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Report

drawn up on behalf of the Committee on Social Affairs, Employment and

Education

on the communication from the Commission to the Council on reform of the organization of work (humanization of work)

Rapporteur: Mr C. MEINTZ

PE 48.675/fin.

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By letter of 11 June 1976 the Commission forwarded to the European Parliament a communication to the Council on reform of the organization of work (humanization of work).

By letter of 29 October 1976 the President of the European Parliament authorized the Committee on Social Affairs, Employment and Education to draw up an own-initiative report on this communication.

On 23 September 1976 the Committee on Social Affairs, Employment and Education appointed Mr C. Meintz, rapporteur.

It considered the communication at its meetings of 17 January, 18 February and 16 May 1977.

At its meeting of 16 May 1977 the committee unanimously adopted the motion for a resolution and the explanatory statement.

Present: Mr Van der Gun, chairman; Mrs Dunwoody, vice-chairman; Mr Meintz, rapporteur; Mr Adams, Mr Albers, Mr Bouquerel, Mrs Cassanmagnago Cerretti, Mr Delmotte, Mr Dondelinger, Mr Ove Hansen, Mr Howell, Mrs Kellett-Bowman, Mr Lezzi, Mr Ligios (deputizing for Mr Pisoni), Lord Murray of Gravesend, Mr Ney (deputizing for Mr Santer), Mr Pistillo, Mr Schreiber, Mr Vandewiele and Mr Wawrzik.

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The Committee on Social Affairs, Employment and Education hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on the communication from the Commission to the Council on reform of the organization of work (humanization of work)

the European Parliament,

- having regard to the communication from the Commission to the Council (COM(76) 253 final);
- having regard to the report of the Committee on Social Affairs, Employment and Education (Doc. 116/77),
- Welcomes every effort to humanize work and considers that the background paper to the Commission's communication on the improvement of the quality of working life drawn up following discussions with the social partners provides a valuable picture of the historical background and the many ideas which have been put forward on the subject;
- Regrets however that the specific recommendations made in the background document for the improvement of working conditions have not been incorporated in the Commission's own communication;
- 3. Also regrets that the Commission has opted for a simple communication in view of the fact that the Social Action Programme, the basis of the Commission's document, mentions the need to establish an action programme for workers aimed at the humanization of their living and working conditions with particular reference to a reform of the organization of work;
- 4. Notes with satisfaction, however, that the Commission is considering the use of directives for future proposals on the humanization of work. This is extremely important since, if working conditions are in fact to be improved, more binding instruments are required than communications;

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- 5. Recommends in this connection that the Commission should compile a summary of experiments carried out by companies so far since this would make it easier to determine what initial measures could be taken to gradually improve working conditions and increase worker participation in decisions concerning the running of the company;
- 6. Considers it unlikely that the European Foundation for the Improvement of Living and Working Conditions which the Commission itself describes as perhaps the most important element of the Community's contribution to the humanization of work will be able to cope with the tasks listed in the foresceable future and therefore recommends that the Commission should as far as possible cooperate with all the relevant international organizations such as the Council of Europe and the International Labour Organization, to coordinate work and exchange views on results;
- 7. Draws attention at the same time to the danger of overlapping or duplicating work as the result of the creation of two <u>ad hoc</u> groups to examine the economic implications of reform and the possibility of introducing more stringent and binding standards for the working environment when the European Foundation for the Improvement of Living and Working Conditions is to tackle similar problems;
- 8. Is of the view that the role of trade unions and the cooperation which they must lend to a reform of the present organization of work is of great importance since, if real results are to be achieved, their active participation in the abolition of outdated and inhuman working methods is essential;
- 9. Is of the opinion that a reform of the organization of work along more humanitarian lines is consistent both with the desire for optimum efficiency and productivity and the desire to reduce unemployment;
- 10. Instructs its President to forward this resolution and the report of its committee to the Council and Commission of the European Communities.

EXPLANATORY STATEMENT

I. INTRODUCTION

This communication from the Commission is consequent on the Social Action Programme published in October 1973¹. It draws attention primarily to work on assembly lines and similarly repetitive jobs, and suggests that the monotony involved in such work should be eliminated by the use of methods designed to provide greater job satisfaction. This idea is dealt with in greater detail in Action III₁₀ of the Action Programme, which states that the objective should be 'to change those patterns of work organization which tend to dehumanize the worker and create environmental and living conditions which are no longer acceptable to ideas of social progress.' This broad definition of the concept of 'the humanization of work' is repeated in different terms in the Action Programme on the Environment², which proposes the 'working out of methods for reducing dissatisfaction and encouraging effective participation.'

There even exists a third definition of this concept, on which the Commission's communication is based, in the Council Resolution concerning a social action programme³, which mentions the need 'to establish an action programme for workers aimed at the humanization of their living and working conditions, with particular reference to ... a reform of the organization of work giving workers wider opportunities, especially those of having their own responsibilities and duties and of obtaining higher qualifications.'

In view of the above, it is to be regretted that the Commission has not submitted any kind of action programme, but merely a communication, the contents of which are extremely vague and have no binding force.

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¹COM(73) 1600 final, 24.10.1973

²OJ NO C 112, 20.12.1973, p.44

³OJ NO C 13, 12.2.1974, p.3

II. COMMENTS ON THE COMMUNICATION

The Commission itself states that the purpose of the communication is to inform the Council of previous action taken by the Commission, and of its proposals for future action.

As regards past action by the Commission, reference is made to 'Guidelines for a Community programme for safety, hygiene and health protection at work'¹, on which the European Parliament delivered an opinion². Apart from this, the only action by the Commission in this field has been the organization of seminars and conferences, the results of which form the substance of the special background paper annexed to the communication.

This background paper states clearly that the objective should be to propose more practical measures for improving working conditions - an aim in sharp contrast with the Commission's own communication, which often dazzles the reader with its fine phraseology and academic approach to the question of the humanization of work, but contains very few concrete proposals.

This is not the first time that the Commission has been criticized for its theoretical approach to problems in the work place. In the abovementioned report on 'guidelines for a Community programme for safety, hygiene and health protection at work,' paragraph 2 of the motion for a resolution expresses the hope 'that emphasis will be placed on the ultimate objective of introducing practical measures in individual undertakings.' This is followed by a request in paragraph 7, which specifically deals with the humanization of work, that 'action should not be limited to "comparative studies" and "working out a Community position," but that practical proposals will be submitted for more dignified working and living conditions, compatible with the ideals of social progress.'

Although the background paper, like the Commission's communication, indulges in places in extremely vague and theoretical arguments and makes assertions which are frequently without foundation and not backed up with supporting evidence or documentation, it nevertheless provides an excellent picture of the historical background and the many ideas which have been put forward on the subject.

The obvious place to begin changing the organization of work is the inhuman system of the assembly line, which, together with the whole hierarchical structure, has been called into question. Whereas employers'

¹ COM(75) 138 final, 8.4.1975

² Doc. 211/75

objections up to now have stemmed from their desire for maximum efficiency and productivity, managers in the world's most industrialized countries are They have realized that the now tending to adopt a different attitude. proposed reorganization of work does not necessarily conflict with their desire for maximum efficiency. On the contrary, there is every likelihood that greater job satisfaction among workers will lead to fewer days lost through illness and a more positive attitude to work. Thus the main argument in favour of finally adopting concrete measures is perhaps not so much the political demand for a more democratic decision-making process, as this very desire for increased efficiency. Other important factors include the growing demand for a better quality of life at the work place, equal opportunities for training, which will eventually give rise to a desire to eliminate inequalities at work, and the difficulties that can be expected to arise in future in finding sufficient migrant and women workers for monotonous and unskilled work.

Unfortunately, the only practical experiments mentioned in the background paper are those made by the Tavistock Institute for Human Relations. This is to be regretted, as in recent years many undertakings have attempted to give practical effect to the ideas mentioned above. The Council of Europe, for example, in its report on the humanization of work in industrial societies¹, refers to various experiments in Volvo factories in Sweden embracing 'job enlargement' (the performance of several different functions), joint meetings and the forming of autonomous groups. Under this system, assembly line workers exchange duties at intervals varying from every hour to once a week. Joint meetings once every two or four weeks, attended by the foreman and the engineer responsible, provide an opportunity to discuss common problems and proposals with representatives of the assembly line workers. Finally, the autonomous groups have the right to organize and divide the work to be done among the group's members themselves.

This specific example of measures designed to humanize working conditions, which have moreover proved successful, is far from unique. In an article on 'the organization and humanization of work' in the ILO publication 'International Labour Review,'² J. Carpentier states that more and more experiments are being carried out every day in a large number of countries in the most varied branches of industry.

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¹ Council of Europe, Consultative Assembly Doc. 3414, 29.3.1974, p. 24
² International Labour Review, Vol. 110, No. 2, August 1974, p. 105

As a final comment on the background paper, mention should be made of the role of the trade unions, whose position and significance will be affected by any change in the status quo at the work place. The same is true for shop stewards, group leaders and other employees occupying 'the middle ground' between management and workers. Opinions differ as to the position of the latter on a reform of the organization of work. While the background document confines itself to the optimistic remark that any difficulties can be overcome simply by retraining and integrating, there are also those who take a more drastic view such as R. Tchobaniau, who stresses in an article in the 'International Labour Review'¹ that any reform of the organization of work would threaten to undermine the whole foundation of the trade unions' activities.

Our committee considers that any reform in which the unions do not cooperate from the outset will be doomed to failure and so their active participation must be secured in discussions on the humanization of work.

It has to be said that the Commission proposes little in the way of practical measures for the future. It emphasizes the need to introduce institutionalized procedures for consultation and worker participation, and refers in this connection to the models for worker consultation contained in the directive on collective redundancies². After citing this isolated example, as well as the Commission proposal for a statute for European companies, the Green Paper on worker participation and company structure and various other proposals, the Commission sets out a body of guidelines for future policy.

Whereas the first guideline merely maintains that it should be a basic objective of the Community to promote a reorganization of work, the second points out that employers must increasingly enlist the active cooperation of employees in the difficult economic situation. Guideline 3 laconically states that an increase in productivity will be the most likely result of the humanization of work.

The views expressed in these first three points are clear enough, although they cannot be described as guidelines, but rather as simple statements or assertions. Things become more complicated in point 4, however,

International Labour Review, Vol. 111, No. 3, March 1975, p. 203 et seq.
OJ No. L 48/29,22.2.1975.

as the task defined here is 'to enlarge the concept of productivity so that it includes all identifiable economic and social costs and benefits.'

Guideline 5 is more down to earth with its statement that the elimination of monotony should be linked to changes in management structure and decision-making processes. Guidelines 6 and 7 seem mainly to be rhetorical outpourings, describing reform as a continuing process, the potential of which cannot be appreciated <u>a priori</u>, given that, essentially, it implies by definition a genuine participation by employees and a high degree of flexibility and some measure of democratization of structures. Guideline 8 expresses the optimistic view that the humanization of work will increase the chances of industrial peace, whereas guideline 9 states in abstract terms that an effective exchange of information should result in the incorporation of new knowledge into training courses.

Guideline 10 maintains that humanized forms of work organization should in themselves constitute a learning process, whereas No. 11 claims that workers are unwilling to revert to traditional forms after having experienced new ones, even if the latter are a failure. From this premise, which is not substantiated, the Commission reaches the conclusion that reform of work organization responds to a very real need.

As regards research into the problem of the humanization of work, the Commission pins great hopes on the European Foundation for the improvement of living and working conditions. It devotes a separate chapter to this Foundation, which it describes as the most important element of the Communities' contribution to the humanization of work. In this connection, and considering that the Council Regulation on the creation of this Foundation¹ is now eighteen months old, it would be interesting to know what progress the Foundation has made in its various tasks. The Report on the Social Situation in 1975², for instance, merely refers to the adoption of the regulation, without specifying the progress made in the Foundation's work.

This the Commission itself regards as covering an extremely wide field. Apart from collecting information on action connected with work reorganization, the Foundation is also to study new social accounting systems and other methods of evaluating the results of work restructuring. Then there is promotion of research, particularly in the form of statistical surveys, to establish which problems should be given priority, analyses of the

¹ OJ No. L 139, 30.5.1975

² Doc. 44/76, p. 25.

characteristics of unskilled work, tax incentives and investment policies, and the scrutiny of factors likely to hamper or encourage, in the eyes of management and employees, innovations at plant level.

Such a wealth of tasks, of which only the most important are mentioned above, will presumably require more staff and will take longer to complete. According to the report drawn up by Mr MARRAS, on behalf of the Committee on Social Affairs and Employment, on the European Foundation for the improvement of living and working conditions¹, the staff consists of a director, a deputy director and five graduate employees. Even though the Commission recently submitted a proposal² for increasing the staff by the addition of a second deputy director, there would still appear little likelihood of research results being forthcoming in the foreseeable future.

The Commission itself has anticipated such criticism in its final chapter on 'future action,' which points out that it is the Commission's task to respond to immediate needs, to make use of opportunities already present and to prepare proposals for Community legislation.

In the light of these tasks, the Commission has set itself several objectives, the first being to institute two ad hoc groups charged with examining the economic implications of reform and the possibility of introducing more stringent and binding standards for the working environment. These studies may naturally be of considerable value for shedding light on the whole problem of the humanization of work, but one fears they may lead to the Commission and the European Foundation duplicating each other's work. It is also unfortunate that the Commission makes no mention whatsoever of work carried out in this field by other international organizations, such as the Council of Europe, the ILO and the OECD, as there is a clear case for promoting coordination of work and consultation on results. The other actions that the Commission adopts as objectives are the expression of an attractive idea which we are bound to approve: the Commission will promote new and more democratic patterns of work organization and seek to ensure the right of workers to be consulted and to participate in the decision-making processes. The whole concept of 'the humanization of work' is thus put in a nutshell, but both here and in the greater part of this communication, there is no indication of how the Commission intends to put these ideas into actual practice.

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 $^{^{1}}$ Doc. 94/74

²COM(76) 435 final, 29.7.1976

III. OTHER ACTION IN THIS AREA

Disappointment at the Commission's failure to tackle the question of the humanization of work in practical terms is merely aggravated when we consider the action taken in recent years over most of the globe.

Much valuable documentation has been provided by the International Labour Organization (ILO) in Geneva which, apart from providing information on the experiments and research in progress, puts forward various concrete proposals for changing working methods and improving working conditions by making work more meaningful and satisfying. Since these proposals were put forward at the International Labour Conference in 1975¹, the Commission might have been expected to include them in its comments and incorporate them in the present communication submitted in June 1976.

The ILO conference dealt with the general question of improving the working environment and discussed in detail safety and health protection and working hours and how they could help to improve life outside work. The subject of the Commission's communication-'Reform of the organization of work' was also a major topic of discussion.

It was established at the outset that lack of interest in carrying out certain types of work was no longer prevalent only among unskilled industrial workers whose work is monotonous and repetitious. Today other social groups also feel that they are merely a small cog in a large machine, that the gulf between the decision-making centre and the individual worker is continually widening and that the worker is often frustrated when, despite a high level of education and considerable ambition he is reduced to doing a depersonalised and boring job. The feeling of resignation is spreading like ripples in a pool: not only in industry but also in banks, public administration and trade the individual feels deprived when he is denied responsibility and his initiative is cramped.

A considerable proportion of society's total work force is thus daily subjected to inhuman working conditions that stem from industrial assembly line processes that are slowly being introduced into other sectors in the name of productivity.

The question is whether we are not really doing productivity a disservice by organizing work in accordance with Taylor's methods. Experiments have clearly shown that the present system leads to increasing absenteeism, poor workmanship and difficulty in finding workers for the most boring processes.

¹/_m Making work more human^{*}, report of the Director-General to the International Labour Conference.

It is precisely for these reasons - and to a lesser extent for humanitarian reasons - that years ago some leading countries introduced independent production teams to follow a process through from beginning to end. The individual worker is trained in such a way that he can cope with the different parts of the process in turn and thus have a more varied and enriched job.

ILO states that an investigation has shown that 338 factories in no less than 32 different countries have introduced these working methods based on production groups.

Reference is made to a Norwegian factory where previously separate processes have been grouped together and entrusted to independent teams of 15-40 workers. Each year each group elects a leader who is responsible for coordination with the other groups.

The individual group leaders and the management together form a committee whose task is to take decisions on production planning, economic management and other aspects of the running of the factory. Within the individual groups the workers themselves decide how the tasks are to be allocated between them and they are so trained that each can carry out all of the tasks.

In Sweden no less than 1,000 factories have reorganized working methods in the last five years in order to delegate decision-making powers to the workers and give them the opportunity to organize their work independently.

But it is far from being only the Scandinavian countries that have revolutionized the organization of work.

Years ago the FIAT factories planned to free their workers from the routine of collective work by trying to eliminate all assembly line processes that could be carried out independently. In the '50s the OLIVETTI factories gave their workers responsibility for the operation and maintenance of machines. Later they tried to enrich the work by other concrete measures such as rotating workers between different processes and transferring conveyor-belt workers to more complicated processes.

Although in general Western Europe must be regarded as a pioneer in this area, there is no lack of examples of the humanization of work in countries with planned economies. The TOGLIATTI factories in the USSR for instance have started to make work on the assembly line more human, provide vocational training for workers so that they can be transferred to different processes and to improve relationships between workers. On appointment, workers are questioned about their job expectations and training suited to the individual's needs, desires and abilities is then provided. Obviously none of these measures can be applied directly to all types of factories in all countries, but they do seem to prove that in general there is plenty of scope for changing the structure of the work to the worker's advantage.

In the Commission's and ILO's view the major unknown quantity in this proposed development is the trade unions.

The ILO claims that their attitude to measures designed to reform the organization of work varies from direct hostility to active cooperation. According to ILO there are trade unions that are convinced that the purpose of the proposed changes is merely to get workers to tolerate unacceptable working conditions and that a double employment market is being created that consist of workers who are able to adapt themselves to the new conditions and those who cannot. According to these trade unions the result is that workers are encouraged to compete with each other on a 'divide and rule' basis which is solely to the advantage of the employer.

Trade unions that fear that the new organization of work may encourage a new type of worker representation and thus eliminate the existing trade organizations have a more flexible but nevertheless sceptical attitude. They also point out that if the work is reorganized along the lines proposed the workers could well unconsciously come to accept the values that the company and the employer stand for, namely the desire to make the greatest possible profit.

The procrastinating attitude of the trade unions towards a reform of the organization of work has become very apparent in recent years - not so much because of what they say as because of their eloquent silence when the humanization of work is on the agenda.

In 1972 for instance the International Confederation of Free Trade Unions assured the ILO of its interest in humanizing work but mentioned only the maintenance of safety and health provisions and the improvement of the working environment whilst the possibility of changing the organization of the work was passed over in silence.

In March 1977 a congress was held in Geneva attended by 35 different trade unions from 28 different countries in the West and Eastern Europe. The final communiqué recalls <u>inter alia</u> that the most recent conference had called on the various national trade unions to investigate the possibility of actively contributing to the humanization of work. Yet, once again, the conference focused on a working document on safety and health problems. A reform of the organization of work is only referred to in isolated comments and in general terms. Since there is no doubt that no steps can be taken towards reorganizing work without the approval of the trade unions, or at least if they are not directly opposed to it, it is surprising to note that the Commission confines itself to piously hoping that the role of the trade unions will not be diminished (Guideline 8).

In the view of the Committee on Social Affairs, Employment and Education it is essential for the trade unions to actively participate in working out a strategy for eliminating out-dated and frustrating processes and jobs if the many well-meaning ideas and major research projects are ever to come to anything in the various work places in the Community.

IV. CONCLUSION

With these comments in mind, the Committee on Social Affairs, Employment and Education is disappointed at the way in which the Commission has decided to deal with the problem of the humanization of work in a modern industrial society such as the European Community.

It is disappointed at both the form and the content of this document. As regards the form of the communication, the Commission points out that the document was drawn up in 1975 at a time when the social partners were preoccupied with the problem of unemployment and the general opinion was that reform of the organization of work could wait. This argument has in no way convinced the committee which cannot accept that existing unemployment should stand in the way of positive steps towards the humanization of work. On the contrary, these two problems go hand in hand in many ways since a reform of the organization of work - as the examples taken from different factories show - also implies the need for better and more comprehensive vocational training which is recognized as one of the major ways of combating widespread structural unemployment.

However, despite the disappointment created by the Commission's philosophical and unconstructive guidelines, it should not be forgotten that the Commission offered a glimmer of hope at the committee meeting when it admitted that the 1977 situation is different from the 1975 one since it has now been established that unemployment is structural. The Commission itself believes that this means that reform of the organization of work is pressing and can no longer be postponed. The Committee on Social Affairs, Employment and Education fully supports this view and therefore recommends that the Commission should give expression to this new attitude by submitting practical proposals for the humanization of work in the Community.

With reference to the committee's consideration of such proposals, the Commission is recommended to prepare a summary of experiments carried out by companies in the Community in the field of work humanization since this would make it easier to determine the measures that could initially be taken to gradually enrich work and improve the workers' participation in making decisions concerning the running of their company.

As regards the form of future initiatives in this area, the committee notes with satisfaction that the Commission is considering the use of directives. The Committee on Social Affairs, Employment and Education wishes to stress the need for this since working conditions cannot be improved unless more binding instruments than communications are used.

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