# Observatoire Social Européen (2010) *European Sectoral Social Dialogue Factsheets.* Project coordinated by Christophe Degryse

www.worker-participation.eu/EU-Social-Dialogue/Sectoral-ESD

## **COMMERCE**

Workers' representatives	UNI-Europa Commerce (formerly Euro-FIET) (2000)  http://www.uniglobalunion.org/Apps/iportal.nsf/pages/sec 20081016 gbguEn		
Employers' representatives	EuroCommerce (1993)  www.eurocommerce.be		

### **Sectoral Social Dialogue Committee (SSDC)**

Informal working group: 1985

 SSDC:
 November 1998

 Internal Rules:
 30 November 1998

 Work Programme:
 2006-2007-2008-2009

#### **General overview of sector**

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#### **GENERAL OVERVIEW OF SECTOR**

The commerce and distribution sector encompasses all types of wholesale trade (agricultural produce, non-food consumer goods, industrial equipment, etc.) and retail trade (large supermarkets, shops selling food, pharmaceuticals, perfumery, etc.), including the motor vehicle trade.

This is quite an unusual sector at European level, both because of its specific role – a daily interface between European producers and consumers – and owing to its size: it accounts for some 11% of Community GDP. According to <u>EuroCommerce</u>, the commerce sector employs approximately 31 million workers, or 14% of the European workforce, in 6.2 million companies, i.e. 32% of the total number of companies in Europe. Despite the ample job opportunities, however, these posts are mainly held by women and young people and there is a preponderance of part-time and fixed-term jobs.

Even though the overwhelming majority of companies are still small ones, the commerce sector (including distribution) has undergone extensive restructuring over the past 40 years. This has mainly taken the form of concentration, with the emergence of huge commercial undertakings, an increase in franchise agreements within major supply chains, a reduction in the number of traditional wholesalers, the expansion of "hard discounters", and the introduction of new technology (electronic commerce, self-scanning, Radio Frequency Identification – RFI, etc.). This last point has moreover led to changes in skills requirements for workers, but also in the geographical location of work, in working hours, and so on.

The commerce sector has undoubtedly benefited more than others from European integration, especially from the completion of the single market and enlargement to take in the central and eastern European countries: these factors have given it a major boost. The dangers of excessive concentration in food retailing were flagged up by the European Commission as long ago as 1999 in its White Paper on commerce. Such concentration could result in "a mere handful of big chains dominating the entire retail market" (Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions – White Paper on Commerce, COM (99)6 final, 27 January 1999).

Finally, the global economic crisis of 2008-2009 led to a sharp decline in retail sales within the EU. According to Eurostat, the retail trade shrank by 2.6% in the euro zone and by 1.8% in the EU-27 between August 2008 and August 2009. This sector is in fact very susceptible to short-term economic developments.

#### PARTICIPANTS AND CHALLENGES

An initial "informal working group" was set up in 1985 by the social partners in the commerce sector, who had first made contact with one another in 1983. At that time the participants were Euro-FIET (now UNI-Europa) for the trade unions, and three employers' organisations – CECD, Fewita and GEDIS – which founded EuroCommerce in 1993. This embryonic social dialogue was officially recognised by the European Commission in 1990.

The main topic addressed at the outset was vocational training for workers, particularly in the run-up to completion of the single market in 1992. This resulted in the signing of the first joint document: the Memorandum of 19 October 1988 on training in the retail trade. It begins with the words: "If the Community's commitment to the achievement of the internal market by 1992 is to be realized (...), then particular attention should be drawn to the freedom of movement of workers", and hence also to their vocational training. Various projects on the same topic ensued: a European forum, national round tables, a sectoral survey, etc.).

A new topic emerged as from 1993, namely violence in shops. It was the subject of a joint declaration adopted at a plenary meeting on 9 March 1995 (and then, in 2009, a "toolkit"; see below). It was decided at that same plenary meeting to add three new topics of discussion to the sector's agenda: child labour, employment and the future of social dialogue. Even then, the social partners were visibly eager to gain recognition for the specific nature of their sector, and hence of their sectoral social dialogue. In their joint opinion on the future social dialogue (October 1995) they "find it important that the interests of commerce are fully represented in the interprofessional social dialogue". Generally speaking, the employers and trade unions in commerce and distribution concur that their sector is often under-rated. That is one of the reasons why they have endeavoured to develop a dynamic, highprofile social dialogue, having been one of the first sectors to set up a Sectoral Social Dialogue Committee - SSDC - as early as 30 November 1998. Sometimes the commerce sector has even been one step ahead of the cross-industry social dialogue: their joint document on telework, adopted in 2001, is a case in point, with the cross-industry players having followed suit in 2002.

We cannot describe here all of the numerous joint documents signed over the course of the past ten or fifteen years (26 altogether by the start of 2010). But what we can do is draw attention to two characteristics: a continuous broadening of the topics addressed, and a reasonable balance between texts constituting reciprocal commitments between the social partners and ones geared to lobbying.

Concerning the reciprocal commitments, we would single out those on the prevention of racial discrimination (1 October 1997), the combating of racism and xenophobia (15 May 2000), violence at work (9 March 1995), age diversity (11 March 2003), the integration of disabled people (28 May 2004), corporate social responsibility (5 November 2003) and telework (26 April 2001). A representative of EuroCommerce, interviewed by the European Social Observatory, was of the opinion that all of these documents can be ranked in order of importance, beginning with the

one on telework, then the one on corporate social responsibility, followed by the guidelines on age diversity and the declaration on racism and xenophobia. Another important document, classified by the European Social Observatory as a "tool", was adopted in 2009: a "toolkit" on preventing third party violence in commerce. It is a fact, according to the European Commission, that more than 3 million people working in the commerce sector in Europe have fallen victim to some form of violence.

In addition to these numerous documents reflecting a certain amount of reciprocal commitment, there are several joint opinions, in which the social dialogue is more geared to lobbying the European institutions. We might mention, without being exhaustive, the joint opinions on promoting employment (27 October 1995), on the "services" directive (29 July 2005), on social inclusion (28 February 2008), on migration and mobility (12 December 2008), and on the economic crisis (18 December 2008).

It should also be noted that careful preparations were made for enlargement of the EU to take in the central and eastern European countries, by means of a series of round tables in the candidate countries: Estonia and Hungary (1998), Czech Republic and Poland (1999), Lithuania and Slovakia (2000), Latvia and Slovenia (2002).

Finally, the SSDC's future priorities relate to active inclusion (integration of migrants and gender equality), intergenerational solidarity, safety in the working (and shopping) environment, the wholesale trade, supply chains and skills requirements, cutting red-tape for SMEs in the sector, help for new and future Member States, and last of all the practical implementation of social dialogue outcomes. It is highly likely, however, that the economic crisis which erupted in 2008-2009 will be added to this already very full agenda, in the guise of lobbying activity on issues such as support for consumption, taxation, access to credit, and so on.

#### **O**UTCOMES

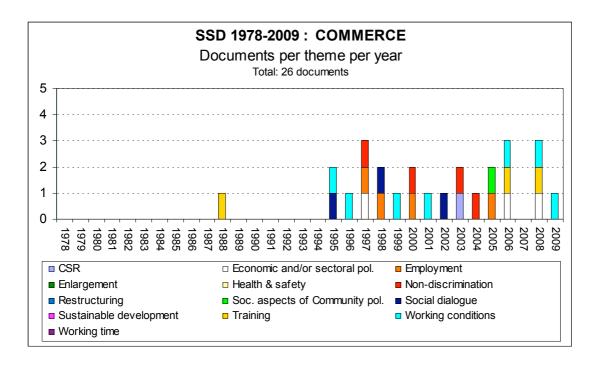
Commerce could be said to be in a league of its own among the 36 sectors currently organised into Sectoral Social Dialogue Committees. The momentum achieved by the social partners in this sector is quite unlike any other.

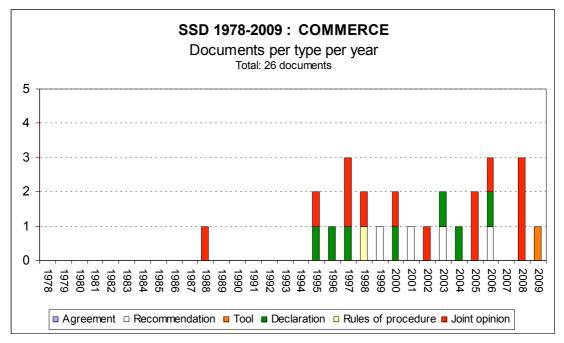
European social dialogue in the commerce sector is aimed at highlighting the specific nature of the sector at all levels and, in order to do so, has developed an all-round strategy of lobbying the European institutions as well as engaging in internal social dialogue. Of all the SSDC rules of procedure recorded in the European Social Observatory database, those of the commerce sector are the most comprehensive. Under these rules, the social partners undertake to exchange information regularly, adopt joint declarations, conclude agreements, carry out joint projects and hold joint seminars on topical subjects. They assert in addition that they are able, if necessary, to obtain a mandate from their constituents to negotiate framework agreements.

As regards the results of this social dialogue, in quantitative terms the output of joint texts is well above the average for other sectors (the same applies to the telecommunications and postal services sectors). Commerce is one of the few sectors to have concluded at least one joint text per year since 1995, with the sole exception of 2007. One of the reasons for this hyperactivity is explained in the introduction to a joint brochure on social dialogue in commerce (30 November 1998): "both the employers and the trade unions consider that the importance of the commercial sector has been under-estimated. This sector must strive to make itself more visible and to ensure that politicians pay greater attention to its needs. Governments must devise a strategy that takes the sector's needs into account". Another reason could lie in the way in which the commerce sector and the European cross-industry social dialogue, conducted by BusinessEurope, the ETUC and CEEP, vie – or even compete – with one another to lead the way.

#### **JOINT TEXTS**

The "commerce" sectoral social dialogue has resulted, since 1988, in the adoption of 26 joint texts.





Date	Title	Theme	Type	Addressee
21/10/2009	Preventing third party violence in commerce - A toolkit	Working conditions	Tool	National organisations
18/12/2008	Economic crisis: joint reaction of the social partners for commerce	Economic and/or sectoral policies	Joint opinion	European institutions
12/12/2008	Joint opinion on Migration & mobility: challenges and opportunity for the EU education systems	Training	Joint opinion	European institutions
28/02/2008	Common contribution of EuroCommerce and UNI-Europa Commerce regarding the "Second stage consultation of the European Social Partners on active inclusion of people furthest away from the labour market"	Working conditions	Joint opinion	European institutions
28/11/2006	Promoting a safer working and shopping environment in European Commerce	Working conditions	Declaration	National organisations
28/11/2006	Letter of Intent for BeQuaWe European Certified Training	Training	Recommendation	National organisations
26/01/2006	Joint declaration of the social partners in the European footwear industry "The EU must adopt the origin marking of footwear imported from third countries"	Economic and/or sectoral policies	Joint opinion	National public authorities
29/07/2005	EuroCommerce and UNI-Europa Joint Statement on the directive on services in the Internal Market	Social aspects of Community policies	Joint opinion	European institutions
16/03/2005	Commitment to Support the European Youth Initiative	Employment	Joint opinion	European institutions
28/05/2004	EuroCommerce and UNI-Europa Statement on promoting employment and integration of disabled people in the European commerce and distribution sector	Non- discrimination	Declaration	National organisations
05/11/2003	Joint statement on corporate social responsibility	Corporate social responsibility	Recommendation	Enterprises
11/03/2003	Voluntary guidelines supporting age diversity in Commerce	Non- discrimination	Declaration	Enterprises
06/11/2002	European social dialogue for commerce. Joint statement by EuroCommerce and UNI-Europa Commerce	Social dialogue	Joint opinion	European institutions
26/04/2001	European Agreement on Guidelines on Telework	Working conditions	Recommendation	National organisations

	in Commerce			
15/05/2000	Joint statement on combating racism & xenophobia	Non- discrimination	Declaration	Enterprises
14/04/2000	Joint declaration of the conference on employment Lisbon,14 April 2000	Employment	Joint opinion	European institutions
06/08/1999	EuroCommerce and Euro-FIET Agreement on Fundamental Rights and Principles at Work	Working conditions	Recommendation	National organisations
30/11/1998	Agreement between Eurocommerce and Euro-FIET on the establishment of a sectoral dialogue committee in commerce	Social dialogue	Rules of procedure	European social partners
30/11/1998	Joint opinion by EuroCommerce and Euro-FIET on employment	Employment	Joint opinion	European institutions
01/12/1997	Declaration of the social partners on the Green Paper on Commerce	Economic and/or sectoral policies	Joint opinion	European institutions
01/10/1997	Agreement on the setting-up of a working group on the prevention of racial discrimination	Non- discrimination	Declaration	European social partners
07/02/1997	Joint Opinion on Promoting employment in European Commerce	Employment	Joint opinion	European institutions
08/03/1996	EuroCommerce and Euro-FIET Joint Statement on combating child labour	Working conditions	Declaration	National organisations
27/10/1995	EuroCommerce and Euro-FIET Joint Opinion on the future social dialogue in commerce to the Intergovernmental Conference on the revision of the Treaty on European Union	Social dialogue	Joint opinion	European institutions
09/03/1995	EuroCommerce and Euro-FIET Statement on combating violence in commerce	Working conditions	Declaration	National organisations
19/10/1988	Memorandum on training in the retail trade	Training	Joint opinion	European institutions