



# EMF view on flexible employment

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# Context



- Shared premise for the discussions in the C&E work group of the Metal SDC regarding adaptability:
  - Companies must be able to adapt fast to changing business environment, cycles, shocks etc.
  - Workers need decent jobs and working conditions, adequate social security, education and workers rights
- A discussion on companies' flexibility needs, drivers for adaptability and the most widely used instruments has taken place in 2011
- This presentation presents the EMF view on flexible employment – particularly in terms of workers needs for security



# Outline



Temp agency work  
(TAW)

Fixed-term  
employment

Part-time work



# Background



- An erosion of standards contracts
- Many flexible jobs are precarious
  - Little security
  - Low wages
  - Without protection against dismissals
  - Without trade union representation
- EMF adopted a common demand in 2009
- Timely decision which also covered other issues like subcontracting, bogus self employed etc.
- The common demand is being evaluated continuously



# TAW-1



- Metal industry is a major user of hired workers
- High share in some companies/sectors
- TAW is a key element in the common demand
- We have limited belief in the “bridge effect”
- TAWs change work places and sectors very often
- Low union density among TAWs, they can't make collective claims.
- TAW can be accepted in cases of:
  - Real substitution
  - Temporary production peaks



## TAW-2



- TAWs should be covered by collective agreements
- The key element of the new directive, equal conditions, must be applied in practice
- Restrictions in collective agreements, for example on percentage, duration and number of renewals must be respected
- Hired workers should be organised in unions of the user companies.
- Also this group of workers need European social dialogue. Conditions vary from country to country



# Fixed-term-1



- EMF prefers permanent contracts.
- Permanent staff are more stable and loyal to the company. And they can plan their future with family, mortgages etc.
- Priority should be given to permanent jobs
- New employment should thus be transparent



## Fixed-term-2



- Fixed-term are preferable to TAWs as they:
  - Avoid the triangle relation
  - Keep the total pay themselves
  - Stay longer in the same company
  - Are subject to local collective agreements
  - Are more often unionised





# Part-time-1



- We are not generally opposed to part-time.
- Involuntary part-time is the problem, in particular work paid by the hour without sickness benefits.
- Not very common in manufacturing industry
- EMF receives few reports from affiliates that this is a priority issue



## Part-time-2



- Priority should be given to permanent jobs
- Discrimination must be avoided (EU Directive negotiated in 1997)
- Pension rights should be granted also to workers with few working hours
- Overtime pay often a problem



# Some Observations



- Flexible forms of employment have increased in MET sector, especially TAW
- Aggregated MET data does not address manifest differences across branches (and within branches)
- There is a shared view on adaptability needs
- A variety of instruments to handle adaptability needs exists and internal flexibility is widely used by MET companies
- Trade unions have critical views on the use of flexible forms of employment related to:
  - precariousness
  - Misuse of flexible employment contracts to replace core staff for core tasks over extended periods of time
- Achieving long-term competitiveness and competence supply rests essentially on a highly-qualified, motivated core work force



## Future efforts



- A new federation with 7.9 million members to be set up on 16<sup>th</sup> May 2012 (EIWF)
- EIWF will have a common demand on precarious work
- Employers and governments across Europe will know our joint approach
- Demands for full-time, decent jobs will be tabled both in collective bargaining and political lobbying



Thank you for the attention!