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EURATEX - ETUF : TCL

Restructuring and industrial change in the
Textile-Clothing sector

Social Dialogue - May 29th 2007



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The research programme

- Two seminars held in february and march
- One final conference held in april
- Three main issues illustrated by case studies
 - Technical and organisational innovations
 - Prevention at the company level
 - Collective action at the crossing of sector and regional issues



The context

- Textile and clothing industries in Europe still are, at the end of 2004
 - 220 000 companies
 - 2,8 million workers
 - A huge employer in a number of regions
 - In southern Europe (Italy, Portugal, Spain...Turkey)
 - In eastern Europe (Romania, Poland, Hungaria, Bulgaria, Estonia, Lituania, Slovenia, Slovaquia...)
- Abolition of all existing quotas since 1st January 2005
 - A new period of restructuring is to come



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Technical & organisational innovation

- Castex (France) : continued innovation on high added value products and markets
 - permanent surveying of needs in relation to sector's technologies
 - reliance on high level technical resources
- K4I (UK) : support to SMEs of sector, both technically and organisationally
 - pooling of innovation resources for SMEs
- Atena (Italy) : promotion of micro-company activities involving a specialised know-how
 - networking of very small companies
 - construction of partnerships
 - training of company managers in innovative practices
- In all cases, innovation is held by individuals



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Preventive measures at the company level

- Arcelor (Belgium) : preparation of sub-contractors, employees and territories
 - early announcement of future transformations
- Miroglio (Bulgaria) : structuring of social dialogue between company labour and management
 - access to information and consultation for staff representatives
- Ecce (France) : search for acceptable solutions
 - negotiation on economic and social aspects



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Preventive measures at the company level

- Trèves (France) : predictive management of employment and skills
 - sharing of information and establishment of transparency on strategy and employment prospects
 - organisation of a social dialogue based on these issues
 - organisation of an individual ability to establish a position in the present and project into the future
- Damart (France) : absence of unemployed employees at end of restructuring
 - involvement in redeployment



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Collective action where sector meets territory

- The restructuring of the forestry and electronic sectors (Finland) : progressive management of downsizing
 - search for a suitable defensive or offensive sector-based strategy
- The job security councils (Sweden) : optimised management of professional transitions
 - pooling of resources allocated to support of laid-off employees
 - search for individual solutions before employment contract is terminated



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Collective action where sector meets territory

- The textile and clothing regional plan (France) : preparation of workers for internal or inter-sector movements foreseeable
 - obtaining a good knowledge of current jobs and future skills in the sector
 - devising training by which these skills can be acquired
 - identification of transferable skills acquired within the sector so they can be used outside the sector
- The union learning representatives (UK) : access to training for under-qualified employees
 - establishment of a relationship of trust with employees
 - transfer of authority to staff representatives in terms of promoting employability and training



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Collective action where sector meets territory

- Zola (Germany) : access to training for SME employees
 - voluntarist approach supported by third parties
 - assisted establishment of contractual framework between employers and employees
- Copieval (France) : training of workers who have lost their job
 - reliance on a regional approach in devising training



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Collective action where sector meets territory

- The restructuring of the sugar industry (Europe) : establishment of shared transparency on future of sector and its activities, globally and locally
 - identification and monitoring of entities potentially concerned (in the case of textile and clothing industries, the territories)
 - presentation of restructuring management methods at their level (in other words, providing them with a “tool box”).



Recommendations

- **Reco 1 : Improve the image of the sector**
 - the link between schools and universities is an important vehicle for bettering the sector's image among the public and future workers.
 - an effort should be made to highlight careers in and outside the sector that are opened up by a high level of expertise acquired in the companies of the sector.
- **Reco 2 : Promote innovation and reactivity**
 - Resource pooling mechanisms and existing predictive tools would be very useful in this regard.



Recommendations

- **Reco 3 : Take action in terms of training and professional course management**
 - further attract young people with high technical skills to the sector;
 - increase the employability and adjustment capacity of those already working in the sector, in and out the sector;
 - increase the technical and managerial capacity of employers
 - validate the acquired skills and develop new skills in workers affected by restructuring.

- **Reco 4 : Build quality social dialogue**
 - Such an approach requires honest and complete information, provided in due time, with a view to negotiation.



Recommendations

- **Reco 5 : Develop employability at area level**
 - The forecast management of employment and skills at area level should be experienced through pilot projects
- **Reco 6 : Avoid sudden job cuts**
 - the company must consider all possible alternatives to restructuring, in terms of its extent and time frame, in collaboration with the other parties involved, be they union organisations or national or local authorities, which have particular responsibility for boosting the creation of new activities



Recommendations

- **Reco 7 : Help SMEs**
 - find funding for restructuring
 - promote synergies and common considerations between the originators, suppliers and sub-contractors
 - the cluster approach is a means of maximising the sector's resources in the SMEs

- **Reco 8 : Favour an integrated approach**
 - Clear synergies between political, legislative, contractual and financial instruments would be implemented



Recommendations

- Reco 9 : Set up an european network of resource centres
 - centralise existing resources, practices and experiences
 - the development of a network of regional resources centres (by area) would be encouraged where a critical concentration of sectoral companies had been ascertained
 - The role of experts in both technical subjects and in the field of skills and employment management was underscored