



### Mergers : what objectives, what management?

**M**ergers, concentrations and restructuring, sometimes in the context of public tendering or the privatisation process, are increasingly common throughout the world, but especially in Europe. New communications technologies, financial deregulation, and the opening up of markets have all played a part in this phenomenon, the consequences of which impact on the operation of the companies concerned and their employees but also have wider significance for the social and economic life of the countries involved. The rate has accelerated noticeably in recent years. For this reason, we decided to compare our experiences of, and thoughts on, mergers at the next EUROCADRES symposium to be held in Brussels on 20 and 21 November.

Professional and managerial staff are directly involved in these events, from preparatory studies through to the resulting reorganisation. However, the crucial decisions, which are regarded as strategic, are taken in secret and remain the privilege of a very limited number of directors, over whom even the Board of Directors often has little control. The aims seem obscure: the logic of capitalism, the search for increased productivity or new markets, megalomania, the need for growth etc. How can we see our way through all this? Then, once a merger has become public knowledge, the consequences within the enterprise must be managed in terms of restructuring the business, the number and quality of jobs, management methods, timetabling. Will there be redundancies? Will new jobs be created? Will the business cultures combine, or will one be imposed to the detriment of the other? ... P&MS want clearly defined guidelines, and the margins of manoeuvre necessary to carry out their work. Along with employees as a whole, they need the information and consultation process to operate at every level.



Monitoring procedures have been introduced. At the European level, the commission intervenes when large companies are concerned principally in order to preserve competition. That is essential, but not enough. The ETUC has recently called for an examination of the impact on jobs when the Amsterdam Treaty is applied. The voice of the European industry federations for the sectors concerned should be heard, and European Works Council should be given extended powers. All aspects of economic and social conditions as a whole must be taken into account.

EUROCADRES-Flash is published in three languages: English, French and German. If you wish to receive it on a regular basis, please contact your trade union or the EUROCADRES Secretariat in Brussels.

#### Dates for your diary:

- EUROCADRES General Assembly : 20 November 2000 in Brussels
- Symposium "Mergers, take-overs and privatisation : the roles and responsibilities of P&MS and their trade unions", 20 and 21 November 2000 in Brussels

---

## The social Europe and fundamental rights

The Summit of Heads of State and Governments bringing the Portuguese Presidency to an end was held at Santa Maria da Feira, the day after the European demonstration organised by the ETUC on 18 June in Porto. EUROCADRES took part in this demonstration, which was a success due to the large numbers taking part (more than 50 000 people). This was a matter of bringing pressure to bear on the Summit to promote active European employment policies and to support the inclusion in the Treaty of a Charter recognising and guaranteeing fundamental rights – including social and trade union rights – in a binding fashion.

Earlier, the EUROCADRES Steering Committee had put the finishing touches to our contribution to the social agenda under preparation by the Commission in cooperation with the French Presidency which will be adopted at the end of the year. In this document, we highlight the following aspects: employment, lifelong training, mobility and the recognition of academic and vocational qualifications, equal opportunities, working conditions and the social dialogue, social protection, enlargement of the Union and the European model.

---

## European negotiations on temporary work

On 26 June, the European social partners (trade unions and employers) began negotiations on temporary work. Our vice-president Peter Lamb represented EUROCADRES in the ETUC negotiating group. At the first meeting, both sides set out their approach. The trade union aim is to reach an agreement on controlling the use of temporary agencies and to guarantee equal treatment for workers. The aim of the employers is to reduce obstacles to temporary work in an undiscriminating fashion. Forthcoming meetings should get to grips with the issues and establish whether any agreement is possible. Any such agreement would then be incorporated into European legislation by the Council of Ministers as happened with the three previous agreements (on parental leave, part time work, and fixed-term contracts) and would apply throughout the Member States.

---

## European strategy for gender equality

In preparing the New Community Programme for Gender Equality (2001-2005) a consultation process was initiated by Commissioner Anna Diamantopoulou.

EUROCADRES submitted an opinion on this proposal, supporting the ETUC position on the 5th programme, and also stressing a number of significant points relating to female professional and managerial staff. EUROCADRES highlighted the importance of focusing on women and decision making in companies. Projects and networking activities should be supported and developed to this end. Reconciliation of working and family life is also a key area that should be given attention in the new programme.

On 7 June 2000, on the initiative of Mrs. Diamantopoulou, the Commission adopted a Communication for a broad-ranging Community Framework Strategy on Gender Equality (2001-2005). The aim of the strategy is to deal with inequalities in political, economic, civil and social life, and with gender roles and stereotypes. It will be supplemented by a programme supporting transnational projects, better data-gathering and awareness-raising campaigns. One of the operational objectives in the Communication is to improve the gender balance in economic and social decision-making.

---

## EUROCADRES mobil-net

Participants from all EU-countries have joined this project which is supported by the Commission. Its aim is to train senior trade union officers in the provision of mobility advice to their members. The first training course was arranged in Belgium at the end of March and the second will take place in Greece at the end of September.

Preparation of a mobil-net handbook is under way. It will contain general information and specific chapters for every EU-country. The network is already working well by e-mail, and is carrying a lot of traffic. An Internet chat-room has been initiated by one participant. Members of the network report that they have been in touch with each other several times. There is also evidence of the development of national networks in two countries.

---

## Quality of training for European engineers

EUROCADRES is a partner in a recently-launched Leonardo project on the quality of higher training for industry, particularly for engineers. At the initiative of the French industry ministry, the project also involves employers' organisations, professional bodies, trade unions and university organisations in Germany, Spain, Finland, Italy and the Netherlands.

Initial meetings assembled information on the certification and evaluation processes for both initial and continuing training. Work-

ing parties have been set up to consider the various aspects: the role of training bodies, the role of enterprise in skills validation and of the social partners in lifelong training, approaches to quality.

This work should lead to the identification of common approaches and proposals for a coordinated method at European level.

---

## Trade union fund for the future in Sweden

A "Fund for the Future" of 560 million SEK (€ 67 470) was one of the most important strategic decisions made by the Conference of the Swedish union SIF in June. The money will be used for long-term investments. "We want to be better prepared for the future", says Mari-Ann Krantz, SIF president, "that is the reason why we are now setting aside money for investments in several areas". These may be projects to increase trade union affiliation within the IT industry, skills development for SIF members, information campaigns or recruitment drives. The National Executive Committee will decide how and when money from the fund will be spent. The money is taken from the strike fund.

---

## Successful agreement for Finnish professionals and managers in planning and consulting sector

The Finnish unions representing over 8000 employees in planning and consultancy sector achieved significant improvement in salary and working conditions in engineering offices in Finland last spring. The situation after the depression had been very difficult in this particular bargaining sector. Salary levels had been very low compared with Finnish industry and long working hours were not properly paid. A strike was imminent. Only 50 minutes before the strike was about to begin the negotiating parties managed to reach an agreement. This was possible with the help of a government mediator.

The solution was a two year agreement. Salary increases were 1.4% for the first year and 1 - 3% extra for the second year. The final level for the second year will be negotiated separately within these limits by basis of statistical research. P&MS received significant improvements in working time and overtime payment measures. The agreement also strengthens the position of shop stewards. The Steering Committee of EUROCADRES supported the Finnish actions in solidarity. This helped the Finnish unions to reach a fair solution in this conflict.

---

For more information about professional and managerial staff in Europe and the work of EUROCADRES visit our web site at the following address: <http://www.etuc.org/eurocadres>

## UNI World Conference for P&MS

UNI (Union Network International) has recently held a major World Conference for professional and managerial staff in Singapore from 20 to 23 August. The Conference was attended by nearly 200 participants from every continent, including many European EUROCADRES members. Under the heading "The Knowledge Economy", it discussed the consequences of the new economy in areas such as intellectual property, trade union training initiatives, the changing role of professional and managerial staff, professional, social and ethical responsibilities, mobility, trade union organisation and models of unionisation.

In its conclusions the conference supported, inter alia, the call of the United Nations

Economic and Social Council for effective and constructive cooperation bring together governmental and non governmental organisations and the social partners to strengthen the impact of information technologies on development.

## Work/life balance of British P&MS

The British TUC held its customary annual symposium for unions representing professional and managerial staff (P&MS) in London during early July. Oliver Röthig, EUROCADRES Executive Officer, attended.

The theme selected, following consultation with the unions, was Work/Life Balance of P&MS. Delegates heard Margaret Hodge

MP, a junior minister in the Government, refer to the long working hours culture in the UK and the adverse affects this was having on working P&MS particularly women. Despite growth in the number of people in employment in the UK women's position in the workplace still reflected the likelihood that they would work part-time hours compared with their full-time male counterparts. But they were not immune from the effects of globalisation which demanded greater flexibility in the nation's workplaces.

The plenary discussion at the end of the day revealed a number of obstacles as well as paths to progress which would be encapsulated in a negotiators' checklist for trade unions to use in discussion with British Employers.

## Green card for IT specialists in Germany

In order to cover the allegedly urgent need for employees in the IT sector, the German government has decided to launch an immediate programme which is supposed to allow up to 20 000 foreign IT specialists from non-EU countries access to the German labour market. By law a work permit can only be issued by the national employment offices. Placing a limit on the number of green cards for individual companies is not foreseen. They will be granted in accordance with the assurances of the work permit applications issued. IT sector companies are particularly targeted, but IT operators can also submit such applications. The programme has already been launched. Thousands of applications had already been submitted before it officially started – especially from India and Eastern and Central European countries.

The fact that the work permit is only issued for a limited period (max. five years) can be problematic. Family members can obtain a residence permit, but they have to wait up to two years until they are allowed to take up employment themselves.

It is expected that non-European IT specialists will have a university degree in information and/or communication technology. Other specialists can also obtain a work permit if their qualifications in the IT sector can be proven and agreed with the employer and the specialist has an annual salary of minimum DM 100 000. Another

condition is that the working conditions and wages are comparable with those of similar jobs held by German employees.

In June, "Bundesanstalt für Arbeit" (Federal Institute for Employment) set up a placement board ([www.Arbeitsamt.de](http://www.Arbeitsamt.de)). Companies can publish their job offers here.

German trade unions have always been and still remain sceptical about the green card-initiative. Above all, they are calling for a broad qualifications offensive. They blame education policy and employers for having lagged behind in the change towards the Services- and Information Society. They also point out that there is a need for qualified IT specialists in various regions of the Federal Republic even though unemployment figures there are considerable. There is nothing wrong in considering the limited and temporary access of specialists from other countries and opening some doors. The unions however, are of the opinion that this cannot be a way to eliminate the obvious lapses made in education policy over the last few decades. The DGB is in favour of extending the agreement signed in the framework of the "Bündnis für Arbeit" (Alliance for Jobs) to create 40 000 apprenticeship places in the IT sector in the next three years. At the moment there are 900 000 employees in this sector and in view of the expected growth in employment, the level agreed up to now is not satisfactory at all. At present,

the ratio for young people is two applicants for every apprenticeship place in the IT sector. There are regional imbalances, shown by the fact that during the first three months of the year 2000 there were 14 500 EDP specialists registered as unemployed.

Irrespective of these concerns, the German unions welcome non-European IT specialists. They will stand up for the rights of these specialists and fight against attempts to abuse them and treat them as cheap labour. Discussions have been going on for several months, initiated among others by the employers' federations, about an alleged lack of engineers and natural scientists. Behind this, it is clear that companies want to free themselves of their obligation to create employment and apprenticeship places. They dread the costs, and shift them on to countries in other regions in the world. Most countries, which have a less developed industry and economy, need their own highly-qualified people. On the other hand, it is a fact that of the German computer specialists who came onto the labour market this year, only 15 000 were trained by companies while 32 000 received financial assistance for their training by the employment office. The DGB believes that this disproportion needs to be corrected.

Ulf Imiela, Head of DGB white-collar secretariat

## EUROCADRES member organisations progress in Belgium

In spring 2000 new company elections took place in Belgium to appoint employee representatives. These elections included a P&MS "electoral college". Thirteen years ago, EUROCADRES member organisations affiliated to the CSC and the FGTB represented 39% of Belgian professional and managerial staff. They have made considerable and steady progress since that date. Today they have passed the 60% mark, as the table which follows shows. Progress is even more marked in terms of the number of seats won, since the union has now gained a foothold in more enterprises. EUROCADRES affiliates pro-

vide support through giving information and reporting on activities of the sector and companies. Efforts are also taken in small enterprises to assist P&MS to overcome problems regarding stress, working time, working conditions which are often uncertain and difficult.

There is a corresponding net loss by the CNC, which lost half its influence between 1987 and 2000 (falling from 34% to 16%), and by the so-called independent "house" lists which are losing support steadily, but which nevertheless obtained 15% of seats on 13% of the vote. The more pronounced growth of the CGSLB (a "liberal" trade

union) up to 1995 seems to have subsided.

If we look at patterns of change within the regions, EUROCADRES member organisations are gaining most votes in Wallonia and Flanders; the situation is more stable in Brussels.

The 2000 results are still provisional. However, they represent about 95% of the electorate. The final results are unlikely to be very different.

On the whole, these results confirm the increasing confidence of Belgian professional and managerial staff in EUROCADRES member organisations.

### Works Council Election: professional and managerial staff votes

	1987	change	1991	change	1995	change	2000 *
CSC	25 %	+	32 %	+	38 %	=	38 %
FGTB	14 %	+	18 %	+	19 %	+	23 %
<b>Total EUROCADRES</b>	<b>39 %</b>	<b>+</b>	<b>50 %</b>	<b>+</b>	<b>57 %</b>	<b>+</b>	<b>61 %</b>
CNC	34 %	-	25 %	-	21 %	-	16 %
CGSLB	5 %	+	7 %	+	9 %	+	10 %
Independents	22 %	-	19 %	-	14 %	-	13 %

\* provisional results

## Recent Publications

### • FORHINV report on investment in human resources training and recommendations for action.

This report is the result of a Leonardo project carried out by EUROCADRES and coordinated by Josette Pasquier in partnership with six trade union organisations. It consists of four brochures:

- 1<sup>o</sup>) A summary of the work carried out (background, concepts, experiences and an analysis of the problems of investment in training) and the authors' proposals (available in French and English)
- 2<sup>o</sup>) An alphabetical glossary (in French and English)
- 3<sup>o</sup>) A thematic glossary (in French)
- 4<sup>o</sup>) An appendix featuring case studies (in the original language).

The whole report provides an insight into the obstacles to and the opportunities for developing investment in human resources training, and explores the possible ways forward.

### • Professional and managerial staff and lifelong learning for the 21st century

This brochure contains the report drawn up by Bern Mansel on the EUROCADRES symposium held on this subject at the end of 1999. The text of the symposium conclusions completes the document.

### • P&MS, organisation, collective bargaining and individual arrangements

This report covers seven European countries: Belgium, Denmark, Finland, France, Italy, Luxembourg, and the United Kingdom. It provides a résumé for each country on approaches and definitions of P&MS, how they are organ-

ised (including trade unionism), the manner in which they take part in collective bargaining, and how they are impacted by individual arrangements (salary, status etc.). This is a reference document enabling the reader to understand how P&MS fit into systems of company relations in European countries. Edited by Emmanuel Mermet of the European Trade Union Institute, the study was carried out in cooperation with EUROCADRES. Available in English and French.

A new edition will appear at the end of the year, including most of the material from the first report and extending coverage to all the countries of Western Europe.

### • Focus on European social policy, countering Euro-pessimism

The author, Wolfgang Kowalsky, produced this work before taking up his current position as advisor at the ETUC. He first outlines the legal and institutional foundations of the social Europe before describing its achievements. He sets out the changes taking place in the European social dialogue and in collective bargaining and attempts to arrive at some principles which would aid their development. Finally he tackles the Euro-sceptics, drawing attention to the constraints and opportunities inherent in a European social policy. Published by the European Trade Union Institute in English and French.

### • European Works Councils in practice

This new training manual for EWC members is based on experiences in Germany, Sweden and France. The central theme is the link between management strategies and those of the EWC. It also discusses the structure of different types of EWC, communication issues and practical problems. Brochure published by the European Trade Union College in German, English and French.

Member organisations of EUROCADRES are not only authorised but are encouraged to reproduce the information that we publish in their newspapers, with a reference to EUROCADRES-Flash as the origin. Enquiries for further information should be addressed to the Secretariat.



CONSEIL DES CADRES EUROPÉENS  
COUNCIL OF EUROPEAN PROFESSIONAL AND MANAGERIAL STAFF  
RAT DER EUROPÄISCHEN FACH- UND FÜHRUNGSKRÄFTE