



## **IUF** **Uniting Food, Farm and** **Hotel Workers World-** **Wide**

### **IUF / DANONE AGREEMENTS**

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#### *International agreements for Danone workers*

*The Danone group is a French-based company active in three main sectors. It is n¢X1 worldwide in dairy products, n¢X2 worldwide in bottled water and n¢X2 worldwide in biscuits. It is mainly known through its brands Danone, Lu, Galbani, Evian. It employs 86 657 persons (at December 31, 2000).*

*The IUF and the Danone group started as early as 1985 to discuss industrial relations at international level. Joint meetings between central management and IUF-affiliated unions representing workers at Danone subsidiaries were organized on a yearly basis as of 1986. In 1989, two agreements were signed on economic and social information for staff and their representatives, and on equality at work for men and women. An agreement on skills training was signed in 1992, and an agreement on trade union rights was concluded in 1994.*

*On May 9, 1997, the Danone group and the IUF signed a Joint understanding in the event of changes in business activities affecting employment or working conditions.*

**note: Danone was until 1994 known as the BSN company. Some of the early texts therefore refer to BSN as the employer. Any reference to BSN should be understood as implying the Danone group.**

### **PLAN FOR ECONOMIC AND SOCIAL INFORMATION IN COMPANIES OF THE BSN GROUP**

This document is a list of the minimum of information required by workers and their representatives in order to understand the economic and social well-being of their Division.

This form should therefore not be filled in: the content, form and frequency (at least once a year) of the information must be adapted to the conditions prevailing in each company.

Workers and their representatives must be fully aware that some of the information is of a strictly confidential nature.

Paris, September 26, 1989

## **ECONOMIC INFORMATION**

### **COMMERCIAL DATA**

- „h Market: the company's position and development trends
- „h Volume of sales (tons or hectoliters) by product type
- „h Export sales (including internal group sales)
- „h Total of new products launched in the two preceding years

### **FINANCIAL DATA**

- „h Net Sales
- „h Operating Income
- „h According to the accounting practices of the country in question, the Division will select indicators to give an indication of their financial situation (cash flow, net profit, etc)
- „h Total value of industrial investment
- „h Total expenditure o advertising
- „h Research expenditure
- „h Where applicable, total amount paid in shares and profit-sharing schemes

## **SOCIAL INFORMATION**

### **EMPLOYMENT**

Average monthly permanent workforce for the year -  
 PRODUCTION\* CLERICAL\*\* MANAGERIAL TOTAL  
 MEN grouped by:  
 „h age

„h seniority

WOMEN grouped by:

„h age

„h seniority

TOTAL grouped by:

„h age

„h seniority

„h Average occasional workforce for - in full-time equivalents

Production\* Clerical\* Managerial Total

M W M W M W M W

FIXED-TERM & SEASONAL CONTRACTS

TEMPORARY

SPECIAL YOUTH CONTRACTS

TOTAL

WAGES AND SOCIAL CONTRIBUTIONS

„h Total wage costs

„h Total social contributions

„h Breakdown of clerical/production worker wages

„h List of contributions (with basis of calculation) paid by the employer for production/clerical workers

WORKING HOURS

„h Contractual number of working hours in the year 198-

„h Total number of hours worked in 198- including hours in overtime

„h Absentee rate

„h Number of part-time employees

„h In the case of shift work or irregular hours: all precise indications of the number of employees concerned, the hours worked, hours of night or week-end work, etc.

SAFETY

„h Frequency: Number of accidents with work stoppage x 1 000 000 number of hours worked

„h Severity: Number of days lost x 1 000 number of hours worked

„h Number of fatal accidents

„h Contributions paid to cover industrial accidents

„h Steps taken (and their cost) to improve working conditions

NEW TECHNOLOGIES

„h Foreseeable consequences for the organization of work and jobs

„h Action programmes planned

TRAINING

„h Total expenditure on training

„± by the company

„± through outside subsidies

„h TOTAL amount devoted to training

„h Number of hours of training

PRODUCTION \*\* CLERICAL \*\* MANAGERIAL TOTAL  
 MEN  
 WOMEN  
 TOTAL

„h Percentage of hours of training provided by outside agencies

„h Summary of training schemes (retraining in another skill, reclassification within or outside the company)

\* using in each case the socio-occupational categories specific to the Division to differentiate where possible between skilled and unskilled workers.

## **ACTION PROGRAMME FOR THE PROMOTION OF EQUALITY OF MEN AND WOMEN AT THE WORKPLACE**

### **IUF PLAN FOR APPLICATION OF ACTION PROGRAMME**

All BSN personnel must be informed of the commitment to promote equality. Different methods may be used according to the particular situation of the subsidiary. The aim is to publicize these methods.

IUF teams will coordinate their actions, to ensure that the situation is analyzed by a team within the enterprise. These may be ad-hoc, or already existing structures. It is imperative that each team comprise women workers.

**ANALYSIS:** The object of this phase is to identify inequalities, seek out their causes within or outside the enterprise, workplace or social group. or at the individual level.

At the same time, workers will be asked for their suggestions regarding this analysis. Finally, conclusions and recommended priorities will be drawn up.

Definition of agreed priorities, aims and deadlines. Programme implementation.

**FOLLOW-UP AND EVALUATION:** The follow-up and evaluation of ongoing actions should facilitate modifications, where necessary. Workers will be informed of the results of the assessment at company level. The BSN-IUF working group will produce report of the year 1990 and a general evaluation in 1991.

## **ACTION PROGRAMME FOR THE PROMOTION OF QUALITY OF MEN AND WOMEN AT THE WORKPLACE**

In order to increase occupational equality between men and women within Divisions of the BSN group, it has been decided to develop coordinated initiatives to this end, taking due account of legislation in force in the various countries and of provisions in existing collective agreements.

The first stage of this process will be to conduct, in each Division of the BSN group, a series of analyses of existing inequalities.

It is desirable, local conditions permitting, that this study be conducted by a working group consisting of management, staff representatives and/or union delegates. This group may be an already existing structure (e.g., a sub-committee of a works council).

A plan of action on priorities will subsequently be drawn up with deadlines for implementation and procedures for follow-up.

If the plan has not been drawn up jointly by management and union organizations, personnel representatives must be kept regularly informed of developments in this area.

An interim progress report will be made during the first half of 1990, and a final evaluation of concrete achievements should follow in the first half of 1991.

Paris, September 26, 1989

## **AGREEMENT ON SKILLS TRAINING**

In order to develop skills training within each subsidiary into employment contracts, it was agreed to develop coordinated initiatives while taking into account national legislation and collective agreements:

„Y First, there will be planning studies concerning modernization, jobs and training needs in each unit, taking into account the specific characteristics of that particular division of BSN;

„Y in the case of restructuring, the planning studies and training programs should take account of the local possibilities for skill conversion to avoid the economic decline of the regions concerned;

„Y Action will be taken to make workers aware of the importance of training for their own future;

„Y Before training begins, workers will be entitled to an individual skills audit, the basic components of which will be negotiated with the trade unions;

„Y Faced with foreseeable changes, skills training should give particular priority to the least qualified personnel so that they will be employable. Training could also be preceded by training in language skills;

„Y Skills training should take into account the wishes and needs of the company and the workers (geographic and/or professional mobility within the subsidiary and within the entire BSN group). Positions available within the BSN group in the same country will be made known to those in other divisions and offered in priority to those workers;

„Y Training must lead to the achievement of a qualification which gives workers involved certificates which allows them to show the value of their new skills either by recognized diplomas or, if not possible, by certificates which are recognized in all BSN divisions.

Particular attention will be paid to the conditions under which training is carried out in order that the workers are not penalized financially for taking part (lost wages and payment of the costs of training).

This framework agreement will be put into practice in the subsidiaries through a program of action and a schedule of implementation developed under the joint responsibility of the management and the trade unions.

This program will be subjected to a joint follow-up and evaluation which provides information to the workers; representatives. The first evaluation of this framework agreement will be made during 1993.

## **IUF/BSN JOINT DECLARATION ON TRADE UNION RIGHTS**

BSN and the IUF:

„h recalling the fundamental right of each employee to be represented and defended by the trade union organization of her/his choice;

„h affirming that the counterweight represented by the trade union organisations contributes to the respect of the needs and aspirations of the workforce by company executives

„h mutually recognizing the legitimacy of each party and their right to participate in the social as well as economic spheres, each mindful of their respective responsibilities as far as these conform with laws, collective agreements or other contractual agreement in effect;

„h are convinced that reinforcing democratic forms of co-operation in the enterprise is the responsibility of both parties, and that this implies the recognition of divergent approaches and differences in judgement as well as the search for negotiated solutions;

„h note that achieving this objective requires efforts to provide economic and social education and information to the entire workforce as well as their representatives to better understand the problems, the limitations faced by the company, and what it has at stake;

In this spirit, BSN and the IUF undertake to:

1. Monitor proper compliance throughout all BSN subsidiaries with ILO Conventions 87, 98 and 135, which concern respectively:

„± the right of all employees to join the trade union organization of their choice;

„± the right of all workers to be free from any act of discrimination leading to the restriction of trade union rights;

„± the protection of all workers' representatives from all prejudicial measures, including firing, resulting from their status or activity as representatives of the workforce in accordance with the law, collective agreements, or other forms of contractual agreement in effect;

2. Encourage management and trade unions to negotiate agreements [concerning trade union rights], where possible for fixed durations, and to seek to publicize these agreements among the workforce to the widest possible extent;

3. Encourage management and employee representatives to negotiate and conclude agreements seeking to ensure that trade union and employee representatives benefit, with comparable ability, from the same opportunities of access to training, salary progression and promotion as other employees, and that the remainder of their professional development is taken care of when they decide to stand down from office.

Within the continuity of the BSN/IUF framework agreements (equality of men and women, economic and social information, vocational training), BSN and the IUF confirm that the process of informing and educating trade union and worker representatives should develop within each BSN subsidiary with the goal of ensuring effective implementation.

A first review of the implementation of this declaration will be undertaken in a concerted way during the plenary meeting in 1995.

# JOINT UNDERSTANDING IN THE EVENT OF CHANGES IN BUSINESS ACTIVITIES AFFECTING EMPLOYMENT OR WORKING CONDITIONS

This Joint Understanding defines the modalities for the putting into effect of the provisions of the protocol agreement for the constitution of the Danone Information and Consultation Committee on questions affecting employment and working conditions.

Paris, 9th May 1997

*THE FRENCH TEXT IS TO BE CONSIDERED THE REFERENCE TEXT.*

Further to the IUF/Danone Common Viewpoint and to subsequent joint plans, action programs and declarations, this Understanding has as its purpose to introduce additional provisions beyond those already in existence within the Companies of Danone Group, applicable in the event that new techniques, organisational processes are implemented, or in the case of substantial changes in production volume, transferral of substantial part of production, partial or full closings of facilities and, in general, in all situations whereby working conditions or the nature of employment contracts are significantly affected.

The local management of Danone companies and the trade unions - or in their absence employee representatives - are now responsible for translating the general principles outlined below into practical provisions. Those provisions should under no circumstances be substituted for more favourable clauses existing at Danone.

## 1. TRAINING

The Danone Information and Consultation Committee considers that the development of employee skills through training, as part of a future-oriented personnel management approach, is a primary tool for protecting current jobs by preparing for coming technological or economic developments.

The Danone Information and Consultation Committee call upon labour and management to implement locally the provisions of the IUF-Danone action program of September 1989 on equality of men and women at the workplace, and the agreement of April 1992 on skills training, keeping in mind the following basic principles:

„h in the event of major changes in working conditions or in business activities causing the suppression of jobs, the employees concerned should be entitled to receive training for the purpose of

helping them find occupation either within the companies of Danone Group or elsewhere;

„h the terms and conditions of training programs (duration, cost, objectives) shall at least be communicated to the trade unions concerned or, in their absence to employee representatives;

„h management shall see to it that employees are not required to incur expenses in connection with training. Any outlays in this connection are to be underwritten by management.

## **2. CONSULTATION**

Subject to legal and statutory provisions in effect in the country concerned, the management of subsidiaries or facilities undertakes to consult with unions representing their employees, or in their absence with employee representatives. The following shall be applicable to consultations:

„h consultations should take place as early as possible, and not later than 3 months prior to the expected changes, whenever said changes concern a significant number of jobs (partial or total closing);

„h unions or employee representatives should be provided material in support of management decision, stating the goals and reasons for it;

„h management should clearly indicate the consequences for employees of its decision in terms of changes in employment contracts or working conditions, or of job cut-backs;

„h the transfer of employees affected by the decisions to other positions within the companies of the Danone Group should be examined prior to any other measure being considered. To the extent that it is feasible, jobs to which employees are transferred should be located in the same vicinity;

„h consultations should provide a venue for trade unions - or, in their absence for employee representatives - to submit proposals as alternatives to plans by management (redistribution and shortening of working hours, reductions in overtime, etc.). Unions shall have the option of being assisted in this task. Management should examine and respond to proposals reasonably promptly (within one month at most) and defend its decisions before the concerned bodies;

„h permanent jobs should be considered the priority. Cut-backs should first be made among all other type of jobs (temporary,

subcontracting) in order to protect permanent positions.

### **3. PLACEMENT ASSISTANCE**

A specific structure shall be set up whenever a management decision results in job losses. Its task shall be to help employees having lost their job find positions corresponding to their qualifications, skills, pay level, working conditions and place of residence. The structure shall be created at the time of management's decision, subject to applicable legal provisions, and may remain in existence after the implementation of said decision.

Trade unions - or, in their absence, employees representatives - shall be entitled to participate in the monitoring of placement activities.

Management, aware of the economic repercussions for communities where jobs are being eliminated, shall propose to support efforts aimed at creating new jobs and stimulating economic development through measures designed to promote the development and growth of local business firms. Such support may, if appropriate, be given jointly with local government authorities. It may consist of various measures, such as consulting services, market or feasibility studies and possibly financial assistance.

### **4. TRADE UNION RIGHTS**

In the event of the partial or full closing of a facility, delegates of unions representing its employees may be granted time off with pay in order to perform their duties, if applicable regulations or agreement do not already call for it. Extraordinary time off with pay shall be negotiated with management at the local level.