

Summary of comments by Mr. Michael Shanks, Director General for Social Affairs in the Commission of the European Communities, on the conclusions of the working groups at the conference on "work organization, technical development and motivation of the individual" held in Brussels 5-7 November

I do not think we should even try today to draw up a formal set of conclusions from this conference. What we should do in the Commission is to analyse the recommendations, the ideas that have come up at the conference and see how we can turn them into proposals for action at Community level.

Why is it important, particularly now when we face so many different and urgent problems in the Community, to spend time on trying to find ways of humanising work in the Community. We have to be prepared to answer this question of why.

Part of the answer was given by Professor Albeda when he talked about crises as being the motivating factors usually behind attempts to improve the organisation of work and we face as you know too many crises in different sectors and parts of the Community at the present time and it is easier and better, as Professor Albeda points out, to deal with crises before they arise rather than after. What are the aspects of these crisis

situations which particularly stress the importance of humanisation of work. First of all, I think it is quite clear that standards and expectations throughout the Community with regard to work are rising and rising very fast; conditions which were quite acceptable ten or even five years ago are unacceptable today and this, I think, is linked with rising educational levels throughout the Community. I believe that this for example has been a very important factor in the problems that some sectors of Swedish industry have encountered and since it is clear that we cannot hold back and should not want to hold back the development of education, it is clear that this problem is going to get worse rather than better unless something is done about it at the industrial level.

Secondly, as I mentioned a few moments ago, a substantial proportion, rather a large proportion of the dull and dirty jobs in the Community have been and are today being done by migrants and it is quite clear that the dependence of the Community of migrants will reduce. At the present time as you know many governments have proposed a block of the new recruitment of migrants from third countries and for very good social reasons it is clear that we can no longer in the long term continue to rely on migrant labour to do the unpleasant jobs throughout our Community and this means that if we are going to rely less on migrants or if we continue to employ migrant workers, to raise their conditions, then we have to improve the quality of the jobs that they are at present doing.

Thirdly, it is clear that this whole subject of humanisation of work is moving into the arena both of collective bargaining, and there are a number of examples which I shall give in a few minutes, and also of political awareness. But at the same time it is clear that there are difficulties

and the rapporteurs in almost every case have referred to them, to see the scope for legislation or government action within this field where governments feel that something needs to be done but it is very hard to see what can usefully be done at governmental level and that is one of the reasons for the importance of this conference: to try to find ways through this problem.

Fourth, and particularly important, is the technological opportunity. It is clear that the developments of modern technology have created new opportunities for moving away from ~~traditional~~ ^{TAYLORISM} traditional scientific management, towards newer and more exciting patterns through the use of autonomous work groups, for one example, or for the full automation of some of the worst jobs. We are now entering technologically it seems to me an era of experiment when all opportunities become open and when technology can be put at the service of man, but if, and only if we know first what we want to do.

Fifth, it^{is} clear that we are witnessing a dramatic growth in shop floor democracy, in what one of the participants to this conference has described in a recent book as job power, which is expressing new psychological needs of the workers and also very important is reflecting new power relationships within industry. We see the institutional reflection of this in the development of works councils, Comites d'entreprise in the different industries. One of the questions that we should address ourselves to, it is reflected in the comments of the rapporteurs, is what kind of role these bodies could play in the humanisation of work. For all these reasons, the subject is and will remain a priority one on the Community agenda and the next question that arises is that if we are going to bring through changes,

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what are the agents of change?

First and far and away most important in this context, are the Social Partners. Because the arena where change can most effectively be made is by agreement between the social partners at the level of the business enterprise. The relationship between the social partners falls into three broad categories. You have the area covered by negotiation, the area of conflict, you have the area covered by consultation and you have the area where conditions are affected by legislation and I do not think that one can exclude any of these three elements because, as Kenneth Walker pointed out in his paper, the same objectives can be pursued by different methods, at different times, in different places. What is constant is the drive on the part of the workers for better conditions and the method by which that drive is expressed, whether through negotiation, through consultation or through influencing legislation, is a secondary factor, the important factor is the continuing pressure on the part of the workers for better conditions. Typically in the past and today, the areas covered by this social partner relationship cover such things as remuneration and working time, social protection, the physical working environment which, as M Legrange has reminded us, is still of vital importance in the humanisation of work, employment policy, personnel policy and the formal structure of decision making. Up to now technological development and its implications have normally entered into this field through management prerogatives, through attempts by management to change the technological structure of work and the reactions of trade unions to these attempts. Management in a sense has had to buy the right to initiate change and this has been expressed, for example, in the productivity agreements which were a very important part of collective bargaining in the UK in the middle 1960s, but the implication

has been that change is something which is hostile to workers and it is something that management gains from and therefore have to pay a price to trade unions in order to achieve. I wonder whether that in fact is now changing, whether it is becoming more the case that some of the changes that can now be brought in reflecting new technology, new knowledge, can be at least as much benefit to the workers as to the employers. We are beginning to see a new element therefore entering into collective bargaining. For example, one could mention the Danish Metal Workers' Agreement in 1970 on autonomous group organisation, the German Metal Workers' agreement for Nordwürttemberg, Nordbaden in 1973 including a minimum work time span, or if we take individual companies, the Olivetti labour agreement of 1971 stipulating job redesign activities, new production techniques, etc. and the Fiat national agreement of March 1974, and one could mention others as well, for example in France the Renault and Jaeger plant agreements. But the important crucial fact is that if change is to be brought about effectively it must be by agreement at individual plant level between the social partners, whether the initiative is taken by the employers or whether the initiative is taken by the trade unions. In addition to the role of the social partners, I think one should list as the second important agent for change, more formal initiatives. These come into two categories. They have been described very well the first day of our conference by Professor Trist and Professor Thorsrud. There have been some cases initiated by management with the help of consultants like the Tavistock Institute, by individual firms and this has been going on for twenty years and the surprising thing to me in this area is how little knowledge exists outside the particular enterprise involved of the work that is being done in individual firms and this question of the diffusion of knowledge of course has come up again and again in the work of the working groups and in the reports of the rapporteurs this morning.

There have been ~~two~~ ^{two} more generalised initiatives which are particularly interesting to us; those in Norway and in Sweden. I think that it is very interesting to compare the different approaches followed in the same area in Norway and Sweden. In the Norwegian case, you have had a highly centralised process of change, strictly controlled, I think it is fair to say, by the central organisations of the employers and the trade unions working with consultants, working very closely together. In Sweden you have had a much more decentralised approach taken more on the initiative of management, but with co-operation and agreement clearly by the trade unions but aiming to operate on a more decentralised basis than the Norwegian experiment. I think it is useful to us in the Community to compare the relative good and weak points of these two experiments.

Thirdly, of course, taking the agents of change, one comes to governments and it is clear that governments are beginning now to move into this area with the setting up of new institutions and one of the important ~~things~~ things that we have to consider is how these institutions could be developed, what kind of liaison between them and any possible Community institutions might be developed. There are institutions to promote exchange of information, research and experimentation, either in the case of tripartite committees within ministries of employment as in the UK, or as semi-independent national agencies as in France or in the extension of fields of activity of existing organisations such as the Office Belge pour l'Accroissement de la Productivite. There are increasing research programmes being carried out on a very large scale particularly in Germany with the governmental research programme on work humanisation launched in May 1974 to give concrete substance to the theoretical objectives of the works' council act of 1972 and while one is talking about research into this field in Germany, I think one should also mention the very ambitious multi-disciplinary research project in this field being undertaken by the DGB Economic and

Social Research Institute. Then of course there is the question of government legislation. One has the developments of Mitbestimmung in a number of European countries, the development of compulsory works' councils and in some cases also experiments in legislation which I think are in some ways particularly interesting in our context, in the context of work humanisation. For example in Austria where the works' councils act established specific procedures and criteria to be used in the design of new work processes to meet human requirements. Similar objectives have been achieved in the Scandinavian equivalents of works councils established by collective agreement. While one is talking about Sweden there is the very interesting use of the Swedish investment fund for improvements in the working environment. I shall come back to that in a minute because it has possible implications for the use of Community instruments as well.

Finally, for completion I think one should mention the role of governments as employers and here one has to say that governments have not on the whole played a very creative role in the humanisation of work in their capacity as employers but maybe this will change. Having described some of the agents for change, I think one should now look at what are the main constraints and a number of these have been mentioned by the rapporteurs.

First of all, perhaps most crucial, is the problem of the new roles which work humanisation requires of the different people concerned. The role of the manager who has to move away from a hierarchical structure, particularly the role of the middle manager and supervisor who is directly accountable to his boss for performance but at the same time is having to operate now in a new more flexible, more democratic structure which may conflict, or may appear to conflict, with his own responsibilities. This aspect has been mentioned by both Miss Klein and Professor Albeda and it is a very important

deterrent to progress in the humanisation of work.

Secondly of course, the worker taking part in an autonomous work group imposes new responsibilities, new disciplines, mental disciplines on workers which some of them may not want to have. It has been said in this conference, and I think it is true, that we should not assume that every worker wants his job to be enriched and then there is of course from the point of view of the trade unions a conflict with their traditional roles or there may appear to be a conflict if they are to take an active part in developments of the humanisation of work for their members. So that is one constraint: the problem of new roles for the participants which relates directly to the problems on the educational side that M Delors referred to in his report. A second constraint is the problem of isolation. That many of these experiments take place in sectors of industry where there is ignorance about what is going on outside, ignorance about the general relationship of the experiment, the general climate and the corollary, the risk of what one might call the 'goldfish bowl' syndrome: that one is taking part in a very interesting scientific experiment which may affect one's attitudes to that experiment.

Thirdly, there is the problem of training and education, which is the core of the work of working group V which has been dealt with in great detail by Mr Delors. There is the need not only for better education of workers but also for value changes, fairly radical value changes, in the professional training that we give, that we need to find some way of bringing social values into the training for example of engineers and into the technicians, technologists who create the working environment within which workers have to work. There is the particular need to establish

better links and I agree entirely with what M Delors has said about this, between education and industry, especially for young people where we find increasing difficulties of relating the education to the industrial opportunity.

Finally, among the constraints, I think one should mention the economic constraints which were the subject matter of working group IV and with which Professor Albeda has dealt. Clearly, experiments in humanisation of work have to be related, as Professor Albeda has said, to some kind of cost accounting and I wonder whether we should look more deeply into our accounting conventions, into the way in which cost accounting is taught because in any case many of our accounting conventions are outdated, I believe with the inflation that we are now experiencing and I wonder whether more could be done in research at Community or national level on some of the factors which are underweighted in the accounting courses which we now teach. There is another factor related to this which I think we should consider: whether we need to do anything at national or Community level to remove the competitive penalties, real or imagined, which social innovators may face in a common market. Clearly, if some firms or some countries are moving faster in the social innovation in industry and accepting new responsibilities which are not faced by their competitors, this could distort the pattern of competition. I think we need to look to see whether there is anything that needs to be done in the field of equalisation of competition to remove such penalties if they exist.

This brings me to the final section of what the Commission can do in this general field and first of all I should like to refer to the Foundation for living and working conditions because it seems to me clear that this can be one of the main instruments by which we can make progress in this field at Community level. This has been referred to by M Lagrange, Miss Klein

Mr Raieviski and M Delors. They have in each case given a list of things in the field of research, documentation, pilot experiments, establishment of job analysis grid, glossary of terms, etc. which might be done either by the Commission or by the Foundation. My own feeling is that it would be useful to think first of all in terms of the Foundation as being the main instrument for dealing with these matters, so that I believe that we should look at the possibility of giving the Foundation responsibilities in the field for example of collecting, cataloguing, classifying information on activity in the field of work humanisation. We should give it responsibilities for the promotion of research, the promotion of action research, pilot experiments carried out in conjunction with specific industrial sectors and clearly in agreement with and in full cooperating with the social partners concerned in those sectors. It should clearly I think have an active liaison with the existing national agencies as in France, the tripartite bodies as in the UK, Ireland and Denmark and I believe that it would be useful if such bodies could also be developed in other countries of the Community. It could also have an important role in the exchange of information including the exchange of people and experts between the different sectors in the different countries of the Community. And it may be that the question of working out a code of good conduct which has been referred to by the rapporteurs might also be a role for the Foundation and added to this I think one should say that the Foundation should have a very important job of developing research in the field of ergonomics in particular. That is one instrument which I think can be very useful in this field.

Secondly, there is the possibility of using the sectorial approach. For example, where they exist through the Community level joint committees where the social partners on both sides are willing to sponsor and encourage specific experiments within their particular sectors. This would be very

like the Norwegian experience but this would depend clearly on the willingness of the social partners at the sector levels to play an active role in helping to develop these experiments.

Thirdly, and this is a point raised by Mr Legrance, the question of investment incentives. Here we have two instruments which could potentially be used. One is the European Investment Bank and the other is the European Social Fund. It might be, and I am thinking aloud here, that one of the criteria for loans from the European Investment Bank might be investments with a clearly social purpose, investments in social innovation, and it might be again that one could look at the criteria used for the Social Fund to see if this could be used for particular experiments and particular investments in the field of social innovation and this is a point which M Delors mentioned as a possibility and I think that this is certainly something that it would be useful for the Community institutions to look at. There is the general question of the promotion of education: points raised by M Delors.

Clearly, there is a very important job to be done in trying to influence the professional education carried out in the different Member States. Some things, however, one can look at directly because they fall within the ^{AMBIT} ~~scope~~ of Social Affairs Directorate General, the role of the European Centre for Vocational Training which M Delors has referred to and I think one could also mention as a possibility developments within the European Trade Union Institute which the ETUC is considering setting up. This of course would be primarily a matter for the trade unions themselves but I believe that the Trade Union Institute could have a role to play in this field in broadening the training and

educational background of those of its members particularly concerned in this area.

Next, there is the question of specific functions to be given in this area for works councils and I am very much impressed, again this is a personal reaction to the idea put forward by M Legrance, that a study should be carried out to see how one could establish the right of the worker to be involved in the chain decisions which would change his work pattern and this might be a specific role for works councils, for Comites d'entreprise and finally, the question of social reports for firms. Whether this should be something to be encouraged by the Community institutions or whether it should be a function for national action, I do not know but I do believe that this is a very important potential development. The idea that firms should carry out and should be required to discuss probably with their works councils or with the appropriate social partners institutions reports on their social achievements, their social prospects and perhaps their plans in the social area for several years ahead. This seems to me to come very close to the idea of the social audit which has been widely discussed and is beginning to be practised in a number of countries. John Humble who is here at the conference is a particular expert in this field in the context of the UK and perhaps he might like to say a few words about this aspect later on in our discussions this morning. This was a point that was also made by Miss Klein.

I have missed out, I know, a lot of the points that have been made by the rapporteurs but I do not want to pre-empt all the time of the discussion so perhaps I could just conclude by saying that ~~from the point of view~~ for the role of the Commission, perhaps the most useful part it can play is to try to act as a catalyst, as a cross-fertilizer and that we should not under-rate the

importance in this context of meetings of this kind. As experts with our natural and traditional modesty as experts we may underestimate the importance and the value of meetings of this kind and I think that it would be a mistake to do so. I think that in this field what one has to do is ~~is~~, as somebody said, ^{to} create climates of opinion and I believe that a great deal can be done in creating climates of opinion which will influence the decision makers through meetings of this kind and that from this there could come, and this again is an idea that I think we should consider very carefully, what Miss Klein proposed, which is some kind of a declaration of intent with the social partners on what we feel the objectives of improving the humanisation of work in our Community should be.

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