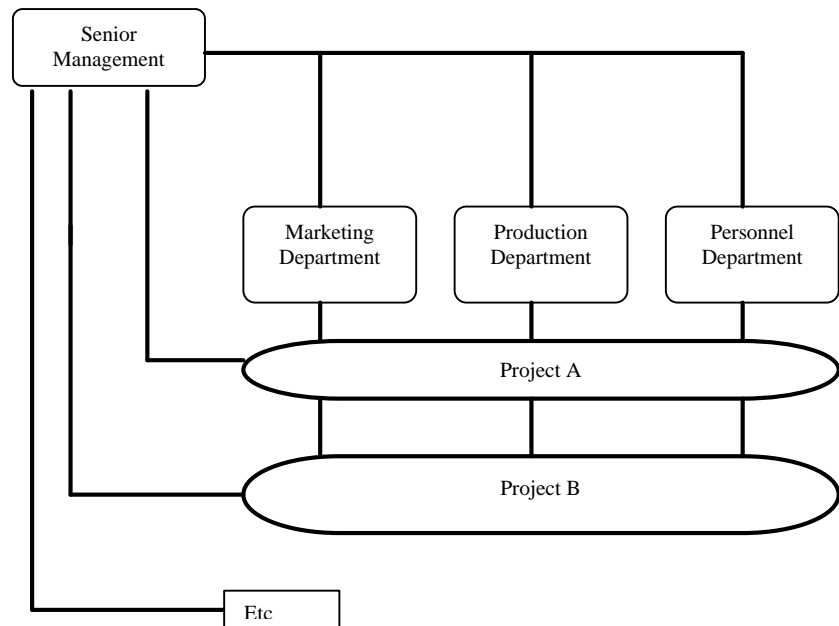
**Divisional structure**

- Divisional organisation is based on a divisional allocation of responsibilities. Each division is made up of workers with different specialised functions gravitating around a common activity. In some companies and groups, the division (also called a sector or line) is based on a specific product line. In other companies and groups, the division is based upon geographical market regions.



**Matrix structure.**

- The matrix organisational structure is a combination of a vertical axis – function – and an horizontal axis – activity. Companies with a matrix organisational structure have a business structured by complex projects. This type of organisational structure allows a flexible response to business requirements, such as worksite organisation which requires the intensive use of both internal and external productive resources (often human) over a given period.



.. Other types of organisational structure

.. Positioning subsidiaries in a transnational group.

- Transitional or different types of organisational structure related to periods of change, technological changes, new working methods etc.
  - Who are the shareholders of the subsidiary?
  - Who owns the capital ?
  - Who appoints the management ?
  - Are the strategic options made at subsidiary level?
  - What is the subsidiary's position in the group's company structure?
  - What are the links (in terms of raw materials, output, processing, marketing) between what the subsidiary produces and what the group as a whole produces?
  - Is the group organised on a product (branch, region or other) basis?
  - What is the relation (costs, sales, prices ...) between the subsidiary's products and group products?
  - Etc.

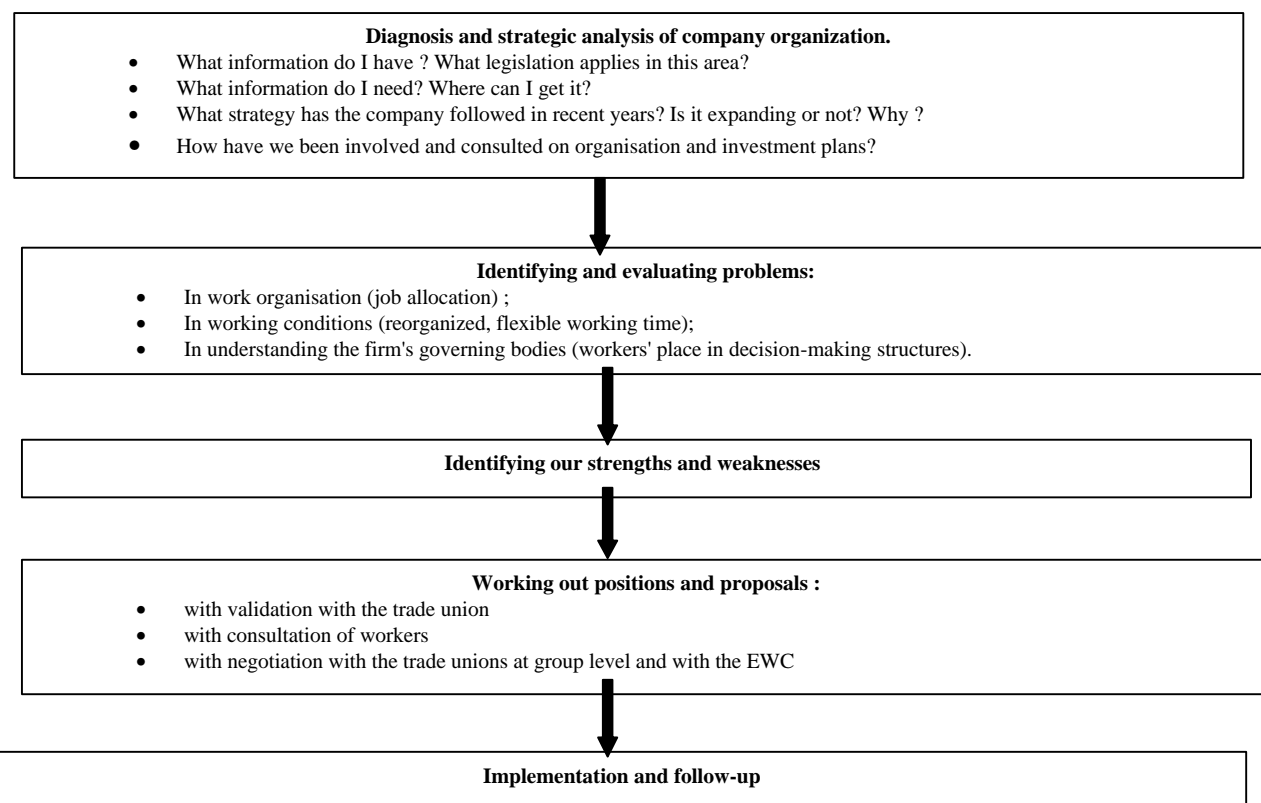
#### 4- Interpreting the information

> **About the company set-up**

- What is the kind of organisational structure of the company or of the group (functional, divisional, matrix or other)?
- What is the advantage of such a work organisation for the company?
- Is the type of organisation changing or not? Why?
- How are the production lines organised (work task allocation)?
- Is the work process satisfactory, or are there problems?

- What sort of problems can this type of organisation create in a firm planning to expand and diversify its products?
  - Does this type of organisation address a consumer demand for a wider range of products on the market?
  - What is the layer of hierarchy?
- > About the Group**
- Are the subsidiary's shareholders the same as the Group's shareholders?
  - Who are the Group's shareholders?
  - Are they industrial or financial interests?
  - Do they follow a short-, medium- or long-term shareholding strategy?
  - Is the subsidiary I work in strategic for the group or not?
  - What (economic, financial and employment) links exist between the subsidiary in which I work and other group entities?
  - What interest does the principal shareholder have in the subsidiary's development?
  - Are group profits ploughed back, and if so, how much and into which entities?
- > About working conditions  
(see also sheet No. 2.5)**
- How does this affect:
    - Working and employment conditions (mobility, adaptability, flexibility, etc.) ;
    - Pay;
    - Career prospects (e.g., new skills) ;
    - Continuous vocational training.
- > About union practices**
- How can this type of organisation affect union practices?

## 5- Trade union activities



- 6. Links with the EWC**
- From the workers representative of the mother company within the EWC to the representative of the subsidiary
    - Supplying the group's organisational structure
    - Identity of the shareholders in the group and subsidiaries
    - ID-card of the shareholders (financial, industrial etc.)
    - Position of the subsidiary in the group's strategy
    - Investment policies within the group
    - Group's strategies in the future
  - From the workers' representative of the subsidiary
    - Type of organisation within the subsidiary
    - Development strategy in the subsidiaries
    - Difficulties encountered by the workers in the work organisation
    - Work process
    - Relationship and problems with the suppliers and customers
- 7. Sources of information inside and outside of the company**
- Internal sources
    - Is information supplied by the management sufficient? What information is lacking?
    - Information collected by the workers' or trade union representation body with the wage earners: what kind of information? how was it collected?
  - External sources
    - The specific press
    - The workers' representatives within the EWC
    - The adopted laws or regulations (Official Journal, Labour Code, codes of the companies etc.)
    - The confederation(s) and/or trade union federation(s)
- 8. References of European and**
- European Directives
    - The Council Directive 94/45/EC on the establishment of a

<b>national regulations and conventions</b>	<b>laws, and</b>	<p>European Works Council defines the Community-sized companies and groups of companies;</p> <ul style="list-style-type: none"> <li>• Directive 77/187/EEC on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of businesses;</li> <li>• The directive 98/59/EC on the approximation of the laws of the Member States relating to mass dismissals;</li> <li>• The draft directive on the European Limited Company.</li> </ul> <p>➤ <u>National laws and regulations</u></p>
<b>9. References of European and national trade union texts</b>		<p>➤ <u>European level:</u></p> <ul style="list-style-type: none"> <li>• European Trade Union Confederation</li> <li>• European Industry Federations</li> <li>• European Works Council</li> </ul> <p>➤ <u>National level:</u></p> <ul style="list-style-type: none"> <li>• National trade union confederation(s)</li> <li>• Branch trade union federation(s)</li> </ul>
<b>10. Glossary</b>		<p>Shareholders  Growth line of business  Upstream  Downstream  Capital  Customer  Exports  Subsidiary  Suppliers  Group  Growth trades  Organisational structure  Process</p>

## 2 - SOCIAL INFORMATION

### 1. Sheet 2.1 Employment structure

#### 2 - Scope

The employment structure of the company depends on its organisation and human resources management policy. To study this particular field, please refer to the following sheets:

sheet 1.2 on the organisation of the company  
sheet 2.2 on employment policies  
sheet 2.4 on wage policy  
sheet 2.5 on work organisation.

More specifically, the present sheet concentrates on the analysis of the company's demographics and on the main data of its social balance sheet.

#### 3 - Information and indicators

##### ➤ **General demographics in the company:**

-Pyramid of **staff ages** (see example in annex 1)  
(can be done by contract type and by socio-professional category too)

-Evolution of the age pyramid over the previous three years

-**Gender** distribution (see example in annex 2)

-employees with indefinite contracts,  
-employees with fixed-term contracts,  
-part-time employees, ....

*(evolution over 3 years).*

-**Average length of service** in the company at 31st December of the year (see example in annex 3)

-all the categories together,  
-by socio-professional category,  
-by gender,  
-by sector.

##### ➤ **Distribution of company staff according to the nature of the employment contract**

-Total company staffing level at 31 December of the current year, in number and percentage

- on indefinite contracts:
- on fixed-term contracts:
- on 'on-the-job' training contracts (or equivalent) :
- on apprenticeship:
- on temporary contracts:
- other (define)

-Evolution of staffing levels over the previous three years, in number and percentage :

- for indefinite contracts:
- for fixed-term contracts:
- for 'on-the-job' training contracts (or equivalent) :
- for apprenticeship contracts:
- for temporary contracts:
- other (define)
- for full-time contracts (state working time: 35hr/wk, 40hr/wk, other...)
- for part-time or seasonal contracts (describe)
- other...

➤ **Distribution of staff by socio-professional category** (see example in annex 4)

-Distribution of total staff by socio-professional category  
(Categories to be defined company by company. For example: blue collar, white collar workers, supervisory staff or training specialists, engineers and technicians, managers...)

- in number
- in percentage.

➤ **Distribution of staff within the company's or sector's own classification grid**

- Number of persons at each level of the grid and percentage.
- Evolution over the last three years.

➤ **Distribution of staff by sector**

-Distribution of total staff by activity sector of the company

(Examples of sectors: purchasing, production, maintenance, research and development, administration, finance, sales ....)

-Within each sector, distribution by:

- nature of employment contract,
- gender,
- length of service,
- socio-professional category,
- level of qualification ...

➤ **Short analysis of the wage policy**

- Calculation of the average salary
- Gap between the ten highest and ten lowest salaries in the company

➤ **Analysis of mobility**

(This indicator can be done by sector, age-group, level of qualification, etc...)

-Intensity and evolution of **external mobility**  
(in number and in percentage, over 3 years)

- number of recruitments
- number of departures to pensions,
- number of resignations,
- number of external redeployments,
- number of postings or external transfers,
- number of redundancies ...

Ratio : number of persons concerned / total staff over the year

-Dynamism and evolution of the **internal mobility** (see example in annex 5)

(in number and at in percentage, over 3 years)

- number of internal calls for applications
- number of subsequent internal responses followed by a positive reaction
- number of internal transfers
- number of internal promotions

Ratio : number of persons concerned / total staff over the year

-Evolution of **promotions** over 3 years (see example in annex 6)

- by socio-professional category
- in number
- in percentage

Ratio : number of persons concerned / total staff over the year

#### **4 - Interpretation of the data**

The data related to the general demographics of the company allow one to:

**a)** calculate the average age of the staff (which can then also be sub-divided by gender, service, qualification level etc.) as well as the average length of service (which can also be calculated by category, gender, sector, etc.) and from there, see whether the trend over the past few years has been for an ageing or a more youthful workforce;

These indicators are useful in order to take steps aimed at the maintenance and development of skills in the company :

- anticipation of, and preparation for departures due to age limit,
- hiring of young people, including apprenticeship or similar 'on-the-job' training formulae, or access to employment,
- on a more general level, adjustment between the company's demographics and activity.

**b)** visualise the distribution of employees by gender and to break down this distribution according to the nature of the employment contract. This visualisation can show a possible inequality between women and men in relation to the different types of employment contracts. It might be interesting to check, for example, if the women on part-time contracts have these by choice and whether this formula is suggested to anyone who wishes it (both men and women).

The data related to the distribution of staff allows one to have a global view of the various employment conditions within the company.

The variety of contract types proposed must be analysed looking at the activity of the company, its consistency or seasonal rhythm, its production policy (amount of sub-contracting for example, or resorting to agencies), the intensity of its technological investment, its training policy and qualification of the workforce.

All of these factors allow one to judge if the distribution within the various contract types is justified or if it is necessary to act in the interest of greater job security by, for example, reducing the number of precarious contracts.

This also goes in the case of the distribution within the different socio-professional categories. The nature of the activity and the organisation of the company must justify it. But also the skills level of the workers. This raises the question of the conditions and methods of recognising qualifications on the one hand, including those acquired on the job, and, the economic contribution of each one on the other.

In view of these three criteria, is this distribution justified? Are certain categories deficient or excessive? What training, promotion, conversion, transfer measures would it be appropriate to apply?

Is the current classification grid adapted to the reality of the work in question? To the qualification levels of the staff?  
If not, what modifications would it be necessary to bring? By which means?

Do the developments noticed over the three previous years demonstrate a dynamic management of the workforce or a stagnation? What could the explanations for this be?  
How could this situation be improved?

Is the distribution of staff within the various sectors of activity of the company (production, maintenance, commerce, administration, finance, human resources, ...) in keeping with the company's activity and its development? Does this permit good working conditions? Are all the sectors essential for the good running of the company provided with an adequate and suitably qualified workforce?  
Are certain sectors under- or over-staffed? What is the reason for this? What measures should be undertaken?

Analysis of wage policy constitutes an area in itself (see sheet 2.4).  
Here, we will restrict ourselves to two very general indicators: the average salary and the gap between the lowest and the highest salaries.

In fact, the employment structure can be outlined between these three points, the two extremes and the middle.

With the help of these markers, picked out over the past three years, one can:

- measure the evolution of the remuneration of work,
- compare this with that of the turnover for example or to any other economic indicator,
- also measure the efforts to reduce the gaps between high and low salaries.

Mobility, whether it is external or internal, is likely to radically change a company's employment structure, particularly during periods of major growth or, at the other extreme, at times of crisis.

Periods like these either lead to increased recruitment and renewal of the workforce or to massive redundancies. In many cases, employment remains the favoured adjustment variable.

The intensity of the mobility in general is thus a valuable indicator of the company's well-being and of its strategy.

The external mobility, indicates the range and motives of the incoming and outgoing movements of the company. One can read a part of the company's economic policy and part of its social policy from this.

If the company is taking people on to balance its natural departures, this shows that it is strengthened. If it is hiring staff beyond this simple renewal, this shows that it is banking on an increase of its activities. If the balance goes into the red between the arrivals and departures, the company is in the process of adjustment.

In addition to examining the figures, a more qualitative analysis of the conditions in which the movements operate will indicate the nature of the claims to be made on redeployments and external transfers as well as dismissals: creation of training, re-categorisation suggestions, help in job-seeking, maintaining a supportive link until the new job is found, etc...

The forms of internal mobility mentioned here are only indications. In reality, the important thing is to be able to measure the dynamism and the direction of this mobility.

Where major mobility is requested of the staff, this can be a sign that the company is seeking greater versatility from the workforce. In certain cases, this can also be de-skilling and in others, a factor for progress.

Generally speaking, voluntary mobility, especially when it is accompanied by promotion, is seen as a positive element of professional life and a sign of the company's dynamism. It is a sign that it has a skills and career management system.

On this last point, we will compare the evolution of the number of promotions between the three previous years and between the various socio-professional categories. The purpose of this is to show the trends in terms of needs of certain professional profiles as well as the possible disparity between categories vis à vis opportunities for promotion within the company.

## **5 - Trade union action**

In this area, trade union action will consist primarily of obtaining this data, or reconstituting it, in order to:

- create transparency on the question of personnel management and inform the workers,
- develop a database permitting one to follow the evolution of the main indicators and to exchange information with the other companies in the sector, group and the EWC, if there is one,
- carry out a follow-up of the management policy of staff and their skills linked to the development of the company,
- ascertain that the redistribution of human resources to various services within the company ensures the smooth running of the company, good results and good working conditions,
- develop precise and realistic demands on hiring, career development at all levels, working conditions, remuneration, etc....

- define objective negotiation elements of employment, vocational training and professional equality, within the company and the sector.

## **6 - Link with the European Works Council**

Once assembled, these data should be presented in a simplified and standardised manner so they can:

- be transmitted to the EWC,
- allow comparisons between the companies in the group,
- allow comparisons to be made between companies within the professional branch/sector,
- allow comparisons over several years.

The standardisation of the presentation of the data on employment should be executed on the initiative of the European Works Council or the European federation in order to facilitate the collection and comparison of the information as well as revealing the existence of general sectoral trends.

## **7 - Sources of information inside and outside the company**

The sources of information concerning this area are essentially:

- the company's management,
- the relevant representative body of workers (works council or equivalent),
- the trade union organisations when involved in the negotiation of salaries, the determination of categories, working conditions etc...
- the sectors, particularly if employment agreements have been negotiated there and, on a more general basis, the sections of collective agreements concerning working time, categories, qualifications, remuneration etc....
- governmental policies on employment, access of young people to jobs, promotion of women and professional equality, education and training, retirement pensions, redeployments, economic dismissals, etc...
- labour law

## **8 - Reference to European and national legislation, regulations and collective agreements**

All the texts related to employment in Europe and particularly those concerning the national employment plans and dialogue within the Union on this subject.

- Directive 94/45/EC on the creation of European Works Councils.
- Directive 77/187/EC on the approximation of the legislation of the Member states on workers' rights in case of transfer of companies, establishments or parts thereof.
- Directive 98/59/EC on the approximation of the legislation of the Member states on collective dismissals.

Labour law and national legislation on employment, working time, training systems and access to jobs, the qualifications system etc.

Sectoral collective agreements and company regulations or agreements.

## **9- References to European and national trade union texts**

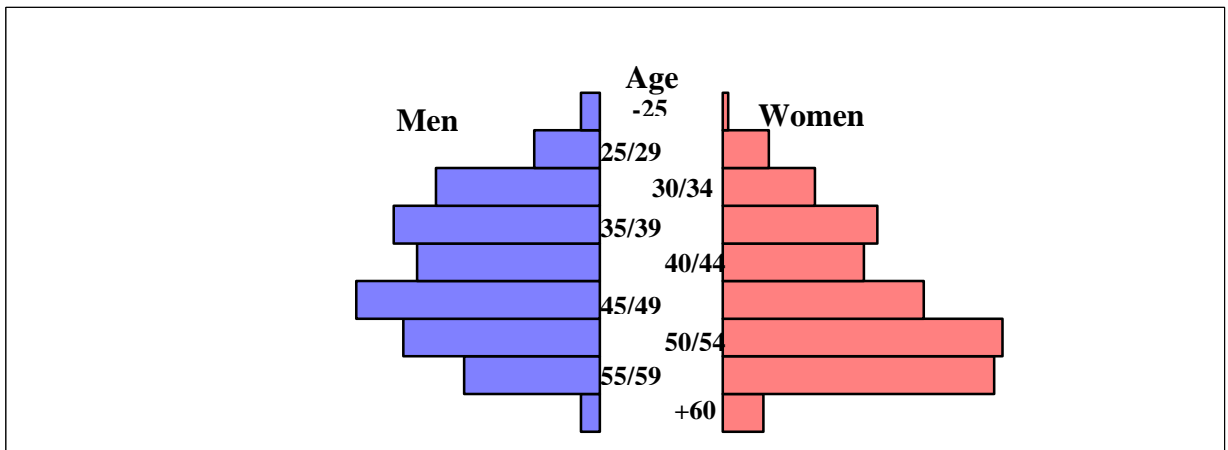
European Trade Union Confederation - ETUC	
European Industry Federations	
European Works Council National trade union confederation(s)	
National industry federation(s) (sector)	
Works Council	

## **10- Glossary**

- apprenticeship
- average wage
- classification (classification grid)
- demographics
- employment structure
- external and internal mobility
- fixed-term contract
- full-time contract
- human resources
- indefinite contract
- length of service
- on-the-job training contract
- part-time contract
- promotion
- qualification level
- remuneration structure
- socio-professional category
- temporary contract
- workforce

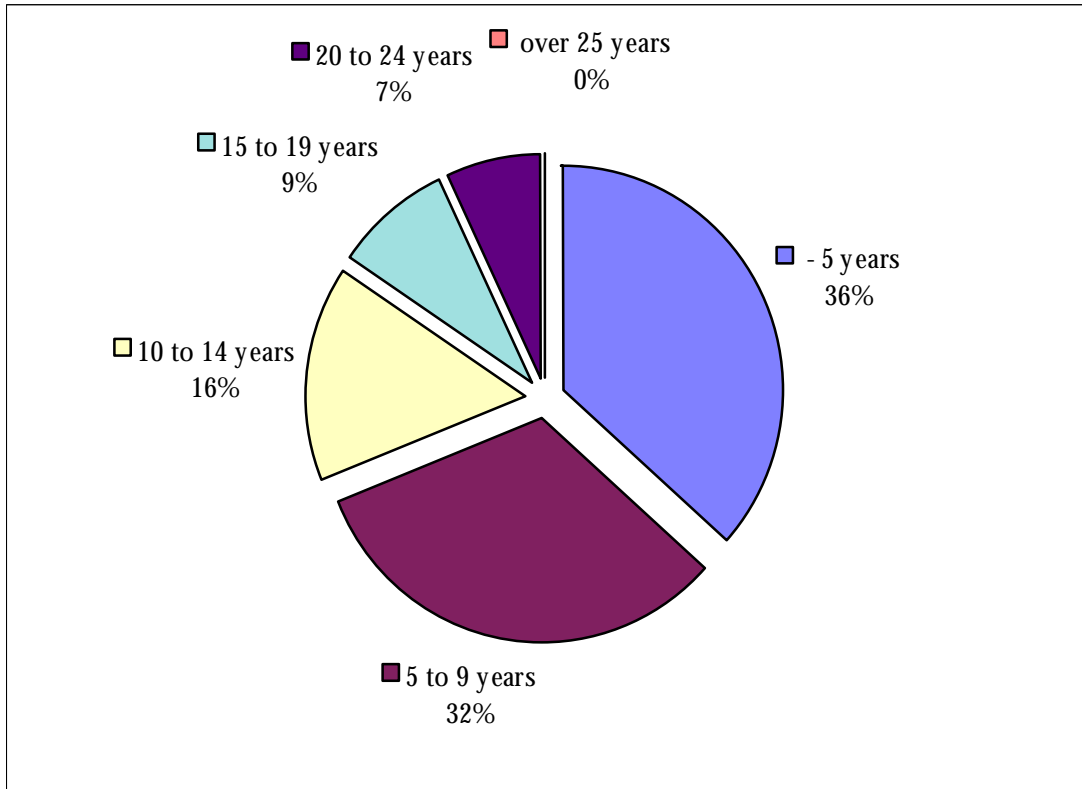
## Annex 1

### Example: Age Pyramid in %



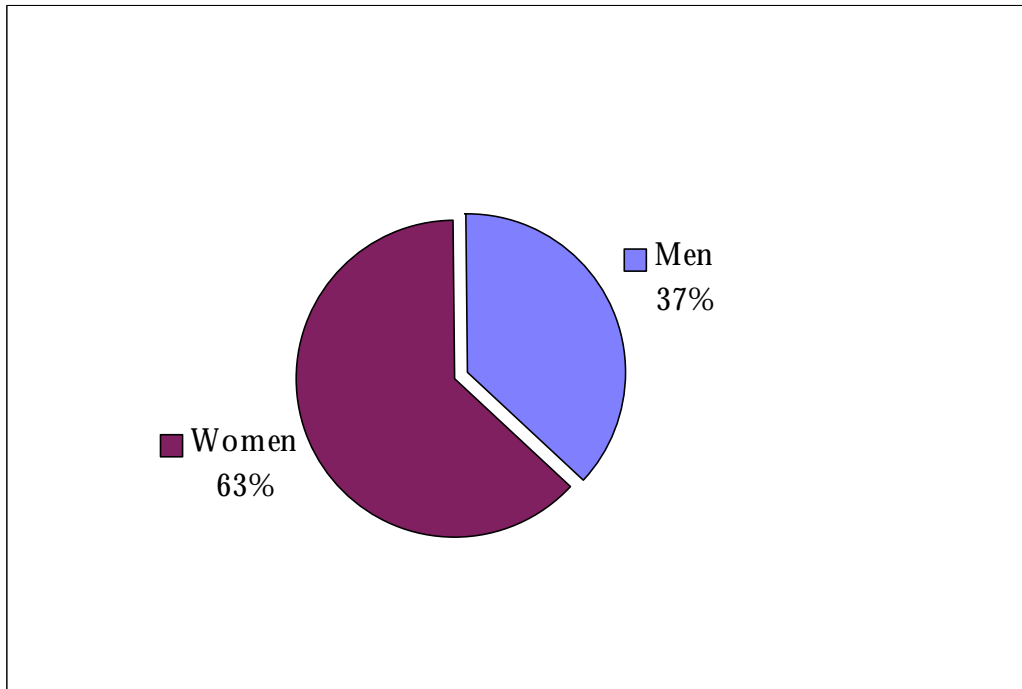
Annex 2

Example: Average years of service in the company



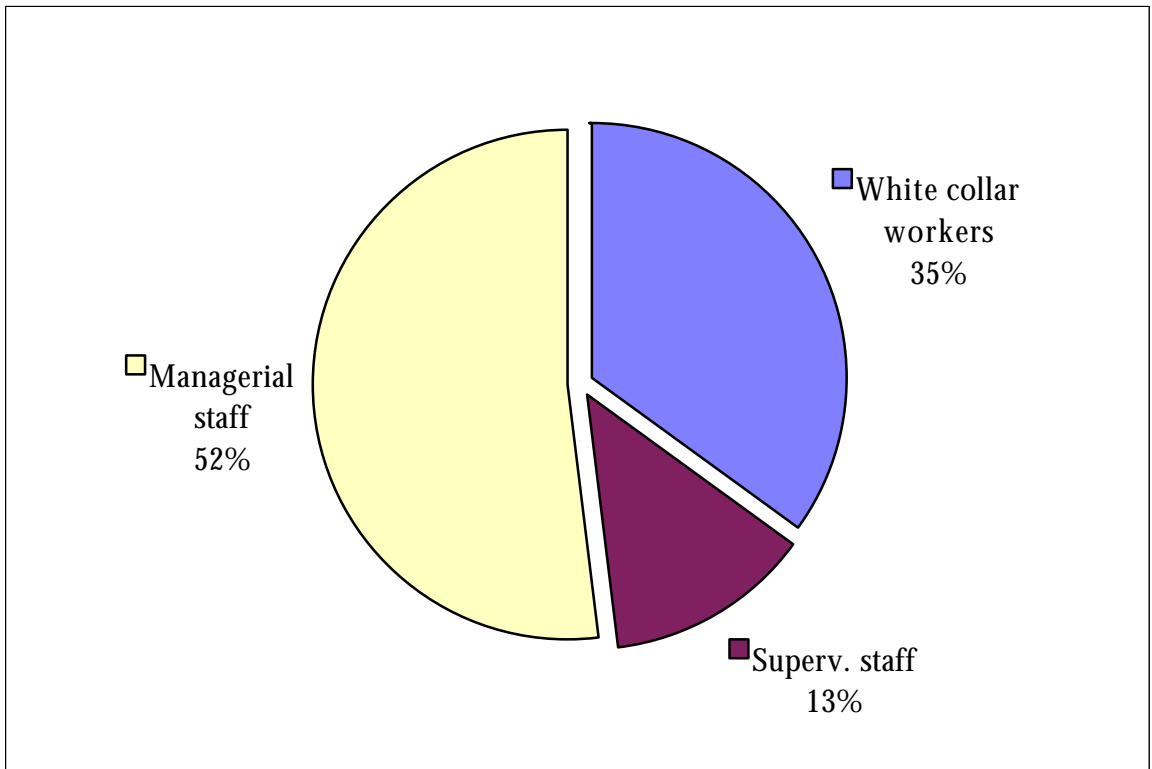
### Annex 3

#### Example: Sex distribution of wage-earners under undefined term contract



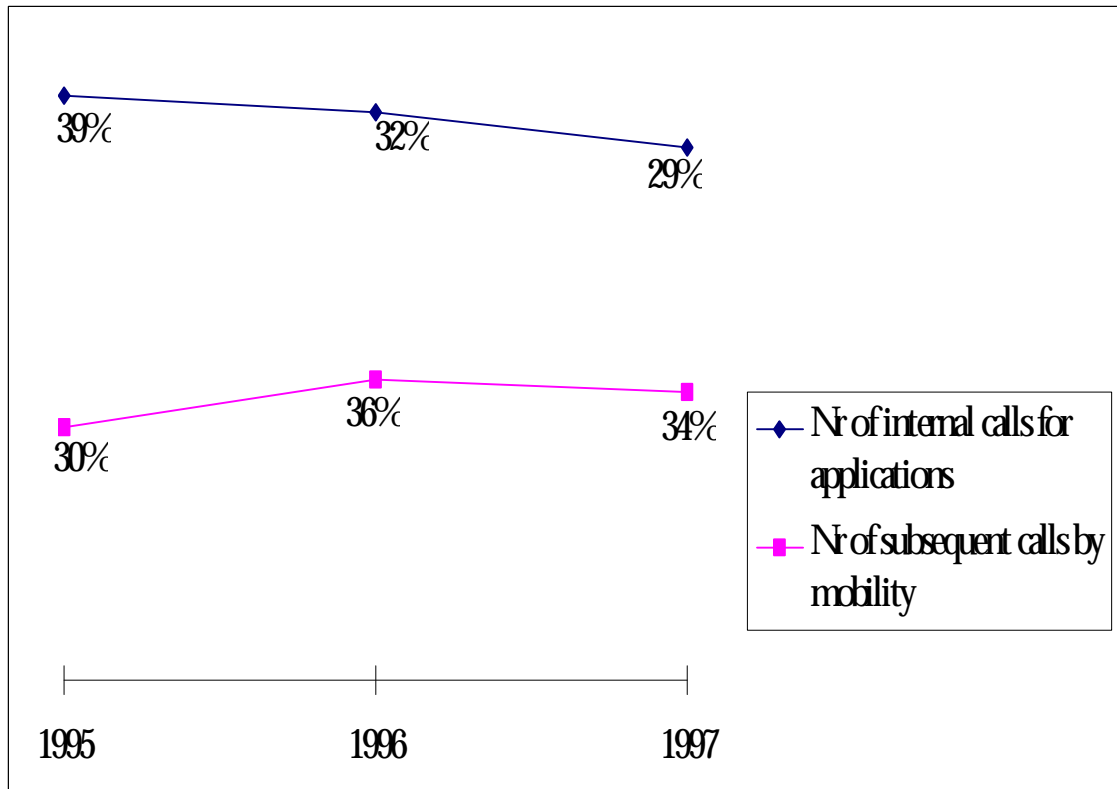
## Annex 4

### Example: Labour distribution by socio-professional categories



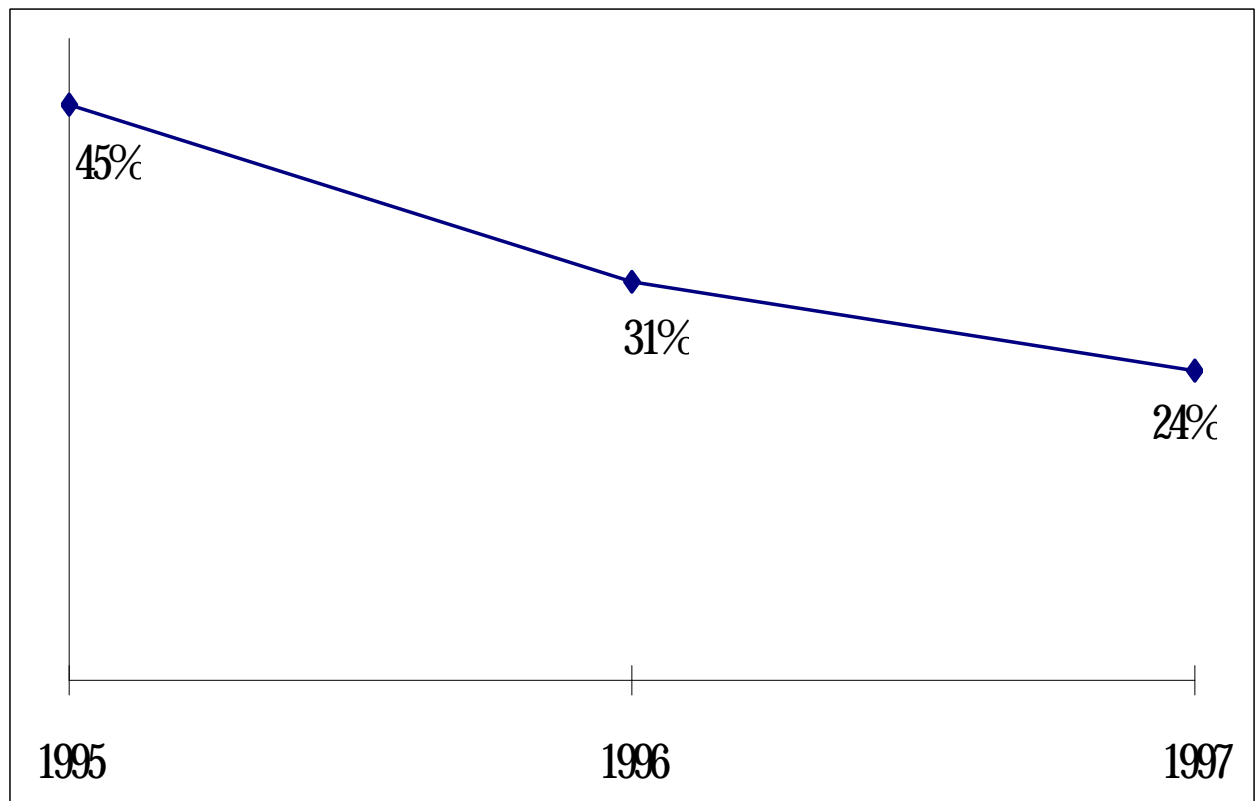
## Annex 5

### Example: Internal mobility evolution over 3 years



## Annex 6

### Example: Evolution of promotions over 3 years

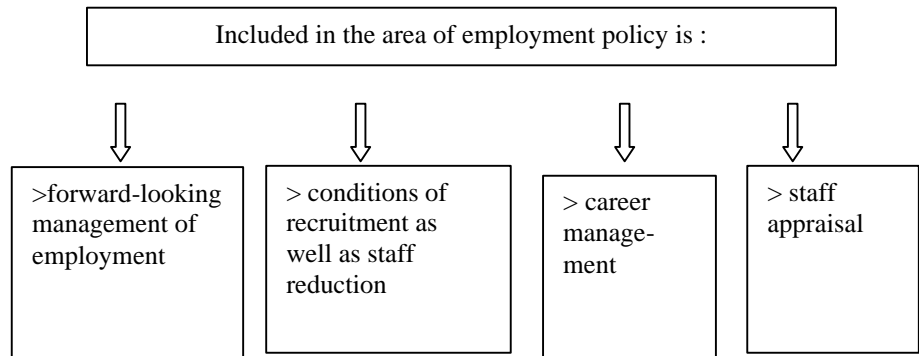


## 2. SOCIAL INFORMATION

### 1. Sheet 2.2 Employment policies

#### 2 - Scope

Employment policies bring together the analyses, decisions and execution methods concerning the arrangement of the workforce and workers' skills to ensure that these are appropriate to the needs generated by the company strategy, in all areas.



#### 3 - Information and indicators

*P* **Employment policy : the main asset for company development.**

- Employment policy is one of the main instruments of adaptation available to the company to help put its strategy into practice.

It is founded on a two-tier qualitative and quantitative approach:

- Qualitative : the company's development or restructuring plans require the anticipation of future needs as regards employees' skills;
- Quantitative : the company's development or restructuring plans require the anticipation of needs and ways and means as regards personnel (wage policy, training, work organisation and working time);

It integrates the development of the existing wage-earning population and adapts it in line with the new order.

It leads to the implementation of adjustment measures on both qualitative and quantitative levels.

For the company, forward-looking management of employment is the driving force behind the company's future competitiveness.

*P* **A three-step approach.**

- The implementation of an employment policy thus arises from three steps (see table below).

#### 4 - Interpretation of data

Whatever the orientations and strategic choices identified, the company is faced with specific demands on the question of human resources.

Two examples :

- What are the possible consequences for human resources management if the company reorientates to a main trade ?
- What are the possible consequences for human resources management in the case of a diversification strategy in the company, with the appearance of new trades ?

What are the implications of these decisions as far as modifying human resources management, in the areas of :

- the introduction of new technology ;
- the new ways of organising production ;
- the modification of the nature of the products ;
- the evolution of the markets.

Do the consequences involve:

- the acquisition of new skills for employees already in the company;
- the recruitment of new qualified staff;
- the redeployment of staff;
- staff reductions;
- professional mobility (changing jobs within the same unit or moving to another unit) ;
- geographical mobility;
- flexibility in how production is organised;
- workers' flexibility;
- wage flexibility;
- organisation of working time?

#### 5 - Trade union action

**The purpose of employment policy is to regulate both the number of jobs and the type of jobs necessary for the company to function:**

*on a quantitative note :*

How is the level of incoming and outgoing staff controlled to obtain the necessary level of employment?



**Consequences for trade union action on:**

- recruitment of personnel ;
- stabilization of personnel ;
- procedures for job abolition or dismissals and/or collective dismissals;
- early retirement.

*on a qualitative note:*

What measures are there for obtaining the skill level and know-how to allow one to best manage production, from an employment perspective?



**Consequences for trade union action on:**

- the level of recruitment ;
- the new skills required;
- new training;
- redeployment policies;
- professional mobility;
- geographical mobility;
- development of working flexibility;
- sub-contracting

***Intervention capacity and levels***

***Practice:***

1. The information received is analyzed
2. Proposals are worked out at trade union level
3. Their proposals are negotiated

***Three levels of intervention:***

- Branch level: what is provided for by the branch agreement and what is the recourse?
- Company level: Prefer internal solutions; fight against precarious labour.
- Externally: Place and role of the trade unions in the vocational training structures; Place and role of the trade unions in the local development of labour (follow up of unemployed, participation at tripartite local bodies for employment (composed of employers, trade unions and local associations)).

**6 -Links with the European Works Council**

- to be communicated by the subsidiary workers' representative:
  - Information on labour developments within the subsidiary.
  - Information on developments concerning products and/or trades in the subsidiary.
  - Information on policies undertaken by the subsidiary concerning training.
  - Information on the restructuring envisaged within the subsidiary.
  - Trade union responses brought at subsidiary level.
  - Requirement to take part in the debates within the EWC.

**7 – Sources of information inside and outside the company**

- Internal sources :
  - Information from management on employment, training and redeployment. What kind of information is available? What information is missing ?
  - Information collected by employee representative body or the trade union, from the employees. What kind of information is this and how was it collected?
- External sources :
  - Workers' representatives in the European Works Council.

**8 - Reference to European and national legislation, regulations and collective agreements**

- European Directives:
  - directive 94/45/EC on the establishment of a European Works Council.
  - directive 77/187/EEC on the approximation of the laws of the member states relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of businesses.
  - directive 98/59/EC concerning the approximation of the laws of the Member States relating to collective dismissals.

National legislation and regulations.

**9 - Reference to European and national trade union texts**

- European:
  - European Trade Union Confederation.
  - European Industry Federation(s)
  - European Works Council.
- National :
  - National trade union confederation(s).
  - Sectoral Industry federation(s).

**10 - Glossary**

Adaptation  
Adjustment  
Careers management  
Diversification of the company  
Flexibility in how the production is organised  
Forward-looking management of employment  
Geographical mobility  
Incentive measures  
Professional mobility  
Promotion  
Redeployment  
Skills  
Staff appraisal  
Subcontracting  
Wage flexibility

## 2 - SOCIAL INFORMATION

### 1. Sheet 2.3. Vocational training

#### 2 - Scope

Vocational training is a priority concern for individuals, firms and society in general. It has:

- a collective aspect, for the firm generally
- it is an aspect of how well it performs
- an individual aspect, for each employee
- it contributes to life-long learning
  
- It is relevant to:
  - ⇒ the company's permanent employees: it allows them to keep their existing abilities up-to-date and develop new ones for vocational advancement and personal self-fulfilment.
  - ⇒ young people and adults for whom it is a pathway to developing abilities and qualifications, including formal diplomas.
  
- It can cover:
  - ⇒ continuing vocational training for workers
  - ⇒ youth apprenticeships
  - ⇒ other forms of employment, training-on-the-job and job access schemes
  - ⇒ training leading to diplomas
  - ⇒ occupational re-training schemes.

#### 3 - Information and indicators

##### A. *THE NEEDS*

- Addressing the workers' and the company's needs
- Addressing the sectors' needs
  - ⇒ What are the key features of the sector and how are they changing (see **sheet 2.1**)
  - ⇒ What are the main problems facing the branch and the main current and foreseeable developments (see **sheets 1.1 and 2.5**)
  - ⇒ What are the employment trends (see **sheet 2.2**)
  - ⇒ What are the technical developments trends in this branch?
  - ⇒ What kind of measures are considered to address these changes?
- **Addressing changing patterns of work**
  - ⇒ What problems may prevent employees from doing their job properly (good conditions, effectiveness, customer satisfaction) in the different sectors or job levels or lines of the firm's business?
  - ⇒ How does management see these problems? What solutions is it offering?
  - ⇒ How do the employees see these problems? What solutions do they offer?
  - ⇒ What are the main current or likely changes in job content for the different sectors or job levels or lines of the firm's business?
  - ⇒ What changes do management wish to take forwards?
  - ⇒ What changes do employees want, fear?
  - ⇒ what new types of skill/ qualification are needed by the different

sectors or job levels or lines of the firm's business? According to Management? According to the employees?

- Addressing individuals' needs (whether they are permanent or not)
  - ⇒ Draw a table of the existing educational levels? (see **sheet 2.1**)
  - ⇒ How are individual needs taken into account?
  - ⇒ What are the training rights of the different categories of workers?
  - ⇒ How are they enforced?

**B. THE MEANS**

- **The training budget**
  - ⇒ Does the company budget specifically provide for staff training?
  - ⇒ How much?
  - ⇒ What percentage of the overall budget does this represent?
  - ⇒ How has this percentage changed over the past 3 years (up, down, unchanged)?

**Total expenditure**

	1996	1997	1998
Total amount in absolute value allocated to training			
Percentage of total wage bill allocated to training			

**Breakdown of expenditure**

Professional training run in the workplace			
Professional training run outside the workplace			
Trainees salaries			
Facilities			
Transport and accommodation			
Other			

**Funding for occupational re-training**

Amount allocated to re-training			
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**Funding for youth training**

Amount allocated to training			
------------------------------	--	--	--

C. METHOD

➤ **Training plan**

- ⇒ Does the firm have a training plan?
- ⇒ What are its aims, broad types (education, updating training, advanced training, occupational re-training, training leading to diplomas or recognised qualifications,....) ?
- ⇒ How and by whom is the training plan drawn up?
- ⇒ by personnel management?
- ⇒ by unit heads
- ⇒ after consultation with the workers' representatives (trade union, employees' representatives, works council ...)
- ⇒ When is the training plan drawn up: in December? spread out over the year? planned over a period of several years?
- ⇒ What categories of employee is it mainly designed for: blue-collar workers, white-collar staff, technicians, sales staff, information systems specialists, managerial staff ...
- ⇒ What reasons does Management give?

D. BENEFIT

➤ **Who gets training?**

The material data, i.e., information on the number of people undergoing training or the number of hours training given is often more significant than just the financial figures.

**General figures**

	1996	1997	1998
Number of trainees			
% of total workforce			
Number of hours			
% of total hours worked			
Average time per trainee			

**Specific figures**

*(By sex and by year)*

	1996	1997	1998
Number of trainees			
% of total workforce			
Number of hours			
% of total hours worked			
Average time per trainee			

(By occupational group, allowing for country-to-country differences, and by year)

	Blue-collar		White-collar		Technicians		Managerial staff		<u>TOTAL</u>
Number of trainees	T	%	T	%	T	%	T	%	100
% of category									
Number of hours	T	%	T	%	T	%	T	%	100
Average period per trainee									

(By age)

	Under 25		25-50		Over 50		<u>TOTAL</u>
Number of trainees	T	%	T	%	T	%	100
Number of hours	T	%	T	%	T	%	100

### **Youth training**

- ⇒ Number and breakdown by service of apprentices in the firm
- ⇒ Change over previous years
- ⇒ What are the main diplomas or qualifications being trained for?
- ⇒ Number and breakdown by service of young people on "training-employment" contracts in the firm
- ⇒ Change over previous years
- ⇒ Main diplomas or qualifications being trained for.

### **General figures (allowing for country-to-country differences)**

Number of young people on:	1996	1997	1998
Apprenticeships			
Training-employment contracts			
School students on work experience			
Other			

### ➤ **Occupational re-training**

One key objective of the firm must be to avert redundancies, i.e., plan ahead for developments:

- ⇒ Number of redundancies for economic reasons
- ⇒ Measures that the firm can use
- ⇒ Number of employees who have undergone occupational re-training
- ⇒ End-of-training outcome: redeployment, other training, unemployment

## E. EFFECTS

### ➤ **Assessment of training**

- ⇒ What is the ratio of training planned to training provided?
- ⇒ What is the ratio of planned to actual participants?
- ⇒ How is training evaluated:
  - is there an evaluation? what of?
  - how is it carried out?
  - by whom?
- ⇒ What say do employees' representatives have in the evaluation?
- ⇒ What happens after training: change of duties, job, title, pay, initial problem solved ...
- ⇒ Does the fact of being a subsidiary of a transnational group have an influence or effect on the training plan or practice in your firm? What effect?

## 4 - Data interpretation

The training policy of a company can be analysed from the following five key elements: the needs of the labour force and of the company, the human, financial and material resources devoted to training, the processing of such needs, the people who benefit from these training actions, the effects of this investment in training for the wage earners and for the company.

### A. NEEDS

- ⇒ Are the collective needs of adaptation to work and to the operation of the company well known, properly analysed and taken adequately into account in the training programme?
- ⇒ Is the work development during the latest years described, analysed and integrated into the structure of the training programme and in its realisation?
- ⇒ Is the economic, technological and social evolution of the branch and of the company's trades analysed and taken into account in the training programmes?
- ⇒ Are the individual needs (education, vocational ease, qualifications, health & safety, professional and individual promotion ...) well-known, aimed at, considered?

### B. MEANS

- ⇒ Considering these needs and the company's strategy, are the human, financial and material resources devoted to training adequate?
- ⇒ Do they match the stakes for the company at large, for the different sectors of activity and for the various categories of workers?

### C. METHOD

- ⇒ Do they allow for the maintenance or the progress of the collective competencies of the workers and of the company?
- ⇒ Is the method used to plan and carry out training globally satisfying?
- ⇒ How are the training needs collected?
- ⇒ It is possible for all workers to utter training requests?
- ⇒ What is the role of the hierarchy in the processing of requests?
- ⇒ Are workers' representatives consulted about the analysis of the

needs? about training plans? about priorities?

#### **D. BENEFIT**

⇒ Do the training schemes retained by management match with the claims of labour or with the needs of the company to function adequately?

⇒ What are the objectives of training from the point of view of management and of labour respectively?

⇒ With the help of the indicators on the persons who take advantage of training, can one consider that training is a true right for workers?

⇒ Does training benefit more to those who badly need it to guarantee their job, their health, their capacity to progress in the company ... ?

⇒ Does the breaking down of training by year, by department (of the company), by socio-professional category, by sex and age reveal strong disparities?

#### **E. EFFECTS**

⇒ Are such disparities justified? Should one request another breakdown? Which one?

⇒ How and by whom are the effects of training evaluated in the company?

⇒ Do workers' representatives participate at such an evaluation and how?

⇒ What conclusion can be drawn from such an evaluation?

⇒ Is the "training" investment sufficient, facing the company's problems and outlook?

⇒ Is this investment adequately oriented towards the real needs and the right people?

⇒ Is the "training" investment complementary to the other ones, like "new technologies" or so?

⇒ Does it produce visible effects on:

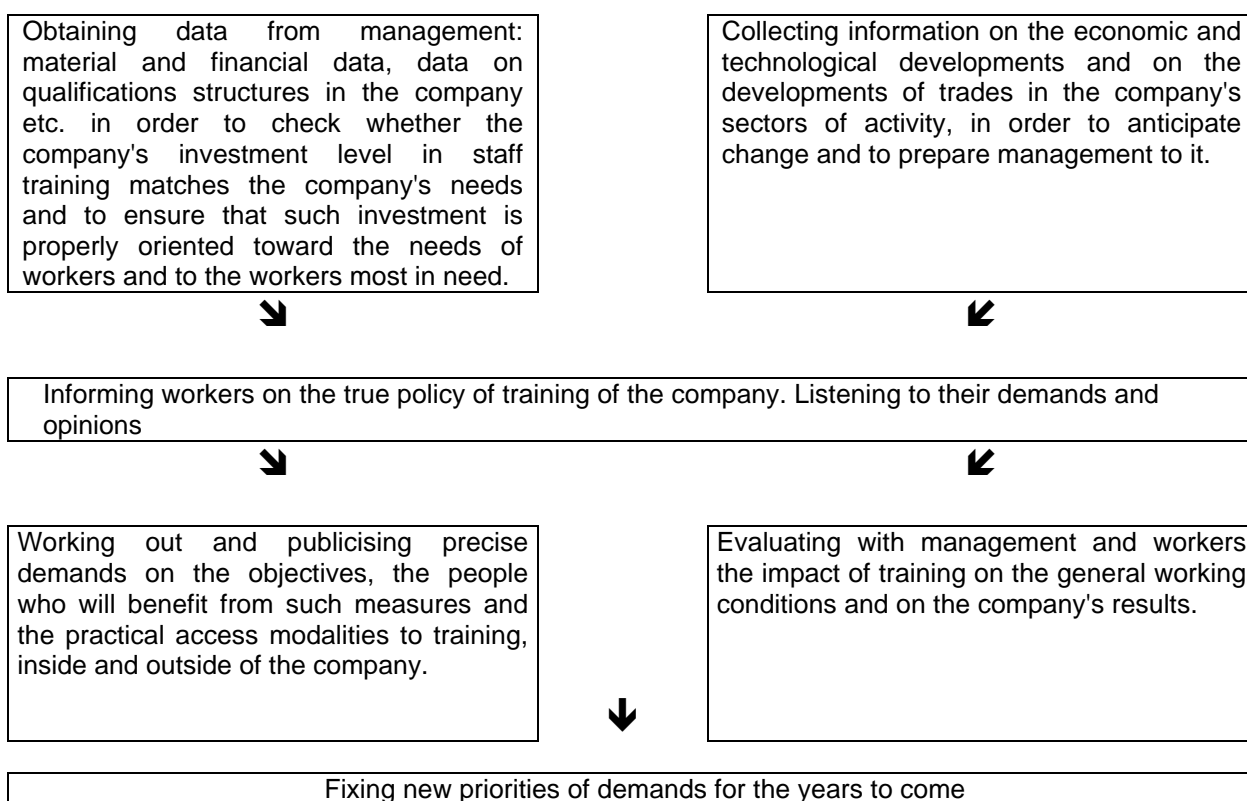
- the employment structure
- the structure of qualifications
- health and safety in the company
- the organisation of work
- the wage system etc.?

⇒ Could you establish a relationship or a comparison between the training policy of the enterprise and the training policy at branch level on the one side and between the training policy of the company and the one of the group on the other?

⇒ What kind of claims can be inferred from it as far as training, qualifications, working organisation and conditions, employment and wages are concerned?

## 5 - Trade union action

The action of trade unions in this field will mainly consist in:



## 6 - Links with the European Works Council

- ⇒
- ⇒ The material and financial data on training can be easily forwarded to the EWC;
- ⇒ The advantage of such a communication is to establish comparisons between the companies of a group and to get a global vision of training practices within a group;
- ⇒ On the basis of such comparisons, similarities and differences, a list of common recommendations or of common claims in the field of training within a group could be established;

## 7 - Sources of information inside and outside the company

- ⇒
- ⇒ In this matter, the main source of information lies with management.
- ⇒ The information may be a part of the package of information regularly forwarded to the workers' representation body, according to the country's laws and conventions.
- ⇒ The qualification structures and individual and collective rights relating to training are also regularly found in the branch collective agreements.
- ⇒ Interprofessional or sectoral agreements on training and qualifications may also exist.
- ⇒ However, youth training within the company and the retraining of threatened workers may be subject to measures by the public authorities.
- ⇒ Therefore, some information will have to be sought with the competent public authorities.

⇒ In addition to this, education and vocational training are dealt with in a number of books, both at national and at European level.

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**8 - Reference to European and national legislation, regulations and collective agreements.**

⇒ At European level, we refer to common opinions of the social partners and Article 127 of the EU-Treaty.

⇒ At national level, law texts on education and training may be found either in the Constitution, or in the corpus of labour laws, or in conventions.

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**9 - Reference to European and national trade union texts.**

- European:
  - European Trade Union Confederation.
  - European Industry Federation(s)
  - European Works Council.
- National :
  - National trade union confederation(s).
  - Sectoral Industry federation(s).

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**10- Glossary.**

Apprenticeship  
Certificate  
Competencies  
Employment-Training  
Qualifications  
Retraining (redeployment)  
School level  
Socio-professional categories  
Trainee  
Training programme  
Training levels

**2 – SOCIAL INFORMATION**

**1. Sheet 2.4. Wage Policy.**

**2- Scope.**

The **individual items of information which are necessary** for a proper wage analysis in a company are the **relative wage levels, their growth over time, the wage structure, the low-level salaries, the wage hierarchy and the terms of remuneration.**

The approach to the question of pay and/or salaries has evolved over the past few years. The **concept of pay must be taken as a group of elements which may be monetary or in kind, on a fixed or precarious basis and deferred or immediate** (see table on wage components).

The social policy agreement concluded between the Member States of the European Community on 9-10 December 1991 stipulates that the **question of wages is entirely outside the jurisdiction of Community authorities.**

Nevertheless, it is the responsibility of the EU legislator to look into the equal treatment of men and women. Several Community directives state this. Other Community directives also deal with this question (see point 8).

Further, the **Community Charter for the fundamental social rights of workers**, adopted by the European Council on 8-9 December 1989, stipulates that

- **workers will be assured an equitable wage.**

### **3 - Information and indicators.**

#### ***D How is the wage structured ?***

- Is there a reference to the professional or inter-professional wage ?
- What is the classification laid down in the collective agreement for each trade?
- What are the bonuses (individual and/or collective) applied according to qualification and what repercussions do these have on wages?
- Posted work, attendance, risk-linked premiums, other professional constraints – do these have an effect on wage structure ?
- How is over-time pay calculated?
- What are the factors behind decisions on wage reviews and collective promotion?
- Does length of service in the company or sector have an impact on wage ? How is length of service remunerated?
- Is professional development while in service (new qualifications for example) recognised in remuneration terms, and how ?
- What proportion of the wage is linked to the person as an individual ?
- Is the wage related to company profits ? If so, in what way and what are the repercussions for pay?
- Is share ownership or participation in company capital a factor in the wages ?

#### ***D The average annual wage***

The remuneration level corresponds to the total wage actually received per

year by the worker. The following ratio may be applied, giving a visual depiction of developments over the years:

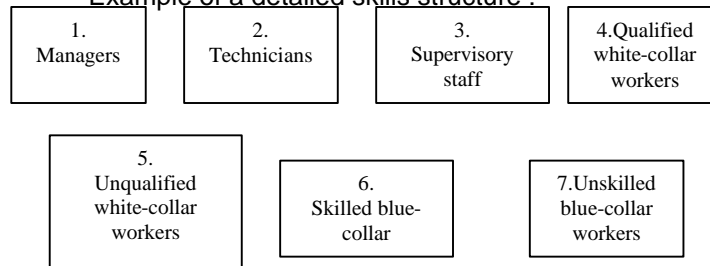
$$\frac{\text{Total annual wage bill}}{\text{Average monthly pay actually received (*)}}$$

(\*) By « average monthly pay actually received » we refer to the sum total of monthly pay actually received, divided by 12 months.

***P The average annual qualification-based wage***

For this, it is necessary to set up a **detailed qualifications structure** covering at least 5 or 6 posts which are based upon the classification in the collective agreement or the company agreement or established practices within the organisation.

Example of a detailed skills structure :



To put this ratio into practice, it is necessary to know, for each qualification :

- the number of workers concerned,
- the total annual wage bill of all the workers concerned by this qualification ;
- the impact of over-time on this qualification;
- the impact of the length of service.

***P And the equality of treatment***

Calculate the total of the average annual pay, according to qualification and sex.

***P Wage hierarchy.***

- Compare the **average pay of the 10% of workers on the highest salaries** with that of the **10% of workers on the lowest salaries**.
- Compare the **average pay of managers and the average blue collar workers' pay**.

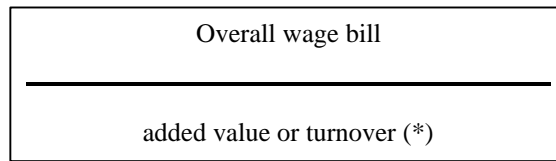
***P Overall wage costs of the company***

The overall wage costs include :

- the actual salaries received by the workers.
- the compulsory contributions made by the company in its name (employer contributions) or in the name of its workers (employee contributions) which allow the workers to benefit from social protection in case of illness, an accident at work, retirement, unemployment, maternity, etc.
- the compulsory contributions made for further vocational training, apprenticeship, housing assistance.
- contributions and taxes (income tax for example).
- optional contributions to a complementary pension scheme, for example.
- contributions for social deeds.
- advantages in kind.

Once this information is known, the ratio of the division of added value can be

calculated in this way.



(\*) The added value allows the remuneration of production factors (labour and capital) and coverage of the compulsory and exceptional deductions. Essentially, the added value is shared between the personnel costs and remuneration of capital.

It is better to use added value in this ratio rather than turnover as it is possible for the latter to be augmented artificially by increasing transactions in which the company's own contribution is very minimal.

***P* Costs of temporary staff**

- Research the level of **transfers made by the company** to outside companies to supply **temporary workers** (temping). As a general rule, a company's accounts will not record the personnel costs of staff supplied by another company within the personnel costs section but within the section on external costs, because the user company will settle the bill for the services provided.

**4 - Interpretation of data**

***P* Warning**

- The indicators concerning remuneration are difficult to interpret. As a general rule, one compares averages. But the comparison of averages is not always straightforward as numerous factors have an influence on averages where remuneration is concerned (for example : the population in question, the level of absenteeism, the working hours, promotions etc.) all have to be taken into account.

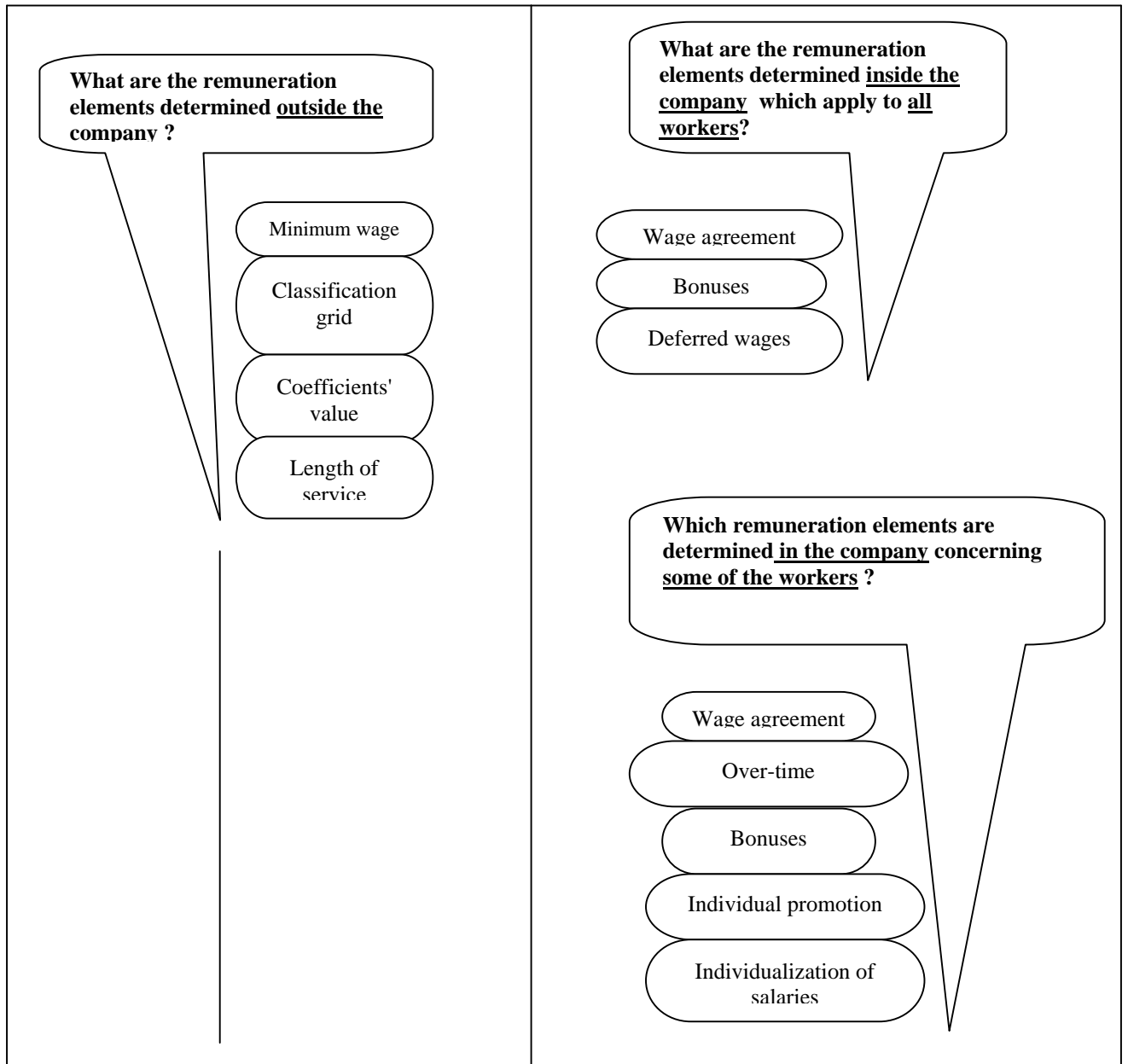
***P* How is remuneration determined in the company ?**

- Interpreting data on remuneration generally involves taking into account the three following developments:
  - Arbitration between the collective and the individual;
  - Arbitration between the fixed share and the variable portion;
  - Arbitration between the immediate and deferred wages.
- Who determines the minimum wage applied in the company ? How is it reviewed? Over what period of time ? Does it depend on a coefficient ? What is one point worth ?
- Are there annual wage negotiations in the company or negotiations to cover several years ?
- 3 elements should be taken into account particularly in order to obtain a clearer picture of wage developments :
  - the « sliding » element which corresponds to the consequences on the total wage bill of collective promotion and review measures accorded for each job category ;
  - the « old-age » element which involves the impact of length of service normally foreseen automatically, in sectoral or company agreements;
  - the « technical nature » element concerning the impact of individual promotion measures of which the result is an improvement of the recognised qualification of the workers who benefit.
- What proportion of wages are individualised (eg. is the individual performance of each employee acknowledged?)
- How much of the wage is made up of « bonuses » ?(you need to know the bonus share according to qualification at monthly or non-

- monthly intervals)
- According to qualification, what share is made up of over-time?

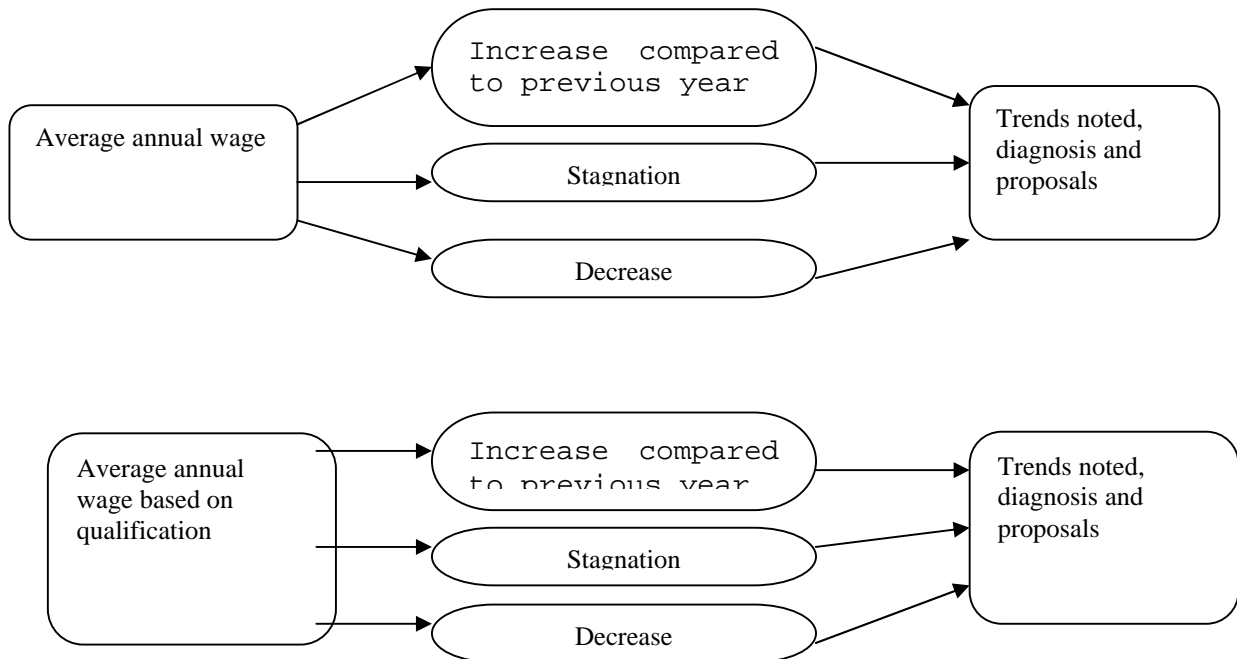
## 5 - Trade union action.

### D Closer inspection of the construction of wage policy in the company



- 1) **Who participates in devising these remuneration elements ?**
- 2) **Who negotiates?**
- 3) **Who implements them?**
- 4) **Who oversees them?**

▷ **The evolution of certain indicators over several years can be displayed in order to prepare the negotiations.**



▷ **The above research can also be carried out according to qualification and sex.**

▷ **What should trade unions take into consideration, in order to improve wage policy negotiation ?**



In relation to remuneration elements defined outside the company :

- Where can I intervene?
- How should I intervene?
- What proposals should I make?



In relation to remuneration elements defined within the company :

- How should the complaint be taken to the trade union representatives
- How do I prepare the negotiations?
- With whom ? the works council ? The trade union representatives?  
The workers?
- How do I negotiate?
- How and to whom do I report ?

## **6 - Links with the European Works Council.**

> You should have knowledge of the following, both at group level and in other subsidiaries :

- The various wage components ;
- The minimum wage per qualification ;
- The average annual wage;
- The average annual wage per qualification ;
- The wage hierarchy ;
- The various components of the company's overall wage bill.

## **7 - Sources of information inside and outside the company**

⇒ Internal sources :

- The information from management. What does this include? What information is missing ?
- The information collected from the workers by the works council or the trade union. What does this include and how was it collected ?

⇒ External sources :

- Press.
- The positioning of social actors (national or regional pacts, declarations and positions).
- The legislation or regulations adopted (official journal, labour inspection, etc).
- The confederation and/or industry federation . What is the content of the inter-professional and/or sectoral collective agreement?

## **8 - Reference to European and national legislation, regulations and collective agreements.**

⇒ European Directives:

- 75/117/EEC of 10 February 1975 concerning the approximation of laws of the Member States relating to the application of the principle of wage equality between male and female workers.
- 76/207/EEC of 9 February 1976 relating to the implementation of the principle of equal treatment between men and women.
- 77/187/EEC and 98/50/EC relating to the approximation of laws concerning the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of businesses.
- 96/71/EC concerning the posting of workers for the provision of services.
- 79/7/EEC relating to the progressive implementation of the principle of equal treatment between men and women concerning social security.
- 86/378/EEC relating to the implementation of the principle of equal treatment between men and women in occupational social security schemes.
- The communication of the European Commission entitled Agenda 2000 (« The effects of enlargement to include the applicant countries of Central and Eastern Europe on the policies of the European Union »).

⇒ National legislation and regulations.

⇒ National, inter-professional and sectoral collective agreements.

## **9 - Reference to European and national trade union texts.**

➤ European:

- European Trade Union Confederation
- European Industry Federation(s)
- European Works Council.

➤ National :

- National trade union confederation(s).
- Sectoral Industry federation(s).

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## 10 - Glossary.

Added value  
Average monthly staff  
Classification grid  
Coefficient  
Fixed monetary elements  
Fixed or variable non-monetary elements  
Qualifications structure  
Temporary staff  
Total annual wage bill  
Total wage costs  
Turnover  
Value of coefficients  
Variable monetary elements

## 2 – SOCIAL INFORMATION.

### 1. Sheet 2.5 Work Organisation

#### 2 - Scope

The workers' delegate should be in a position to know and describe the work organisation of the production - or service - unit which he (she) represents (*micro* dimension) and he (she) must be able to relate it with the company's more general work organisation (*macro* dimension) and *vice versa*.

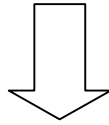
Therefore, in order to define the work organisation of a company, you must be aware that:

- the company is an organised system whose aim is to convert several elements or factors (raw materials, energy etc.) to produce goods or services. (see sheets 1.1 and 1.2).
- it is **work organisation** which, in space and time, combines the conversion of these elements with technology and human resources.
- the aim of work organisation is to optimise all factors in order to reduce costs, increase productivity and improve the quality of the goods or services.
- the company is constantly renewing its work organisation according to its plans, technological innovations, social changes, and the employer's culture and capabilities.

Production activity is a complex one, involving numerous skills, knowledge of operating techniques, the use of technology etc.

Modern work organisation must confront and resolve a particular *dilemma* in an adequate way and according to the desired results: how can the work activity be divided and reconstituted?

In simple situations, the solution of the organisational *dilemma* is down to the people and traditions concerned (e.g.: in the arts and crafts industry). However, in more complex situations, the division and reconstitution of labour are the subject of research and theoretical projects, concerning the articulation of levels of responsibility and tasks.



- *Taylorism* and *Fordism* were the first forms of scientific work organisation *following a set plan* : the company is considered as a machine, composed of a group of parts which must pursue a pre-set outline as closely as possible (**mechanical model**).
- As opposed to the mechanical model, the **organic model** does not prescribe particular pre-planned formulae, but criteria on the basis of which each company and/or work unit must try to identify its individuality and its optimal configuration.

<b>Mechanical model</b>	<b>Organic model</b>
Clear separation of tasks and duties (work linked to defined tasks and posts, reduced mobility, working alone)	Dynamic vision of tasks in relation to the objectives (roles, versatility, rotation, working in groups)
Maximum efficiency within the various units	Objective of total effectiveness, with a professional perspective
Formalised tasks	Reduced formalisation of organisational variables
Formalised responsibilities	Importance of the hierarchy as possessors of skills rather than authority
Communication, decisions and hierarchic-style supervision processes	Horizontal rather than vertical relations
Obedience standards and rules to superiors	Consultation and co-operation processes (participative management style)
Loyalty to the company	Ethically professional standards and development of human resources
"status"/authority levels determined by the position occupied in the structure	"status" levels determined by professional capacity
Set working hours	Flexible working hours

**Attention :**

Concerning the distinction between **formal and informal (or real) types of organisation** : formal organisation includes formal organisation as provided for by the management through task planning, modes, time division etc. while informal organisation is the organisation which is carried out concretely through subjective or collective adaptation strategies, practically enforced by the wage earners to make things to function properly. The informal organisation integrates the formal one, but cannot replace it. The formal organisation determines the contents and the value of the various professional categories, or working time management. When analysing the work organisation (macro and micro) of a company, both dimensions must be considered. Generally, the trade unions negotiate on the formal organisation, basing upon their knowledge of the informal organisation.

### **3 - Information and indicators**

**"The micro organisation"** concerns work organisation within individual production units (e.g. : department, service, workshop, office, etc.).

The **"macro organisation"** concerns the majority of workers directly and, as a result, represents the purpose of industrial relations, in its various forms.

To know about work organisation, it is necessary to remember firstly :

- the constraints and the necessities of the market and the products ;
- the constraints and the necessities of the technology adopted;
- the culture and the power relations within the work unit.

Product, market and technology alone do not determine work organisation, but the demands and the quality which the organisation must confront.

The **reconstruction of the working cycle**, represented in the form of a flow chart for example, is the starting point for work on collecting and analysing information on work organisation which could be used to produce results to be interpreted according to the desired objectives (e.g. analysis: of employment, professional levels, working conditions, etc.) and to compare different working situations.

With a few graphics, we can represent an entire working cycle (production of products or services), determine the main phases, sub-phases, operations and tasks.

For example :

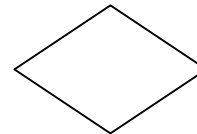
- to represent the inputs or outputs (e.g.: raw materials, the products or services)



- to represent the activities (storage, processing, packaging)



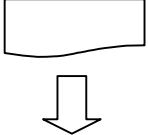
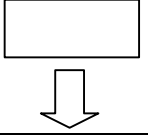
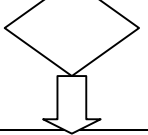
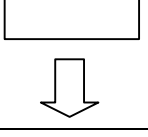
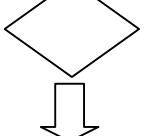
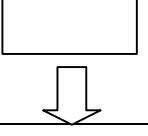
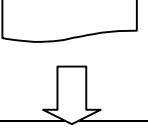
- to represent the decision-making stages, quality control, etc.



*Nota bene*

**This structure can be used for the analysis of both macro and micro dimensions of work organisation.**

**Information to keep and the collection methods:**

Flow chart on the flow of the cycle or phases of the activities		Description of the activities carried out, division of tasks, rotation, subcontracting, homework, telework	Description of the raw materials, technologies, just-in-time practices, flexible production, etc.	Number of persons employed, by gender, age, qualification, typology of work contracts, working relations, etc.	Description of the organisation of working hours (breaks, pauses, posted work, etc.)
Example: 	Input Raw materials, services etc.				
	1 <sup>st</sup> transform.				
	Quality Control				
	2 <sup>nd</sup> transform				
	Quality Control				
	Making				
	Finished goods				
	Shipping				

## 4 - Data interpretation

The interpretation of the data collected on work organisation can generate three kinds of analyses:

⇒ *the historical analysis of change process.* The delegate will understand through the reconstruction of changes (for example over the last ten years) at micro and macro levels **the technological and organisational trends which are preparing the future.** Just a few examples: going beyond fragmented tasks and production line work, increasing the automation processes, input of *just-in-time* in the relation between suppliers and customers, developing flexible productions, adopting homework or telework schemes, changing timetables or making them more flexible, subcontracting etc. With this analysis, the delegate should be able to position and to evaluate his own company in relation to the average companies of this branch. On the basis of the interpretation of these data, it is possible to determine whether work organisation is out-dated, mature, changing or innovative.

Considering that change cycles in work organisation are becoming shorter today, one could evaluate the data collected as follows. The delegate can give a mark ranging from 0 to 3.

- ⇒ **mark 0:** the case of a company which is in no process or project of technological or organisational modernisation (be it already carried out, current or future). It is specifically the situation of an obsolete or "dying" company.
- ⇒ **mark 1:** the case of a company which experienced very few processes of change in its recent past and presently. This is specifically the situation of a company which has come to a halt or which is encountering a severe crisis.
- ⇒ **mark 2:** the case of a company which launched a modernisation and technological as well as organisational change process. The present results are still moderate but there are big hopes for the future. This is the situation of a company which is "awakening" and opening.
- ⇒ **mark 3:** the case of a company which carried out an important change process and which started to benefit from the first results from the point of view of competitiveness (restructured and competitive company).

⇒ *the analysis of the social consequences of work organisation.* On the basis of the data and of the preceding analysis, the delegate can evaluate **the consequences of work organisation on health and life conditions, on the levels of employment and of professional progression of workers**, namely:

- a) the work load distribution between the workers according to the competencies and tasks attributed to them in the various phases of the cycle and the mechanisms of mobility and flexibility introduced (see sheet 2.1);
- b) the timetable and rotation systems, the breaks, night work, overtime etc.;
- c) the production mechanisms (individual and/or shift work) with bonus and remuneration systems (individual piecework, collective piecework, wage dependent on the results etc.) (see sheet 2.4);
- d) equal opportunities and treatment of men and women, as well as possible forms of discrimination;
- e) the risks at the workplace and the phenomena connected with accidents and professional diseases (see sheet 2.6);
- f) the structure of employment, the lack of manpower (see sheets 2.1, 2.2 and 2.3).

Basing upon this analysis, the delegate may carry out his (her) own evaluation of the social reality related to the organisation of work in his (her) own company, in each sphere of activity and at every stage of production. This evaluation should always comprise the opinions and the expectations of the workers concerned and should help the delegate identify:

- ⇒ the critical aspects of the system
- ⇒ the requirements of change
- ⇒ the fields of competencies and the strategies of trade union management.

⇒ *the participation of workers and the system of relations in relation with the technological and organisational innovation processes.* On the basis of the data collected, the delegate should evaluate the following points:

- a) whether work organisation and technologies used do or do not increase the value of the direct implication of workers during the various phases of work; whether workers have competencies to regulate processes and have functions of "problem solving"; whether there exists a kind of flexibility in the self-management system of timetables; whether there are strategies aiming at improving working conditions etc.;
- b) the recognised – or denied – role, and the role which is really played by the system of industrial relations, for instance the recognised representation bodies, the information and consultation rights, collective bargaining, the procedures etc. (see sheet 2.9). It is important to evaluate the real possibility for the delegates and/or the trade union to influence the decision process of management in the field of technological and organisational innovation, as well as their capability to foster the professional progression and the improvement of life and work conditions of the employees;
- c) the company's policy in the field of human relations and the strategies of direct implications of workers at the workplace and in the innovation processes. A number of companies – acting sometimes against the trade unions – have introduced participation forms and practices, like "quality circles", or "ergonomic teams" etc., inviting workers to contribute to the improvement of work quality and organisation and to utter their agreement with the results proposed by management.

## 5. Trade union action

In the field of work organisation, and on the basis of the interpretation of the data collected, the trade union action should prepare the trade union demands to be submitted to management.

To this end, it is necessary to answer the following questions, while defining demands for each and every item:

Questions (examples)	Trade union demands
* which parts of work organisation and of technologies are effectively controlled by the delegates? What kind of information and data should be asked to management? Which information is to be asked directly to the workers concerned?	
* what is the daily, weekly and yearly work timetable? how is shift and week-end work organised? what about breaks? time off for compensation? what relation with risks?	
* the present work organisation fosters – does not foster participation, professional progress, better working and living conditions for workers. What do workers expect? What differences as to sex, age, typology of work relation are concerned?	
* which are the weak points of the work organisation in relation to the competitiveness of the company in its sector and on its market? what are the difficulties at work organisation level to reach the quality and productivity objectives fixed by management to every production unit?	
* what kind of participation can be	

achieved in the company's decision processes relating to technological and organisational change?	
* do delegates have an opportunity to negotiate work organisation? Do they have a preventive information and consultation right on innovation processes decided by management?	
* which rights and procedures should be recalled or claimed in order to play a negotiation and/or participation role in the field of work organisation?	
* what are the problems concerning recourse to sub-contracting, forms of homework, telework etc.?	
*	

Basing on such questions – and possibly other ones – the delegates will be able to define a first grid of demands to submit to management.

It should be reminded that work organisation is traditionally a subject of confrontation and conflict and that ever since, this topic is considered by management in all countries as an absolutely private and one-sided ground of competencies and power.

## **6 - Links with the European Works Council**

Putting together all the information available on work organisation is one of the most interesting aspects of co-ordination between the workers of different subsidiaries of the same group or between members of a same European works council.

This comparison will be all the more easy if the collection of data and the interpretation schemes are similar. The method applied (see point 3) is a good example in this direction.

If we compare a cycle or a work phase common to several subsidiaries or companies of the same group, while describing the flow and the elements of activity and work organisation (following the diagram), it will be possible:

- to identify the points of organisational and technological convergence and divergence (for example: we produce the same product or service the same way, with the same procedures, the same staff, same technology etc.)
- to fancy the possible strategic tendencies of management on innovation processes, employment and training policies, reduction of working time, recourse to some forms of flexibility etc.
- to understand the different role of the workers' representation bodies, and the different practices of industrial relations as regards work organisation and technological innovation in the subsidiaries: negotiation in innovation matters, working time questions, workload etc.; information and consultation rights in changing work patterns etc.

The organisation and the exchange of information between such workers' representation bodies in the various subsidiaries were extremely useful when confrontations with management took place, or before measures of restructuring or delocation of manufacturing processes. In some companies or groups, trade unions have experimented with the sharing of

common archive and/or genuine databanks on "work cycles and work organisation". Such experiments allowed for the preparation of trade union response strategies whereby the trade unions would not have to accept employers' initiatives devoid of social response.

## **7 - In-house and external information sources**

- *In-house sources:*
  - Information from management, on occasion of formal or informal meetings, of negotiations, training sessions etc., or from official documents, databanks etc.
  - information collected by the workers' representation body with employees, the company's trade union(s), group committee etc.
- *External sources:*
  - Studies and branch analyses,
  - profile of other companies in the same branch and same cycles of products
  - the national and European industry federations
  - representatives of workers with the EWC
  - studies by the European Foundation for the improvement of living and working conditions (Dublin), etc.

## **8 - References to European and national legislation, regulations and negotiated agreements**

- European references:
  - Community Charter of the Fundamental Social Rights of Workers (9/12/1989).
  - Directive 89/391/EEC on measures to improve safety and health of workers at their workplace. Other specific directives: see sheet 2.6.
  - Directive 93/104/EC on certain aspects of working time.
  - Directive 97/81/EEC on the framework agreement on part-time work, signed by UNICE, CEEP and ETUC.
  - Green Paper of the European Commission (1997) "Partnership for a new organisation of work".
  - The framework agreement on fixed term contracts, signed by UNICE, CEEP and ETUC on 17 March 1999.
- National references:
  -

## **9 - References to European and national trade union texts**

- European references:
  - European Trade Union Confederation
  - European Industry Federation(s)
  - European Works Council
- National references:
  - National trade union confederation(s)
  - Branch national federation(s)

- Works council

## 10 - Glossary

- Fixed time
- Flexibility
- Formal organisation
- Informal (real) organisation
- Macro dimension of work organisation
- Mechanical model
- Micro dimension of work organisation
- Organic model
- Part-time
- Tasks
- Work cycle
- Work cycle flow diagram
- Working timetable

## 2. SOCIAL INFORMATION

### 1. Sheet 2.6 Health and safety at work

#### 2 - Scope.

- ❖ The working environment can pose risks which can have an impact – and in some cases, a fatal outcome – on workers' health and their psychological, physical and social integrity. The risks and injuries are spread out over all sectors of work and are particularly serious in certain industries, such as construction, the quarry industry and agriculture. But no professional activity can reasonably be excluded from safety problems. During the past few years, the precarity of the labour market and the resorting to so-called “atypical work” have contributed to working conditions becoming less controlled and more dangerous, especially in smaller companies .
- ❖ At the workplace, safety depends on at least three elements:
  - the company's culture, organisational and managerial methods and relations, (see sheets 1.1 and 1.2)
  - training, implications and individual and collective behaviour of workers, (see sheets 2.1 - 2.2 - 2.3)
  - the organisational and technical appropriateness of the environment, machinery, installations, procedures etc., (see sheet 2.5)
- ❖ Outside the workplace, the health and safety of workers depends:
  - on reliable, clear and applicable standards and regulations
  - on broad private and public service networks qualified to give assistance, advice and to check the risks (chemical, physical, biological etc.) present in the working environment and to check installations and machinery;
  - on widespread private and public service networks, qualified to carry out health checks on workers exposed to risks;

- on insurance policies and financial support which encourage health and safety protection in the workplace;
- on labour inspection methods.
- ❖ The level of safety and the prevention strategies are in direct correlation with innovative technological and organisational processes, changes in the working environment and type of workplace, changes at human level (varying depending on sex, age, culture, type of relations etc.)
- ❖ In order to recognise, verify and undertake initiatives for health and safety protection in the workplace, workers must have the opportunity to express their complaints themselves with the company management, through their own representation bodies armed with the right to information and consultation.

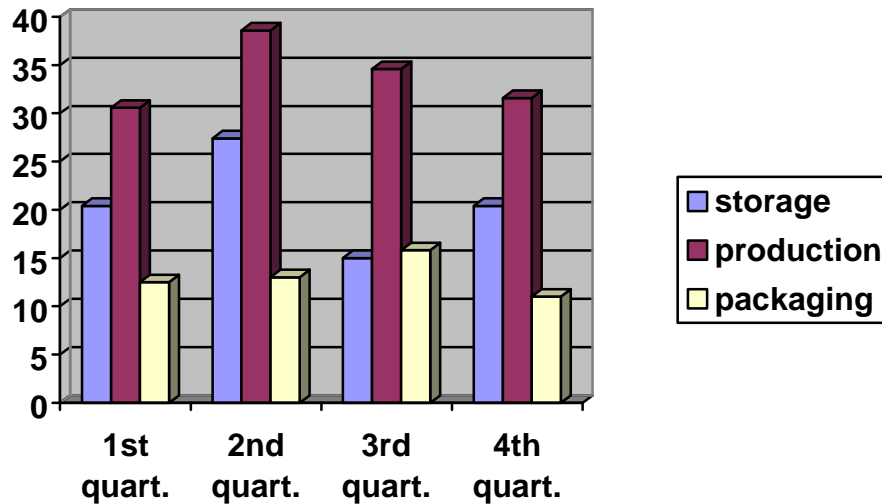


Data on :	What you need to know:
a) the risks linked to chemical, physical and biological agents; machinery, installations and tools; work organisation and workloads.	<ul style="list-style-type: none"> <li>➤ The working cycle, the raw materials, the semi-finished products, the finished products, etc.</li> <li>➤ Technology, etc.</li> <li>➤ Methods of work organisation and the production processes</li> <li>➤ The job characteristics of each individual work post (for example: sex, age, full-time, part-time employment, rotation, etc.)</li> </ul>
b) the data on phenomena linked to health and absenteeism, on accidents and occupational diseases.	<ul style="list-style-type: none"> <li>➤ The principal causes of absenteeism</li> <li>➤ Data and statistics on accidents at work and the occupational diseases recorded: <ul style="list-style-type: none"> <li>• <b>index of incidence</b> (referring to a limited period and at a particular time, and with similar work situations) : <math display="block">\frac{\text{Number of cases} \times 1000}{\text{Number of workers}}</math> </li> <li>• <b>frequency rate</b> (allowing different working activities and conditions to be confronted) : <math display="block">\frac{\text{Number of cases} \times 1\,000\,000}{\text{Number of actual working hours}}</math> </li> <li>• <b>index of severity</b> (allowing evaluation of the severity of injuries or the registered disability) : <math display="block">\frac{\text{Number of days lost} \times 1000}{\text{Number of actual hours worked}}</math> </li> </ul> </li> </ul>
c) the protection and prevention services of the company and the organisation of health checks and means for individual and collective protection.	<ul style="list-style-type: none"> <li>➤ documents evaluating the risks and the company's prevention plans</li> <li>➤ the organisation of safety services and company medical services: names of those in charge, etc.)</li> <li>➤ the organisation of medical surveillance</li> <li>➤ the fire prevention procedures, organisation of first aid, evacuation procedures, etc.</li> <li>➤ the means for individual and collective protection in use, etc.</li> </ul>

**The indicators above may be presented in the form of a graph.**

In this way, we could represent the frequency of accidents in three sectors of a company's activity by sub-dividing them into quarters.

Example :



- ◆ shop stewards must also collect archive materials and keep the archives up to date with activities, instruments and the results obtained by workers' representation bodies, appointed to manage rights to information, consultation on health and safety in the company.
- ◆ In particular, permanent archives must be set up on:
  - constitutional proceedings:
  - minutes of all the proceedings related to their running,
  - the instruments used (for example, questionnaires, databases, etc.),
  - references and resources, internal or external, on trade union or specialist issues,
  - training activities already carried out and/or promoted.

#### 4 - Interpretation of data

Data on:	How can this be used?
a) the risks linked to chemical, physical and biological agents; to machinery, equipment and tools; to work organisation and workload.	❖ To have at hand a series of pieces of information on the risks and prevention problems based on the "objective" knowledge of work situations and the knowledge and "subjective" evaluation by the workers
b) the data on phenomena linked to health and absenteeism, on accidents and occupational diseases.	❖ To describe a profile of the company from the point of view of working conditions and the health and safety of the workers. A dynamic profile which could be regularly up-dated. A profile which could usefully be communicated to the workers and technicians of the company.
c) the protection and prevention services of the company and the organisation of health checks and means for individual and collective protection.	❖ To compile a priority list for intervention and strategies to protect the health of workers; to monitor the results of completed actions.

Apart from this:

- ◆ The data and the materials collected concerning the constitution, functioning and the results of workers' representation bodies on safety and health, will serve as a historical record, without which these bodies will have difficulty in evaluating past progress, the circumstances of certain events concerning health and safety and the set of problems remaining unsolved.
- ◆ The archives represent an open document available to every worker and the trade union, for them to become familiar with and evaluate the work done.

#### 5 - Trade union action.

It is important for the shop steward to know how to organise the information collected, to:

- evaluate the situation concerning working conditions and health and safety as a whole and to establish an intervention hierarchy in difficult working areas or where there are definite risks;
- communicate the outcomes and the shop steward's own opinion to the workers; tackle with them the choices to take and the prevention strategies to be demanded;
- establish relations with the company management which are neither passive nor subordinate, on intervention priorities, monitoring and prevention strategies, workers' training and information.

To do this, a work schedule for the implementation of trade union action may be useful:

<b>I- select a problem</b>	For this, it is necessary to consider with the workers concerned, the severity of the risks, the number of people exposed to them and the urgency to reach a solution or the ease with which this can be done.
<b>II- observe and listen</b>	Observing the workplace and the point of view of the workers affected represents a fundamental source of information for the shop steward.
<b>III- record the information</b>	It is helpful to note down in a book what was seen or heard; the workers' complaints, the documents read, etc.
<b>IV- organise a file</b>	The information collected might not be sufficient: it will probably be necessary to identify other data.

	Collect everything and set up your archive.
<b>V- watch out for damage to health</b>	Check that the company has a register of accidents at work and that the events are inscribed there. Propose a proper method of data collection on disabilities and health checks for workers exposed to particular risks.
<b>VI- circulate the information</b>	Among the workers, a level of information and constant attention to health and safety problems should be maintained.
<b>VII- use the information</b>	In relations with management: organise the data and describe the problem, the causes and the possible solutions. If necessary, this information could be useful when asking authorities to intervene or seeking assistance from an expert.

On the basis of this grid, the shop steward can fill in his own work sheet which could also be useful to measure the effectiveness of his action.

1. Subject of the action	The subject describes the area of intervention, e.g. Excessive workloads.
2. Objective	The result one wishes to obtain in the short and medium term.
3. Brake factors	Availability of the company: Estimate of the situation of the markets (negative or positive). Sensibility and priority of the trade union.
4. Strategy	Show the company that the costs of non-prevention are already extremely high nowadays. Convince the company and the trade union that it is possible to reduce the final costs and to increase production. Convince workers of the validity of the strategy and involve them in the concrete definition of the contents and in the management thereof.
5. Verification of the results	Verify the results during the operation and at the end of the action. Always ask yourself the following questions: <ul style="list-style-type: none"> <li>• <i>How effective was our action;</i></li> <li>• <i>What could we have done differently to resolve the problem;</i></li> <li>• <i>Which instruments and information were lacking.</i></li> </ul>

## **6 - Links with the European Works Council.**

Inside a European Works Council and, in any case, in the exchange of information between the various subsidiary trade union representatives and between the latter and the parent company, there exist at least three necessities concerning the sharing of data, and the need to signal the following:

- ◆ the most widespread or severe risks existing in the various phases of the production cycles in use in the factories within the same group;
- ◆ data on absenteeism through illness, the level of incidence, frequency and severity of accidents at work and data on denounced occupational diseases;
- ◆ solutions on the organisation and techniques adopted to improve safety and the health monitoring and surveillance strategies adopted.

The aim is thus to:



- ◆ **Create an alarm system**
- ◆ **Check up on the transfer of toxic or dangerous productions**
- ◆ **Introduce solutions and good practice**

To recall:

- It is always necessary for the shop steward to have at hand the names and addresses of the shop stewards and trade unions of the other subsidiaries and/or the bodies at the company dealing with "health and safety".
- If possible, it would also be useful to have a joint list of specialists to refer to.
- When problems are revealed (concerning risks, danger of accidents, diseases, etc.) which could affect workers generally and could be of interest to other work units within the same group, at national or European level, make a formal request that the question be placed on the agenda of the next meeting of the European Works Council or the group's works council or of a co-ordination meeting of the workers' representation bodies in several branches or companies.
- In any case, request that a check of the safety and health conditions in the different branches or companies of the group is periodically placed on the agenda of the works council meetings (national or European).

## **7 - Sources of information, inside and outside the company.**

Within the company:

- Read carefully and note down the contents of the labels of each chemical product (varnish, solvents;) or the raw material introduced into the manufacturing process;
- Read the technical information sheets which come with the machines and the individual protections devices. Check if these conform to EU regulations.;
- Request the management to provide documentation related to the evaluation of risks, evacuation procedures and fire prevention;
- Check up on methods of storage and the circulation of products within the company;
- Check up on energy sources (for example, power stations), electrical installations and their uses, with safety in mind;
- Request the maintenance schedules of installations, machines, etc;
- Obtain data on the official register of accidents;
- Collect all the data related to incidents (for example: interview the workers who witnessed what happened, take photos, etc.).

For the shop steward, it is especially important to collect the information and opinion of the workers from the different sectors of work concerning the working conditions, the harm to their health and the risk factors which they are aware of.

Outside the company:

- It is always necessary for the shop steward to have at hand the texts on national and European legislation on health and safety in the workplace.
- Similarly, it is vital to have the contractual obligations available at all times.
- The names and addresses of the trade union and
- The names and addresses of the public authorities designated to deal with health and safety and surveillance at the workplace.
- A list of experts in the field to be contacted if necessary.
- At European level, the European Trade Union Confederation has created an agency called the TUTB – Trade Union Technical Bureau which has its headquarters at : 155 bld Emile Jacquain B-1210 Brussels (tel. +32.2.22 40 560 - fax +32.2.22 40 561 - Email [tutb@etuc.org](mailto:tutb@etuc.org) . The website of the TUTB is: [www.etuc.org/tutb](http://www.etuc.org/tutb))<sup>2</sup>.
- Still at European level, it is possible to call on the European Agency for Health and Safety based in Bilbao (Spain); this agency has an Internet site through which it is possible to access important information such as: national and international law, an archive on solutions, certain databases, communications concerning events and news of general interest. The Agency's website is at

<sup>2</sup> Please note that the street will be renamed as from 14<sup>th</sup> December 1999: the address will be "TUTB - BTS, boulevard du Roi Albert II, 5, boîte 5, B-1210 Bruxelles"(other data unchanged)

[www.eu-osh.es](http://www.eu-osh.es).

8 - Reference to European and national legislation, regulations and collective agreements

Sources of standards	Fundamental texts
<ul style="list-style-type: none"> <li>• <b>I.L.O. – International Labour Organisation</b></li> </ul>	<p>Convention n° 139 of 1974 on occupational cancers ;            Framework Convention n° 155 of 1981 on safety and health of workers ;            Convention n° 161 of 1985 on health services in companies ;            Convention n° 162 of 1986 on the protection of workers against asbestos ;            Convention n° 167 of 1988 on health and safety in the construction industry ;            Convention n° 170 of 1989 on the protection of employees working with chemical substances            Convention n° 171 of 1989 on health and safety for night-workers.</p>
<ul style="list-style-type: none"> <li>• <b>E.U. – European Union</b></li> </ul>	<p>Principal directives :</p> <ul style="list-style-type: none"> <li>■ (78/610/EEC) protection of workers exposed to vinyl chloride ;</li> <li>■ (80/1107/EEC) protection of workers against the risks linked to exposure to chemical, physical and biological agents ;</li> <li>■ (82/605/EEC) lead compounds;</li> <li>■ (83/477/EEC) asbestos ;</li> <li>■ (86/188/EEC) noise ;</li> <li>■ (89/391/EEC) putting into practice measures aimed at promoting the improvement of safety and health of workers at work.</li> </ul> <p>Other specific directives</p> <ul style="list-style-type: none"> <li>■ workplaces (1989)</li> <li>■ utilisation of working equipment (1989)</li> <li>■ individual protection equipment (1989)</li> <li>■ manual movement of heavy loads (1990)</li> <li>■ work with visual display units (1990)</li> <li>■ carcinogenic agents (1990)</li> <li>■ biological agents (1990)</li> <li>■ specific information system concerning dangerous preparations (1991, in the application of the Directive 88/179/EEC)</li> <li>■ definition of indicative limit values (1991, in the application of the directive 80/1107/EEC) ;</li> <li>■ temporary or mobile building sites (1992)</li> <li>■ alarm system at work (1972)</li> <li>■ protection of pregnant women (1992)</li> <li>■ extractive-drilling industries (1992)</li> <li>■ mine-drilling and quarry industries (1992)</li> <li>■ fishing vessels (1993)</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Principal national standards</b></li> </ul>	

**9. Reference to European and national trade union texts .**

European Trade Union Confederation – ETUC	<ul style="list-style-type: none"><li>➤ Documents from the ETUC Secretariat and Executive Committee</li><li>➤ TUTB documents and publications</li><li>➤ ETUCO Training manual</li></ul>
European Industry Federation(s)	
European Works Council	
National Trade Union Confederation(s)	
National Trade Union Federation(s) (sector)	
Works Council	

## **10 - Glossary of the principal notions used.**

What follows is a short list of key words for a glossary<sup>3</sup>:

1. (Organisation) protection and prevention services in the company
  2. (Procedure for) evacuation
  3. (Safety) officer/shop steward
  4. Absenteeism
  5. Accident
  6. Biological agents
  7. Chemical agents
  8. Collective protection devices
  9. Danger
  10. Fire prevention
  11. Frequency rate (of accidents)
  12. Health
  13. Health and Safety Committee within the company
  14. Health checks
  15. Incident
  16. Index of incidence (of accidents)
  17. Individual protection devices
  18. Joint or bilateral bodies (health and safety)
  19. Labour inspection (vigilance)
  20. Machines (installations, equipment, etc..)
  21. Occupational (or labour) disease
  22. Physical agents
  23. Prevention
  24. Prevention (or safety) plans
  25. Risk (and risk assessment)
  26. Safety
  27. Severity index (of accidents)
  28. Workers' representation bodies (health and safety)
  29. Working environment (and workplace)
- 2 - SOCIAL INFORMATION

### **1. Sheet 2.7 Social policy**

## **2 - Scope**

In this sheet we will try to pick out and analyse various components of the company's social policy:

- social protection
- workplace healthcare
- social service
- social and cultural activities
- various social advantages
- social and trade union training

## **3 - Information and indicators**

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<sup>3</sup> For a complete collection comparable to international level keywords, we draw your attention to the **Glossary produced by the ILO in Geneva**, which is available in five basic languages (French, English, Spanish, German and Russian) and is translated into several other languages by national prevention agencies.

⇒ **Social Protection**

What does social protection in the company consist of?

- obligatory health insurance?
- complementary health insurance?
- compensation for each day of sick leave?
- complementary pension?
- life/death insurance?
- savings scheme?
- other types of provision?
- other measures: describe.
  
- Is each of these different measures obligatory, contractual or voluntary?
- In what proportions are they financed by the employer and the worker?
- How are they financed (obligatory deductions, contributions or taxes, voluntary contributions ...)?
- What percentage of the salary is represented by each of them?

⇒ **Medical service**

- Does the company have a medical service?

- Does such a service exist because of an obligation on the company's part?
  - If so, of what legal type?
  - If so, what is the minimum number of workers from which its creation is obligatory?
  - If not, how did the service come to exist?
- What are the medical service's tasks? (prevention, screening, monitoring health and safety in the workplace,...)?
- Of whom does it consist? (doctors, nurses, other health professionals...)?
- In what numbers? Full- or part-time?
- Does this service also provide treatment?
- To whom? Only to the company staff or to families too?
- What is its total budget and where do its resources come from?
- How much of the company's general budget (or total wage bill) does it represent?
- Its medical service aside, does the company contribute in other ways to the prevention or screening of occupational diseases or others (via taxes, contributions to an association, other, ...) ?

⇒ **Social Service**

- Does the company provide a social service?
- Which level does it relate to within the company (management, workers' representation bodies, other...) ?
- What does it offer (accommodation, services to people, families, child-minding, education, emergency financial aid, holidays ...) ?
- Is it obligatory for the company? According to what criteria (number of employees for example)?
- Which staff work in this service (and what are their qualifications)?
- How is the running of the service financed?
- Where do the resources come from and what is the total cost of these?

⇒ **Social and cultural activities**

- Does the company have an itemised budget at its disposal for social and cultural activities?
- Is this budget derived from a legal obligation or from an agreement with the workers' representatives?
- What is its total?
- Who manages it? (one of the company's departments, workers' representatives, staff association, outside body, ...)?
- What proportion of the total wage cost or turnover is represented by this budget?
- Which activities are covered by this budget?
  - sporting activities: which ones?
  - sporting facilities: what kind?
  - proportion of budget devoted to sporting activities?
  - cultural activities: which?
  - managing the provision of cultural facilities: which ones?
  - proportion of budget devoted to cultural activities?
  - leisure/holiday activities: which?
  - managing the provision of leisure/holiday facilities: which ones?
  - proportion of budget devoted to leisure/holiday activities?

- provision of staff catering?
- in what form (luncheon vouchers, staff restaurant or cafeteria, etc...)?
- proportion of the budget devoted to catering?

⇒ **Other social advantages**

- Does the company provide its staff with **accommodation** or assistance in finding accommodation?
- By which methods (in kind: putting accommodation at staff members' disposal, in cash: financial aid)?
- Does this arise from an obligation to do so, and if so, of what nature?
- By whom is the aid or accommodation managed (by company, workers' representatives, specialised body,...)?
- How much of the budget is reserved for accommodation?
- How much of the general budget or the total wage cost does it represent?
  
- Does the company ensure the **transport** (between home and work) of its staff?
- By which methods (pick-up service, partial or total reimbursement of costs, allowances, ...) ?
- What does this cost the company (percentage of the budget or total wage cost) and the employee (percentage of the salary or remaining cost to be covered by the employee) ?
  
- Are any other sorts of social benefits offered by the company, for example for children? Which ones?
  
- What are the resources and what is their amount?

⇒ **Trade union and social training**

- Do the workers' representatives have a **right to trade union training during working time** in order to carry out their mandate?
  - over how many days during the period of the mandate?
  - involving which bodies?
  - are these bodies subject to approval? By whom?
  - who funds this training?
  - during the training, are wages maintained in full by the company?
  - if not, what compensation is there? By whom are they financed?
- Does this right have a legal, statutory or contractual basis?
- If no right exists, what possibilities are there?
- Do workers without a representative mandate have the right to trade union or social training during working hours?
  - over how many days?
  - with which bodies?
  - are these bodies subject to approval? By whom?
  
  - during training, are wages maintained by the company or made up in other ways?  
-by whom? According to which mechanisms?
  - which type of subjects can social training extend to, for example ?

#### **4 - Interpretation of data**

This area and the information which it includes is not really suited to being interpreted. It is more a question of asking a series of questions to allow completion of the analysis of the social conditions which exist within the company.

- Do the **social protection** measures described result from the application of legislation or have they been the subject of negotiation followed by an agreement?
  - if an agreement is involved, is this at branch- or company level?
- Were these measures applied recently or a long time previously (on which date)?
- Is social protection in the company kept up to date? For example, are negotiations planned or anticipated, are new legal or statutory texts in preparation or in the process of being applied, etc...?
- What is the total of the costs generated by these measures and what how is this shared out between the employer and the workers ?
- On the subject of the **medical service** and **social service**, and assuming that these originate from an obligation made to the employer, have these been properly set up within the company?
- Do they operate in a satisfactory way, taking into account their duties, and in the workers' interest?
- If it exists, is the company's funding of **social, sporting, cultural or recreational activities** for staff sufficient and properly distributed between the different activities and the various staff categories?
- Is this a subject open for discussion by workers' representatives? On which aspects?

- Are they involved in deciding on the activities, and how they are managed and organised?

Concerning **trade union and social training**, the main point of the analysis will consist of:

1/ evaluating how these rights are used  
-by the management of the company  
-by the workers' representatives  
-by organised and non-organised workers

2/ describing in more detail what the training is (trade union training on the one hand and social training on the other) :  
-access for workers  
-organisation  
-objectives  
-general content  
-bodies carrying out the training  
-etc

### **5 - Trade Union Action**

Trade union action will initially consist of assessing the different measures and social advantages available to the workers, evaluating the functioning of these, measuring user satisfaction and then adding up the cost of the various benefits in order to examine their impact on, for example, the formation of labour costs.

Consideration should also be given to the trade union's role as claimant and negotiator in each of these areas, particularly in those where the legal obligations are the least restrictive.

## **6 - Link with the European Works Council**

The information sought in this sheet will allow one to become better acquainted with all the various social policies of the different levels of the group.

In turn, this will allow the European Works Council to make its own comparisons, such as on labour costs for example, and to send information out to branches which will guide them in establishing their demands and strategies.

To this end, it would be desirable for the EWC to standardise a list of questions which it considers useful for every unit of the group to tackle.

## **7 - Sources of information inside and outside the company**

The sources of information concerning this area are mainly of a legal nature (labour law, social protection law, trade union law,...) and contractual (interprofessional and sectoral national agreements, branch-level collective agreements, company agreements ...). But they may also be based on custom.

## **8 - Reference to European and national legislation, regulations and collective agreements**

All texts relating to employment and social policy in Europe, particularly those who relate to national programmes for health, social affairs, leisure time etc.

Branch collective agreements and regulations or agreements at company level.

## **9 - Reference to European and national trade union texts**

European Trade Union Confederation (ETUC)	
European Industry Federation(s)	
European Works Council	
National trade union confederation(s)	
National trade union federation(s) (at branch level)	
Works council	

## **10- Glossary**

- Cultural events
- Medical health protection at the work place
- Medical service.
- Recreational activities
- Social activities
- Social protection

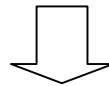
- Social service
- Social training
- Sports
- Trade union training

## 2 - SOCIAL INFORMATION

### 1. Sheet 2.9 Industrial relations

#### 2 - Scope

The term "industrial relations" identifies the area of activity (rule creation and collective agreements, bargaining and disputes, etc.) within which management and labour act and order their mutual relations.



This area can therefore be regarded as including:

- a) forms of workplace employee representation;
- b) levels and content of collective bargaining;
- c) information and consultation rights;
- d) other forms of participation (in the supervisory board, board of directors etc.)
- e) trade union rights (organising, time off for union duties, information to workers, notice boards, publicity, right to strike, etc.)
- f) dispute avoidance and resolution procedures and methods
- g) management of collective industrial disputes.

#### 3 - Information and indicators

- **representative bodies**

NAME (examples)	POWERS	MODE OF OPERATION
--------------------	--------	-------------------

a) Works council b) Health and safety committee c) Employee representative d) Shop stewards' committee e) Group committee f) European Works Council g)	(who has authority to negotiate an agreement? who runs the information/consultation process on industrial strategies? who handles work-related risks/hazards, etc.?)	(e.g.: - composition, - date of election and term of office, - secretariat, - expertise; - time off for union duties, - etc...)
--	--	---

➤ **Women's participation in representation bodies**

Name of body	Number of women	% of total membership

➤ **(Total) unionisation rate - trend over time**

e.g.:

in 1995	in 1996	in 1997	in 1998	in 1999
30%	28%	28%	15%	

➤ **Trade unions in the workplace and percentage of workers who are members.**

e.g.:

WWW union	XXX union	YYY union	ZZZ union
25%	12%	40%	23%

➤ **Collective agreements in force in the workplace:**

Level	Date	Content	Signatories
a) sector			
b) company			
c) group			
d) European group			
e) national inter-branch			
f)			

➤ **Information and consultation rights**

Topics	Procedures	Operation

➤ Other forms of participation

NAME (examples)	POWERS	MODE OF OPERATION
a) Supervisory board b) Joint industrial councils c)		(e.g.: - composition, - date of election and term of office, - secretariat, - expertise; - time off for union duties, - etc...)

➤ trade union rights

a) Legal bases: (e.g.: legislation, collective agreement ...)

b) Contents

- time off for union duties
- release from work duties
- headquarters and rooms provided
- trade union training
- right of assembly
- information and organising in the workplace
- protection from dismissal
- 

➤ Dispute resolution

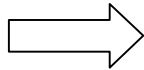
1. in the workplace

- forms/bodies
- methods
- operation
- 

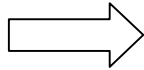
2. outside the workplace

- forms/bodies
- methods
- operation

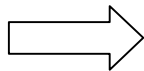
➤ **Use of strikes**



in the last three years: .....



reasons and outcomes of the dispute:.....

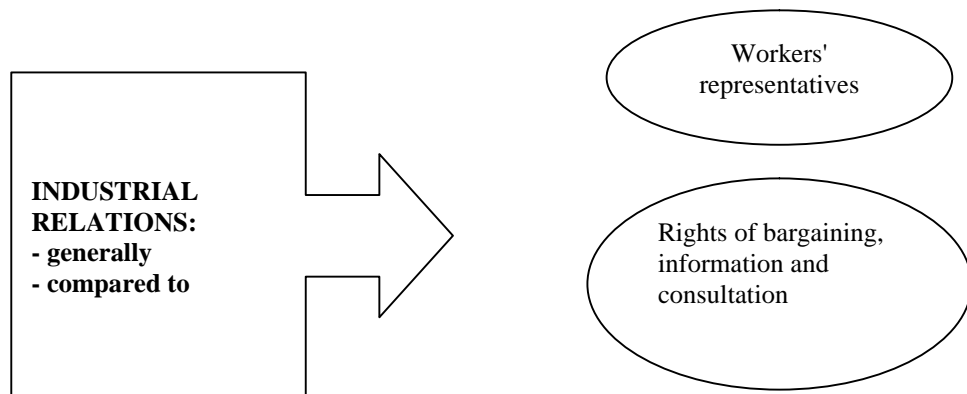


worker support: .....

**4 - Interpreting the data**

The data collected can be interpreted from at least three angles:

1. **to evaluate workplace industrial relations**

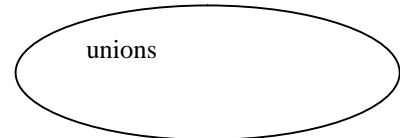


2. to define management's attitude

e.g.:

- ? co-operative
- ? anti-union
- ? paternalistic

- ? authoritarian
- ?

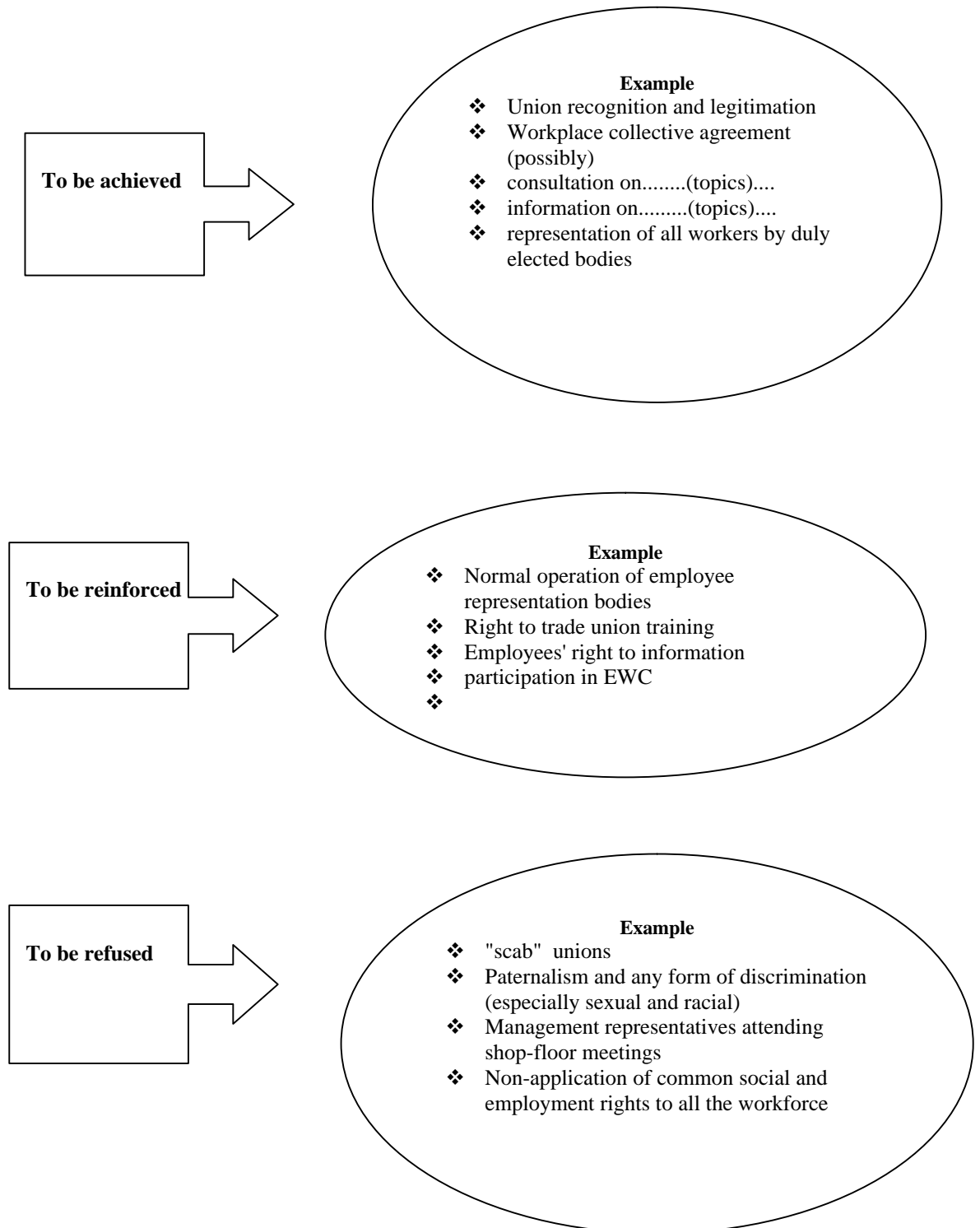


3. to define the employees' attitude

e.g.:

- ? passive
- ? confrontational
- ? pro-union
- ? pro-management
- ?

## 5 - Trade union action



## **6 - Links with the European Works Council**

1. participation in the SNB - Special Negotiating Body
2. familiarity with the agreement on and composition of the European Works Council
3. demand a full seat on the EWC
4. name and contact details of: the EWC union rep and European Industry Federation rep
5. knowledge of the agenda and outcomes of the EWC
6. right to submit opinions, protests, demands, etc., to the EWC
7. information flow on the facts about and development of each group firm
- 8.

## **7 - In-house and external information sources**

- in-house:
  - works rules and agreements on union and employment rights.
- external:
  - social/employment law and labour law
  - industry collective agreements
  - national inter-branch agreements

## **8 - References to European and national legislation, regulations and negotiated agreements**

- European references:
  - ⇒ Art. 4 of the Maastricht Social Protocol, incorporated in article 139 of the Amsterdam Treaty (*management and labour at European level may conclude framework agreement which will then be adopted by qualified majority by the Council of Ministers*)
  - ⇒ Community Charter of the Fundamental Social Rights of Workers (9/12/1989).
  - ⇒ Directive 75/129/EEC and 92/56/EEC on collective dismissals
  - ⇒ Directive 77/187/EEC on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of businesses
  - ⇒ Council Directive 94/45/EC on the establishment of a European Works Council
  - ⇒ Draft directive on worker information and consultation
  - ⇒ Commission draft directive on the Statute for a European company with regard to the involvement of employees in the European company (1988)

⇒ European Commission Green Paper (1997) “Partnership for a new organisation of work”

➤ National references:

## **9 - References to European and national trade union texts**

European Trade Union Confederation - ETUC	
European Industry Federation(s)	
European Works Council	
National trade union confederation(s)	
National trade union federation(s) (industry)	
Works council	

## **10 - Glossary**

?Collective agreements  
?Collective bargaining (level and contents)  
?Consultation rights  
?Dispute (prevention and resolution)  
?Employer organisations  
?European Works Council  
?Information rights  
?Negotiating/bargaining rights  
?Representative bodies (workplace)  
?Right to strike  
?Trade union organisations  
?Trade union rights  
?Unionisation

## **3 - ECONOMIC AND FINANCIAL INFORMATION**

<b>1. Sheet 3.1: Analysis of indicators</b>
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## 2 - Scope

A company's economic and financial health is gauged by two key documents: its balance sheet and operating income statement.

The **balance sheet** is a "snapshot" of the company's true financial position at a moment in time.

The **operating income statement** is a "film" of its business activity over an accounting period (usually a financial year).

The performance indicators are: the working capital, working capital requirement, cash position and various ratios.

## 3 - Information and indicators

### A/ Analysis of the balance sheet



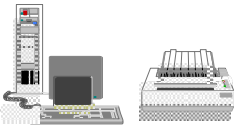
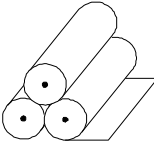
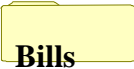

The **balance sheet** gives a picture of the company's *property* and its *funding*. It is a structured picture: the *assets* show the property owned by the company, while the *liabilities* show how the company is funded (cf. Annex 1). These broad financial amounts - assets and liabilities (cf. Annex 2) - only give a measure of the extent of the company's property and funding obligations.

*Financial analysis*, by contrast, tries to make linkages between broadly counterbalancing amounts of property and funding.

It compares a category of property with a category of funding which can explain where that property comes from. Two accepted accounting principles are used in drawing up the balance sheet:

- property is shown on the left and its origins (or funding) on the right.
- property is classified vertically in descending order of liquidity and funding in descending order of payability.

**BALANCE SHEET**

<b>ASSETS</b>	<b>LIABILITIES</b>
 = 10.000	Capital 16.000
 = 5.000	
 = 3.000	Borrowings 5.000
 = 4.000	
 Bills = 2.000	Suppliers 1.500
 = 500	Bank overdraft 2.000
Total property = 24.500	Total Funding = 24.500

### Key asset items

#### **Fixed assets**

- Tangible fixed assets: Land, buildings, plant and equipment, vehicles.
- Financial fixed assets: Receivable from long-term loans to third parties.  
Shares representing investments in the equity capital of firms.
- Intangible fixed assets: Patents, goodwill.

#### **Current assets**

- Receivable: Credit extended to enable customers to pay for their purchases in a grace period.
- Stocks and work-in-progress: raw materials, products in process, packaging, etc...
- Cash assets: immediately usable cash on hand or in bank accounts.

### Key liability items

#### **Equity capital**

- Capital funds
- Reserves
- Results

#### **Provisions for contingent liabilities**

- Funds accrued to cover possible business risks (acquisitions, restructuring, etc)

#### **Debts**

- Bank borrowing and other debts to banks
- Trade payables to suppliers
- Taxes and social security contributions payable within a set grace period
- Other debts

## **Indicators**

### **Working capital**

When the company was first set up, it needed to acquire long-term property which are essentially its factors of production. These are known as *long-term assets*. These long-term assets were financed by the owner's contribution of capital, and loans repayable over a number of years. These are known as *long-term funds*. Generally, there will be a surplus of long-term funds over long-term assets; this is called **working capital**. This can be seen as the safety margin (or "equity cushion") that the businessman allows himself to finance the fundamental running costs of the firm (cf Annex 3).

#### Note:

Investments influence the volume of long-term assets:

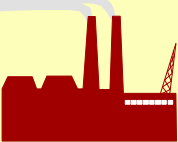
- acquisitions of fixed assets (investments) are a use of funds, and so tend to reduce working capital.
- disposals of fixed assets (divestments) are a resource, which tend to increase the amount of working capital.

Annex 3

**BALANCE SHEET**

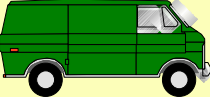
**ASSETS**

**LIABILITIES**



= 10.000

Capital 16.000



= 5.000



= 3.000

Borrowings

Working capital



## **Working capital requirements**

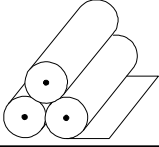
The company's trading activity gives rise to various types of property assets in the form of stocks and amounts receivable; these are *current (or circulating) assets of the operating cycle*.

Various third parties contribute to financing the current assets of the operating cycle through the granting of credit: suppliers, employees, etc... which offset the cost of advances made by the firm (expenditure like purchasing goods or raw materials incurred before payment is received for any sale). These resources are called: *operating cycle financing*.

In most firms, current assets will be higher than operating cycle financing.

The excess resulting from a comparison of the two is called *working capital requirements* (cf Annex 4).

## BALANCE SHEET

<b>ASSETS</b>	<b>LIABILITIES</b>
 = 4.000	Working Capital requirement
<span style="background-color: yellow; padding: 2px;">Bills</span> = 2.000	
	Suppliers 1.500



## Cash position

This is the product of the difference between *working capital* and *working capital requirements*.

Scenario 1: Working capital exceeds working capital requirement.

That means that the excess of long-term funds is enough to finance all the needs created by the company's business, and the unused surplus is available as cash assets.

There is a *positive cash position*.

Scenario 2: Working capital requirement exceeds working capital.

Financing needs can only be partially met from the excess of long-term funds, the rest has to be found from other sources.

These sources are short-term funds like such as bank overdrafts, advances on invoices, discounting of bills (negotiable instruments).

There is a *negative cash position*.

This relationship can be

Working capital -	} on:
Working capital	
requirements =	

N.B.: Working capital and working capital requirements vary throughout the year with the level of business activity.

### **B / Analysis of the operating income statement**

A business is two things in one:

- it is a social entity which employs labour, which it must remunerate,
- it is a financial entity which employs capital, on which it must pay a return.

## Turnover

A trading company is characterised by its *Turnover* (cf sheet 3.2).

Turnover enables the firm to be compared with the market, but gives no indication of the value of the *wealth created* by it.

The reason is that the firm has only been able to produce and market its goods or services by consuming other goods or services produced by other firms.

### Added Value

The difference between Turnover and goods consumed represents the real wealth created by each firm. This is called *Added Value* (cf sheet 3.2).

### Measure of the efficiency of the means of production

The following ratios are used to measure the efficiency of the means of production (labour and capital):

$$\frac{\text{Added Value}}{\text{Fixed assets}} = \text{Efficiency of investments}$$

$$\frac{\text{Added value}}{\text{Workforce}} = \text{Workforce efficiency}$$

### Gross Margin

The Added Value less taxes (except for profits tax) and personnel expenses gives the *Gross Margin - GM* - (cf sheet 3.2).

GM is therefore the main focus of the analysis, because it is the fundamental resource generated by daily operations. It proves the efficiency of the means of production and sales.

From the concept of GM, we can derive the concept of *self-financing capability* (SFC), *operating income* and *cash flow*.

Of these closely-related concepts, the most frequently used is *cash flow*. It accounts for the wealth created by the firm which will, in particular, enable it to invest or acquire companies.

### Profitability ratios

The most commonly used ratios are the **profitability ratios** and **self-financing ratios**.

$$\frac{\text{GM}}{\text{Total liabilities}} = \text{return on capital employed}$$

$$\frac{\text{Pre-tax results}}{\text{Equity capital}} = \text{return on equity}$$

$$\frac{\text{GM}}{\text{Turnover (or production)}} = \text{corporate earning power}$$

$$\frac{\text{Debts}}{\text{Ownership equity (capital)}} = \text{Self-financing ratio (Equity-to-debt ratio)}$$

### Solvency ratios

A low ratio (under 50%) is regarded as the sign of a sound balance sheet with possibilities for external growth (company acquisitions).

Conversely, a high ratio (100%) shows an unsound balance sheet (risk of bankruptcy) requiring the company shareholders to increase the capital.

$$\frac{\text{Internally-generated cash flow}}{\text{Long-term liabilities}} = \text{Indicator of long-term solvency}$$

$$\frac{\text{Financial expenses}}{\text{Turnover}} = \text{Warning sign}$$

The usual view is that this ratio should not exceed 5%.

#### **4 - Interpreting the data**

##### ***Working capital***

As stated, working capital is the safety margin which the firm has to finance its operations. So it is essential to know how much of it the firm has.

But a company's security also comes from its investments, even if they actually decrease the working capital in the financial year.

For some firms, it is better to invest in high-powered technology than to keep a reassuring level of working capital.

*Changes in working capital* will thus reveal what investments or divestments have been made during the financial year.

The question is: what effect will these funds flows have on production capacity and jobs?

Also, the analysis of working capital shows up changes in the company's ownership equity (capital).

##### ***Working capital requirements***

Working capital requirements tell us about the company's relations with its suppliers and customers: trade credit.

For example: supermarket chains negotiate long periods of grace for payment (90 days in general) with their suppliers, while their customers pay cash.

In this way, they build up a substantial cash or liquidity position.

### ***Cash position***

The cash position is a key indicator.

If the cash position is negative, the company will have to borrow from banks. An analysis of the credit terms offered and assurances required by banks will give an idea of how the banks assess the company's financial health.

The bank assessment should be compared with the picture that management paint of the company's financial stability.

### ***Turnover***

As we shall see in sheet 3.2, turnover is a key indicator of the company's market performance and demand for what it produces.

### ***Added value***

Added Value tells us the company's true economic significance and represents the wealth to be allocated between the workers, the State, lenders, shareholders and the company.

Allocation takes place on 2 levels:

- Level 1: compulsory:

- Taxes except for profits tax payable to the State,
- Wages and social security expenses for the benefit of the workforce,
- Financial expenses (interest payments) to lenders,
- Those funds which the firm must by law put aside to renew its fixed assets (depreciation) and as security against the risks of its activity (provisions for contingent liabilities).

- Level 2: conditional, depending on the profit made:

- Profits tax payable to the State,
- Employee profit shares, if such a scheme exists,
- Dividends for the company's owners,
- Undistributed net profits, which are earnings retained for use in the business.

It is clear that an analysis of the distribution of the wealth produced by the company is essential to an understanding of its economic and social policy.

### ***Indicators of productive efficiency***

These indicators make it possible to quantify and illustrate:

- ⇒ the efficiency of investment compared to the added value generated, and so the relevance of the nature and amount of those investments,
- ⇒ the efficiency of the workforce by calculating the ratio of the value added to the number of people who produced it, or the cost of the labour involved,
- ⇒ the return on the sources of capital employed and corporate earning power, i.e., the company's production,
- ⇒ the company's self-financing and solvency ratios,
- ⇒ the danger level at which the firm may be regarded as ailing.

### **5 - Union action**

As in many other areas, trade union efforts will be directed towards getting company management to supply summary information which gives an objective view of its operation and its economic and financial condition.

The indicators proposed above are sufficiently general to be applicable to all kinds of firm.

They are sufficiently universal to be able to be required in virtually any line of business in any country.

Because of this, they can be used to make comparisons between countries, and between and within industry sectors.

This makes it important to ensure that the information is communicated in this form.

It is no less important to have that information to hand for a period of years, and so ask the employer for it, so as to identify the broad trends in the company's performance.

The most common practice is to have information dating back over the last three years.

But it is equally essential to have information on the company's own forecasts of its business (business plan).

As the indicators have been outlined, we have suggested a first line of questioning which will lead to an initial consideration of how the company is performing, how management says it is performing, and what certain partners like banks, suppliers and customers think about its performance.

But to gain a deeper understanding of how the company operates and is run, specialist expertise must be enlisted, because only experts can use the information properly, supplement it using other more specific tools, and produce a thorough analysis.

## **6 - Link with the European Works Council**

One key challenge for European Works Councils is precisely to secure expert services to do that. The indicators proposed can be easily communicated to the European Works Council which can use them at its own level to gain an overall picture of all the components of the Group.

As we have seen, these various instruments can also facilitate comparisons within an industry sector, both nationally and across different countries. Here the EWC can collect information from and recirculate it to the firms which compose it.

Economic and financial information is an archetypal area in which experts are necessary for the EWC to play its consultative and warning role properly. The right to enlist expertise is therefore a right to be exercised, or won, for trade union reps to build up their own expertise in this area.

## **7 - Information sources inside and outside the firm**

The sources of information here are:

- company management
- the company's partners: banks, suppliers, customers,...
- industry watchers: journalists, experts...
- national and European unions (employers' associations and labour unions)
- commercial courts.

National labour law, provisions governing the powers of employee representative bodies in economic and financial matters, agreements and legislation setting up European Works Councils ...

## **8 - References to European and national legislation, regulations and collective agreements**

- ? **European references:**
  - European Directive on company balance sheets
- ? **National references:**

**9 - Reference to national and European trade union texts.**

- European Trade Union Confederation
- European Industry Federation(s)
- European Works Council
- National trade union confederation(s)
- National trade union federation(s) (industry)
- Company works council

**10 - Glossary**

- Added value
- Balance sheet
- Cash position/cash flow
- Financial analysis
- Gross Margin
- Operating income statement
- Profitability ratios
- Solvency ratios
- Turnover
- Working capital

3 . ECONOMIC AND FINANCIAL INFORMATION

**1. Sheet 3.2: Markets (Purchasing, Production, Sales)**

**2 - Scope**

- The **company's production structure**, i.e., the way in which the different factors of production (personnel, fixed assets) are combined to achieve a given result.
- The **length of the production cycle** which will determine the structure of production costs (generally, the longer the cycle, the more personnel and depreciation costs will exceed the purchase cost of goods or raw materials).
- The **type of products**, which will determine workforce skills and asset life.
- The **company's policy** on production and marketing.

**3- Information and indicators**

ii Analysis of production structure

**u Value added**

Value added is calculated as:

Production for the year  
 + Gross profit on sales  
 - Outside expenses

---

= Value added

**u Gross profit on sales**

Gross profit on sales is calculated as:

Sales of goods  
 - Purchase of goods by company  
 + Changes in stock

---

= Gross profit on sales

**u Rate of value added**

Rate of value added =  $\frac{\text{Value added}}{\text{Production + Sales of goods}}$

**u Gross margin**

Value added  
 + Operating subsidies  
 - Taxes and similar charges  
 - Wages and social security contributions

---

= Gross margin

**u Production policy**

( Is the company a production unit or does it sub-contract its production?  
 Σ Ask for details of contracts for sub-contracting work.

( Does the company possess its own factors of production (employees, owned capital assets) or does it « rent » them (temporary agency workers, leased assets e.g.)

Σ Ask for details of contracts for temporary agency workers, leasing agreements, fixed-term contracts.

**ii Analysis of the marketing channel**

**u Marketing methods**

( How does the company market its products or services? (direct sales, commission agents, commercial representation, management agreements, concession, franchise etc.).

**u Turnover**

The volume of business transacted with third parties in the normal course of the company's ordinary business.

Sales of goods (retail trade)  
 + Production sold (industrial or service activity)

= Turnover

u **The company's place within the market**

$$\text{Relative market share} = \frac{\text{market share of the company}}{\text{market share of its main competitor}}$$

u **Type of market table:**

Classify each of the company's products or activities using the following

	<b>fast-growing market</b>	<b>mature market</b>
relative market share > 1	<b>I</b> "stars" profitable little cash flow	<b>III</b> "cash cows/money spinners" highly profitable abundant cash flow
relative market share < 1	<b>II</b> "problem children" unprofitable little cash flow	<b>IV</b> "cash traps/dead dogs" unprofitable little cash flow

v **Company options to increase market share**

- ( internal growth by expanding production capacity and cost-cutting
- ( external growth by acquiring rival businesses
- Σ Ask for information on planned acquisitions or

development of new activities.

**4- Interpretation of data**

ii **Value added and rate thereof** coming from outside.

The value added is the increase of the value brought by the company through its ongoing professional activities, to goods and services,

*What is the company's value added? Can it be compared to that of other companies in the same sector? Or to other subsidiaries in the same group? What should one draw from this?*

*Part of the value added depends on the cost of supplies (mainly raw materials) and the intermediate consumables of the company.*

*What does the system for supplies consist of? What type of purchasing policy is there?*

*For example, for its supplies, purchasing of raw materials, technology or power, is the company obliged to go to other subsidiaries in the group? Which ones? Which market is involved: national, international.... ?*

*In this case, is the purchase price of these supplies the same as the market price or is it set by the group's management?*

*On a macro-economic level, the total of values added of all the economic agents form the "gross domestic product" (GDP)*

*The higher **the rate of value added**, the more the company is able itself to carry out the operations which contributor to the manufacture and marketing of the product.*

ii **Gross margin**

The gross margin is the resource that the company draws on regularly in order to carry out its operation before putting funding to one side (in reserve funds) and without taking into account the method of financing.

ii **Turnover**

The higher the gross margin, the more the company has the means available to invest in production means, improving workforce skills and in the purchase of outside services.

The turnover is the total business transacted with third parties within the framework of the normal and ongoing professional activities of the company.

ii **The company's place within the market**

*This is therefore an indicator of its economic and commercial dynamism but also of the state of demand for its products.*

There are two essential criteria to measure the performances of each of the company's activities: the company's relative market share and the type of market (fast-growing or mature) on which it operates (see table above).

Therefore, the market share of the company, its principal competitors and their respective market share should be revealed.

ii **The company's policy**

Classify the type of activity or product of the company using the table "Relative market share".

On this basis, the company strategy and the options open to it in the future can be seen.

*Compare the characteristics of each activity with the employment structure and the qualifications of the sector that produces it.*

ii **The marketing method**

The company can choose between two main strategies to increase its market share:

- ( internal growth, if it is highly profitable and is in a position to expand its production capacity and cut its costs
- ( external growth through purchase of rival activities or companies

*Σ What is its strategy? What are the consequences on the division and organisation of work?*

( Using the table below, determine the marketing methods for the company's products.

( Check that the methods adopted correspond to the typical features of the company's products.

( Define the company's clients. Check if the marketing method adopted is the most effective.

( Among these clients, define the companies that belong to the same group as yours.

( Are the specially tailored commercial conditions identical, more/less favourable

that those made for other clients?

In your opinion, do the marketing conditions seem to be generally favourable to your company?

## PRINCIPAL MARKETING METHODS

METHOD	DEFINITION	CHARACTERISTICS
DIRECT SALE	The sales force is composed of company employees.	A solution ensuring optimal quality at the moment of sale and which is justified for products whose sale is accompanied by additional services (such as assembly, training, maintenance) or which are individually tailored: facilities, study services. In any case, this solution is the only one for non-stockable services such as transport, catering, banking.
COMMISSION AGENTS	The commission agent is simply a representative who allows salesmen and purchasers to do business without any direct contact as such.	Much favoured by this method of marketing: standardised products, for which there exists a global market (especially raw materials).
COMMERCIAL REPRESENTATION	The commercial rep. is an agent, possibly an employee, who puts the company in contact with designated customers and has rights on the portfolio of clients he builds up.	An almost universal solution, effective whilst being flexible. On the negative side, there is the cost aspect (costly commission) and lack of reliability (high turnover and sometimes mediocre skills on the part of the commercial rep.).
INDEPENDENT MANAGEMENT	The independent manager is a salesman who makes a business belonging to the company yield profit and which the latter leases out to him.	A traditional solution in a number of sectors (particularly service stations). One disadvantage is that the manager lacks motivation with regard to the considerable investment in question (building, stock, access to the lease etc.).
CONCESSION	The dealer at the concession – a separate and independent company – is linked to the sales company by an exclusivity contract, in return for which he benefits from the services proposed by the salesman (e.g. training) and from his publicity.	Solution allowing a third party (to the company) to put up major funding for marketing, whilst the sales company ensures the continued promotion of its goods: cars, computers ...
FRANCHISE	Exclusive production, depending on precise factors and objectives set by the franchiser, by a franchise outlet business that he has created and for which he puts up the financing.	This solution suits goods or services that are not very developed. All the financial risk is down to the highly motivated franchise outlet.



**5 - Trade union action**

As far as economics are concerned, the staff representation body must be able to provide a dual function :

**Consultation**, which consists of receiving information on the company's market from the employer and giving him an opinion before he makes his final decisions.

To carry out this function, the staff representation body must be able to:

- Σ acquire information and understand it;
- Σ have the time and the means to find out about the foreseeable consequences of certain decisions, especially for the employees, particularly on the durability of the company, employment, skills, wages, working conditions and social conditions generally;
- Σ give a well-founded opinion to the employer, before the latter takes his decision.

**Monitoring** which consists of observing continuously how the company operates in order to check that its running is in line with its own aims and in the interest of workers.

This monitoring is carried out at the initiative of the workers' representatives thanks to the access to information on the various levels of the company's operation (economic, financial, technological, human, etc.)

- Σ The first aim of monitoring is to acquire knowledge on the operation of the company, to enable the prediction of unfavourable consequences of its management, particularly on the workers;
- Σ Another aim is to be able to intervene with the company management as a precaution, to avoid these unfavourable consequences;
- Σ Concerning the area described in this sheet, trade union action should cover in principle:
  - the request for compact information allowing the company's state of health to be revealed (value added, gross margin...), its options for organising production (sub-contracting, temporary agencies,... but also its human resources policy, workforce skills etc.), the effectiveness of its system to get onto the market (turnover, relative market share...), appropriateness of its expansion strategy...
  - the production of a autonomous analysis by the trade union, on the basis of suggested global indicators, in order to be able to question management on its options and possibly propose alternative choices;
  - informing employees on the company's results and its outlook for growth;
  - more intensive training in economics for workers' representatives and the acquisition of the right to use an expert.

**6 - Link with the**

Within

financial ar

## European Works Council

the exchanges of information take place between the central headquarters and the establishments or subsidiaries.

Despite this, the workers' representatives from the establishments and subsidiaries do not necessarily have the information they need at their disposal.

**What they need to know depends on the trade union strategy maintained between the representatives in the central office and the subsidiaries.**

Is the strategy one of conquest or of recognition of the right to information and consultation?

( Whichever the case, it is necessary to establish a list which the local employer would be asked to adopt, comprising the information to be communicated obligatorily to the employee representatives at least once a year and whenever necessary.

This standardised list between all the subsidiaries of the group will allow useful comparisons to be drawn and to build up data over a number of years, which would allow trends to be assessed.

( If this were the case, one could also consider establishing a common definition and procedure for consultation (structure and details) allowing workers' representatives to give an opinion with full knowledge of the facts.

( If it is a case of a strategy of intervention, allowing the monitoring and release of recommendations, independent analytical capacities must be considerably advanced on the functioning of the group and its subsidiaries.

( In some European Works Councils a « power of recommendation » has been put into place which obliges the employer to take the opinion of the workers' representatives explicitly into account.

∑ financial training of representatives thus becomes vital and may be organised at group level to provide a common approach and common tools.

∑ resorting to an expert is also highly desirable in this case, on account of the complexity of the architecture of certain transnational groups.

## 7 - Sources inside and outside the company

( The sources concerning this field are essentially contained within the company and the group.

( The sector of industry concerned is also an interesting source, enabling comparisons to be made and seeing where the company stands in relation to its competitors.

( Literature on markets, products, technology etc.

## 8 - References to legislation

( Directive 94/45/EC on the establishment of a European Works' Council.

## 9 - References to trade union texts

( National texts which define the powers of the workers' representation bodies in the economic area.

- European Trade Union Confederation
- European Industry Federation(s)
- European Works Council
- National Trade Union Confederation(s)

- National trade union branch federation(s)
- Works Council

## 10 - Glossary

Added value  
Gross margin  
Gross profit on sales  
Market share  
Marketing  
Outside purchases (by third parties)  
Production (or operation) subsidy  
Production over the year  
Purchase of goods  
Sales of goods  
Stocks  
Taxes and similar charges  
Turnover  
Wages and social security contributions

Annex:

**Key definition of the main terms used in the sheet**

**TURNOVER**

COSTS	REVENUE
Turnover	Sales of goods
	Production sold

**ADDED VALUE**

COSTS	REVENUE	
Purchase price of the goods sold	Sales of goods	
outside expenses	Production sold	
added value		Production in stock
		fixed assets of production

**GROSS MARGIN**

COSTS	REVENUE
Personnel and indirect taxation	added value
gross margin	
	Subsidies

**4. CROSS-SECTIONAL INFORMATION**

**1. Sheet 4.1. Law and Convention references**

a) Company law	
b) labour and industrial relations law	

c) legislation in the field of information, consultation and participation of workers	
d) standards of minimal wage and wage indexation	
e) Collective agreements which are applicable to a sector and to the company	
f)	

#### 4. CROSS-SECTIONAL INFORMATION

##### 1. Sheet 4.2. Macroeconomic indicators

##### 2. Scope

To get an objective picture of a country's economic situation, the economic and social conditions of employed workers, the working and retired populations it is necessary to collect national macroeconomic indicators.

##### 3. Information and indicators

###### a. General information collected to evaluate a country's potential.

Table 1

Indicators	Values
• Gross domestic product (GDP)	
• GDP (in millions of US\$ and/or Euros)	
• Population: estimated in thousands	
• Per capita GDP (in national currency)	
• Per capita GDP (in thousands of US\$ and/or Euros)	

###### b. Economic information collected to assess a country's situation compared to that of the EU member countries or other countries of the world.

Table 2

Indicators	Values
<ul style="list-style-type: none"> <li>• <i>Physical production volume</i></li> <li>- <i>growth rate - %</i></li> </ul>	
<ul style="list-style-type: none"> <li>• <i>Industry output rate</i></li> </ul>	
<ul style="list-style-type: none"> <li>• <i>Real retail sales turnover</i></li> <li>- <i>growth rate - %</i></li> </ul>	
<ul style="list-style-type: none"> <li>• <i>Tourist days</i></li> <li>- <i>growth rate - %</i></li> </ul>	

**c. Information collected to give an overview of financial flows and the balance of payments in a given country.**

Table 3

Indicators	Values
• Trade balance (in millions of US\$ and/or Euros)	
• US\$ and/or Euro exchange rate to national currency	
• Exports in US\$ and/or Euros - growth rate - %	
• Imports in US\$ and/or Euros - growth rate - %	
• Current balance of payments account	
• Central bank foreign exchange reserves in millions of US\$ and/or Euros	
• Central bank discount rate - %	
• Total foreign debt in millions of US\$ and/or Euros	
• Total government debt in millions of US\$ and/or Euros	
• National debt - consolidated statistical average, as a % of GDP	

**d. Information collected to give an overview of the economic and social conditions of the labour force and pensioners**

Table 4

Indicators	Values
• End-of-period retail prices - %	
• End-of-period cost of living - %	
• Total number of the industry workforce	
• Net average monthly wage (in US\$ and/or Euros) - growth rate - %	
• Average monthly pension (in US\$ and/or Euros) - growth rate - %	
• Indicator and/or coefficient of poverty threshold	

#### **4. Sources of information**

- the National Institute of Statistics
- the Central bank reports
- the trade union institutes (for example: study centre, database etc.)
- the press
- the specialized magazines
- the International Monetary Fund
- the World Bank
- the ILO (International Labour Organisation)
- the WTO (World Trade Organisation)
- the OECD
- the European Union
- the European Central Bank
- the Universities
- ...

#### **4. CROSS-SECTIONAL INFORMATION**

### **1. Sheet 4.3. Useful addresses and contacts**

#### **2. Scope**

One of the most important working tools of a shop steward is his one's diary. It should contain all the telephone numbers, the list of useful contact persons and addresses. The shop steward should learn to update and actualise it carefully. In his diary, he should note all institutional and trade union references, both at national and international level, which could become necessary in his trade union activity at company and at the country's level.

#### **3. References at European level**

##### **1. Institutions.**

*(addresses, contact persons, phone numbers, e-mail, Website, fax, publications, other references)*

- European Parliament
- European Commission (GD V)
- Economic and Social Committee
- Court of Justice
- Country's representation by the EU
- EU delegation in the country
- ILO
- Dublin Foundation for the improvement of life and working conditions
- Bilbao Agency for Health and Safety at the workplace

##### **2. Trade unions**

(addresses, contact persons, phone numbers, e-mail, Website, fax, publications, other references)

- ICFTU
- European Trade Union Confederation
- International branch trade union federation
- European branch trade union federation
- Trade union federation(s) in the country of the mother company of the group (or enterprise)
- Secretariat of the European Works Council
- InfopointCES
- ETUI
- AFETT-ASE
- TUTB
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#### **4. References at national level**