



Frankfurt, 10th September 2008

Frankfurt Statement

The representatives of metalworkers trade unions, works councils and trade union committees at the international sector conference of the European Employee Network Agricultural Technology in Frankfurt a.M. state:

The protection and development of jobs and working conditions in a sustainable way as well as the aim to strengthen the innovative competitiveness of the agricultural technology sector in Europe also includes respect and extending principles of social dialogue. The traditional strength of trade union organisations and the influence of shop floor interest representation of employees on company decisions is playing a crucial role in the development of sustainable and strong concepts.

Of course, the EWC Directive and its current and forthcoming revision is important for company based interest representation in the light of the increasing internationalisation of our industry. However, and above that, it is important to establish further cross-border cooperation structures on a solid legal framework which serves company based / trade union interest representation in the primarily small and medium sized companies of the agricultural technology sector. Such framework conditions for sector orientated activities of interest representations also precondition financial and time resources in order to make cooperation possible.

Especially these improvements of the representation of workers interests are necessary for the development of a socially responsible employment policy and industrial policy frame of European politics.

This statement is based on following experiences:

The European agricultural machinery sector with more than 1,000 companies and more than 170,000 employees in Western Europe alone, not only is the major global provider of agricultural machinery but also a technological innovation sector with global competitiveness guaranteed by high-quality industrial jobs and professional skills of employees. In the context of globalisation and EU enlargement the process of internationalisation of company structures also in the agricultural technology sector has been accelerated drastically. Today, there is a continuous decision making on the selection of production sites, on labour contract issues such as the assignment of temporary and agency work as well as on company structures and value chain organisation of the sector. This has resulted in multinational companies gaining influence by acquisitions, mergers and the establishment of new productions sites. Also for private equity capital the industry has become more important. At the same time, smaller and medium sized companies are facing stronger competition and cost pressures. The global market entry of China has even

put more pressure on company sites in the "old" as well as in "new" member states. As trade unionists and employee interest representatives at the shop floor, we have been experiencing a growing internationalisation for a long time now. For workers and interest representations, there is a continuous challenge to develop concepts for safe and good work as an alternative to strategies which are only based on the reduction of labour costs.

The exchange of company based interest representations and trade unions in the metalworking sectors has been started in 2007 with our European Employee Network Agricultural Technology and is particularly focussing on this objective. From this experience, we have learned that – albeit all national differences – we are facing similar problems and joint challenges. Amongst them in particular:

- The extension of agency labour and other forms of labour assignment as opposed to regular and permanent labour contracts which often are connected to significant reductions in earnings and incomes for workers involved
- Insufficient investments in the know-how, competences and qualifications of employees, the increasing lack of qualified workers and the risks for production sites, workplaces and production quality
- Relocation of jobs within the EU and beyond European borders due to wrongly calculated cost advantages and serious risks for existing production sites

We do not only regard these trends as common challenges for company based and sector-level trade union policy, but also as a serious threat to the industrial development of the agricultural technology sector in Europe. With the concept of "always cheaper" the agricultural machinery markets of the future can not be explored. Therefore, we are arguing for "*better instead of cheaper*".

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