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REPORT CONCERNING THE GEOPA SEMINAR

**ON SOCIAL DIALOGUE IN AGRICULTURE IN THE LIGHT
OF THE ENLARGEMENT OF THE EUROPEAN UNION**

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INTRODUCTION

On 13-15 September 2002, GEOPA organized a seminar in Copenhagen gathering together representatives from national agricultural employers' organizations from 13 EU countries and 7 candidate countries. This seminar, which was held thanks to support from the European Commission, was entitled "Social Dialogue in Agriculture in the light of the Enlargement of the European Union". Its main purpose was to exchange information about salaried work in the EU Member States and candidate countries in the agricultural sector.

Mr. Peter GAEMELKE, president of the Danish Agricultural Council and vice-president of COPA, warmly welcomed the participants, wishing them an industrious though pleasant time in Copenhagen.

Mr. Bernard LEVACHER, president of GEOPA, set out the main lines of the work programme of the seminar. At his request, the participants introduced themselves and briefly described the agricultural employers' organization that they represented.

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The seminar took place in accordance with the programme scheduled:

1. **A presentation by Mr. Janusz GALEZIAK, counsellor at the Polish Mission to the European Union: NEGOTIATIONS FOR POLAND'S MEMBERSHIP OF THE EU.**
2. **A presentation by Mr. Peter KERN, a representative from EFFAT: CONTRIBUTION OF EFFAT TO THE GEOPA SEMINAR.**
3. **A presentation by Mr. Risto VOLANEN, COPA Secretary General: CONSEQUENCES OF THE ENLARGEMENT OF THE EUROPEAN UNION ON THE COMMON AGRICULTURAL POLICY.**
4. **EXCHANGE OF INFORMATION ON SALARIED EMPLOYMENT IN AGRICULTURE.**

PRESENTATION BY MR. JANUSZ GALEZIAK

Counsellor for social affairs

at the Polish Mission to the European Union

NEGOTIATIONS FOR POLAND'S MEMBERSHIP OF THE EU

CHAPTERS ON "EMPLOYMENT AND SOCIAL POLICY"

AND "FREE MOVEMENT OF PERSONS"

In these two areas, the negotiation process concerns over 200 legislative acts: regulations, directives and decisions (in principle, EU recommendations and resolutions are not covered).

EMPLOYMENT AND SOCIAL POLICY

Adapting Community standards not only requires a lot of changes in Polish law but also involves substantial budgetary expenses. And yet the main political forces in Poland have agreed on the necessity of implementing the *acquis communautaire*.

At the beginning of negotiations on the "employment and social policy" chapter, Poland undertook to implement the *acquis communautaire* by 31 December 2002 at the latest, with the exception of Directives 89/655, 89/656 and 90/679 concerning health and safety at work, for which Poland requested transition periods. The reason was that the implementation of these directives generated inordinate costs for enterprises, particularly small and middle-sized ones. Nonetheless, the European Commission asked for a detailed evaluation of the cost of bringing Polish enterprises into line with the provisions of these directives. Following this evaluation, Poland's position was amended.

Council Directive 90/679/EEC concerning the protection of workers from risks related to exposure to biological agents at work. Reports were drawn up by health inspection authorities in the whole of Poland. The cost for bringing all enterprises into line was estimated at 56 million euros. The acquisition of equipment that complies with requirements and the adjustments needed as regards the organization of work were therefore quite limited. Consequently, Poland did not apply for a transition period about this directive.

Council Directive 89/656/EEC concerning the minimum health and safety requirements for the use by workers of personal protective equipment at the workplace. Under a French-Polish twinning agreement implementing a "Phare" project, French experts noted that personal protective equipment was available in sufficient quantity in the relevant enterprises, that the equipment was of good quality and that workers used it effectively. Poland therefore withdrew its application for a transition period.

Council Directive 89/655/EEC concerning the minimum health and safety requirements for the use of work equipment by workers at work. The French experts estimated compliance costs to be borne by Polish enterprises at 105 million euros. There included technical costs (replacing or adapting work equipment), organizational costs (work organization, workers' information and training) and miscellaneous costs (research, training of experts for diagnostic centres). The experience of France and other Member States about this directive also shows that it is very difficult to implement. Under these circumstances, Poland's application for a transition period was deemed to be justified. Although the directive will still be implemented into national law by 31 December 2002, its provisions will not apply until 31 December 2005 to equipment installed before 31 December 2002. The European Union agreed to this transition period.

In all other areas, the implementation of the *acquis communautaire* into Polish law is not held up.

FREE MOVEMENT OF PERSONS

Poland accepts the whole *acquis communautaire* in the area of the free movement of persons, while preserving the principle of reciprocity between Poland and the other Member States.

More specifically, Poland accepts Regulations 1408/71 and 574/72 concerning **the social security system for migrant workers**. However, should any problems arise in connection with the necessary reform of health insurance, Poland reserves the right to revise its position at a later stage in the accession negotiations.

Concerning **the mutual recognition of professional qualifications**, there was a conflict with dentists, which has now been settled.

As regards **the free movement of workers**, no transition period was mentioned at the beginning of negotiations. All the studies have shown that there will not be a massive influx of workers from candidate countries into the labour market of EU Member States. These studies have estimated that the migration potential of the ten candidate countries ranges between 120,000 and 380,000 people per year, including 40,000 to 70,000 Poles, with a downward trend. According to a United Nations report, sustaining the stability of the working population in the 15 EU Member States will require the immigration of 550,000 workers by 2010, with this figure rising to 1.6 million workers per year beyond 2010. In Germany alone, there is a need for 300,000 to 500,000 immigrants per year.

However, press campaigns have created quite an irrational escalation of fears. This is how Germany and Austria have demanded and obtained **a seven-year transition period** during which the current Member States will continue to determine their immigration policy at a national level as far as Polish nationals are concerned. The situation will be reviewed two years after accession and Member States will have to notify the European Commission of whether they decide to maintain the transition period. After five years, free movement will become the rule, except for those States which can provide evidence that there have been serious disruptions on their national labour market. This exception comes to an end after seven years. Germany and Austria can also extend this transition period to the unrestricted provision of services by Polish enterprises operating in these countries.

The introduction of a transition period violates one of the fundamental principles of the European Union and does not facilitate the integration process. Not only is it politically unacceptable, but it also creates real problems. Unlike the current EU Member States, the candidate countries will continue to experience a population boom for another few years. At the moment, 900,000 young Polish people enter the labour market every year, which only represents 14 million jobs. This is exactly the same figure as in Germany, whose labour market represents 40 million jobs. It is not enough to encourage workers to continue their education and training throughout their life and remain at work as long as possible if there is no long-term vision as regards a migration policy that can ensure economic and social cohesion in Europe.

The European Commission is aware of these problems and the debate is still open.

PRESENTATION BY MR. PETER KERN

EFFAT representative

CONTRIBUTION OF EFFAT TO THE GEOPA SEMINAR

Mr. Peter KERN apologized to GEOPA members for the absence of Mr. Arnd SPAHN, secretary of the agriculture division of EFFAT (European Federation of Trade Unions in the Food, Agriculture and Tourism sectors and allied branches), who was detained in Palermo on account of a congress of his organization.

The accession of ten new Central and Eastern European States to the European Union will bring about many positive and negative changes. The positive aspects do prevail, however: the EU membership is an important stage on the way to establishing peace in Europe.

EFFAT made preparations for the membership of new trade union organizations. Contacts were initiated in the early '90s. We conducted a high number of training sessions in CEECs and organized joint seminars to get to know each other better and develop knowledge about the methods and instruments of the European Union. This work proved to be profitable: EFFAT is present today in all CEECs.

We are now giving thought to the practical requirements for EU membership: the free movement of workers and the issue of the implementation of the common agricultural policy in the new Member States.

EFFAT has taken a stand on the implementation of the CAP in CEECs. The Commission's proposals of 30 January 2002 cannot be accepted as they are.

1. We reject the proposal to only transfer the CAP up to 25% during the first year of accession. EFFAT cannot agree to the new Member States being treated like second-class citizens. We demand the full transfer of the CAP funds and propose that:
 - up to 50% of these CAP funds should be transferred in the year following accession in order to materialize the CAP objectives;
 - the remaining 50% should be used for other agricultural restructuring measures;
 - the first instrument should then be increased by 5% a year while reducing the second instrument by 5% a year in order to reach the existing level in the current Member States within ten years.
2. The quotas proposed by the Commission relate to a reference year which cannot be accepted. EFFAT proposes to choose the year preceding accession as the reference period. An alternative solution would be to take up the average production volumes of the past five years.
3. Access to the market of agricultural products from CEECs should be improved straight away, with all the obstacles to market access removed before the countries join the EU.

These proposals are in line with the requests expressed by trade union organizations in the candidate countries.

The enlargement of the Union will have a considerable impact in the social field, both in the candidate countries and in the current Member States. This is why the European social policy should be further developed if Europe wants to continue to grow and promote its fundamental values.

PRESENTATION BY MR. RISTO VOLANEN

COPA Secretary General

CONSEQUENCES OF THE ENLARGEMENT OF THE EUROPEAN UNION ON THE COMMON AGRICULTURAL POLICY

Mr. Risto Volanen welcomed the progress of negotiations and reminded the participants that the EU farmers and their cooperatives have been in favour of the enlargement process right from the start.

In order to make a better future for all farmers, both in the current EU Member States and the candidate countries, farmers from candidate countries should be given the guarantee that full integration implies equal treatment for all farmers in an enlarged European Union.

The enlargement will lead to a 25% population increase, a rise of around 40% in the acreage of arable land and an extraordinary 100% increase in the agricultural population. Only a strong common agricultural policy can give agriculture and farmers a relatively well-balanced future and prevent any future crisis in the rural world in Europe. Our task is to ensure the viability of farmers and members of cooperatives through a sustainable, multifunctional type of agriculture in favour of all Europeans.

It is crucial that sufficient funds should be earmarked for the structural and social measures intended to help farmers in the candidate countries in order for them to be fully integrated as quickly as possible.

In a unified Europe, all farmers should be treated fairly. This is why farmers throughout Europe keep on saying, on the one hand, that the EU enlargement should not be used as an excuse for jeopardizing the common agricultural policy and, on the other hand, that agriculture should not be used as an excuse for jeopardizing the enlargement.

Mr. Volanen stressed how important it was that a clear distinction should be made between the enlargement process and the mid-term review of the CAP.

EXCHANGE OF INFORMATION ON SALARIED EMPLOYMENT IN AGRICULTURE

During a day-long, lively debate which took place on 14 September, the participants exchanged information on salaried employment in agriculture in the European Union Member States and in the candidate countries. Three topics were addressed:

- employment statistics;
- labour law;
- social dialogue.

EMPLOYMENT STATISTICS

The lack of reliable statistics on employment in the agricultural production sector has long been denounced by GEOPA. The only significant data are supplied by national agricultural employers' organizations and they usually are approximate estimates. This deficiency of national statistical institutes and Eurostat is not specific to the current EU Member States, the same goes for candidate countries.

As far as Member States are concerned, the statistical data available have been included in the report about the GEOPA enquiry on "Seasonal Workers in European Agriculture" published in June 2002. At the Copenhagen seminar, these data were briefly presented to the delegates from candidate countries.

As far as candidate countries are concerned, the delegates from agricultural employers' organizations presented the estimates that have been grouped together in Table 1 below.

Demography is not stabilized in the agricultural sector. The situation is much contrasted in Central and Eastern European countries. Poland, Hungary, Bulgaria and the Baltic States had retained a great many family holdings, whereas in the Czech Republic and Slovakia, agricultural activities were mainly carried out within cooperatives and large State farms. For over ten years now, the pace of structural development in the agricultural sector has varied a great deal from one country to another and the situation is far from being stabilized. In the Czech Republic, for example, there were 14,000 independent farmers and 1,500 cooperatives or State farms in 1991. In 2000, there are 32,000 independent farmers and the number of cooperatives has gone down to 746, but there are 2,107 holdings in the form of commercial undertakings.

Statistical indicators are not homogeneous. A number of data supplied by the delegates attending the seminar come from official statistics, while others are rather approximate estimates. The notion of agricultural holding, in particular, is not interpreted everywhere in the same way. Apart from cooperatives and holdings in the form of commercial undertakings, the notion of agricultural holding clearly applies to independent farmers. Some countries, however, only count the farmers that market their production and for whom agriculture is the main activity, while other countries take into account all the people that cultivate a sizeable plot of land (1 ha, for example).

Agricultural salaried workers tend to be concentrated in large holdings. In Hungary, for example, 30,000 civil-law agricultural partnerships employ 111,000 permanent salaried workers, whereas out of 925,000 family holdings, only some 30,000 of them employ a total of 67,000 permanent workers. In the Czech Republic, 2,800 agricultural partnerships or cooperatives employ 135,000 permanent workers out of a total of 168,000 salaried workers.

The special situation of workers in cooperatives or former State farms should also be noted. In most former communist countries, members of cooperatives and workers from former cooperatives and State farms transformed into commercial undertakings have been able to keep their shares in the cooperative or acquire shares in the capital of the new commercial undertaking while working with an employee status. In Hungary and Estonia, on the contrary, there seems to be two types of situation: in some cases, workers are both members of the cooperative and employees, in others they are associate farmers who do not come under legal provisions for salaried work.

Table 1 below should therefore be interpreted with care. It is also incomplete and a further enquiry among agricultural organizations in the candidate countries seems absolutely essential.

STATISTICAL INDICATORS (2000)

Table no.1

COUNTRY	Eurostat statistics			Estimates from agricultural organizations			
	Population (1)	Unemployment rate (2)	Rate of agricultural activity (2)	Number of agricultural holdings	Number of employers	Number of permanent workers	Number of seasonal workers
POLAND	38.6	16.1%	19.2%	2,500,000	3,500	120,000	?
HUNGARY	10.0	6.4%	6.1%	965,000	60,000	177,000	74,000
CZECH REPUBLIC	10.3	8.8%	4.6%	34,500	?	168,000	110,000
SLOVAKIA	5.4	18.6%	6.3%	71,000	3,940	84,290	10,000
SLOVENIA	2.0	7.0%	9.9%	85,000	127	197	1,382 (3)
LITHUANIA	3.7	16.0%	16.5%	32,500	3,300	23,800	?
LATVIA	2.4	14.6%	15.1%	174,000	?	9,600	5,000
ESTONIA	1.4	13.7%	7.1%	69,000	3,000	17,000	3,000
CYPRUS	0.8	3.4%	4.9%	?	?	?	?
MALTA	0.4	4.5%	2.2%	12,000	1,035	2,000	?
BULGARIA	8.2	16.4%	26.7%	760,000	?	374,000	1,000,000
ROMANIA	22.4	7.1%	44.4%	?	?	?	?

(1) In millions.

(2) In percentage of the working population (2001 statistics).

(3) Immigrant seasonal workers alone.

LABOUR LAW

At the Copenhagen seminar, the exchange of information was limited to questions about labour contracts, duration of work, paid leave and minimum wages.

As far as Member States are concerned, the delegates of the candidate countries were invited to consult the GEOPA report on the enquiry concerning seasonal workers.

As far as candidate countries are concerned, the current situation was briefly summed up.

The status of agricultural workers is identical to that of workers in the industry and trade sectors in almost all countries. In Hungary, however, somewhat different legal provisions apply to the agricultural sector for reasons linked to the nature of the activity and the low profitability of agriculture. The information supplied by Bulgaria indicates that legislation is identical "in principle"... In all candidate countries, agricultural salaried workers are therefore entitled to a labour contract which is written in principle. As regards the duration of work, paid holiday and minimum wages, the rules are the same as for industry and trade.

The statutory duration of work is 40 hours a week in all candidate countries, with the exception of Poland where it is 42 hours. Some degree of flexibility is accepted in the Czech Republic,

Slovakia and Lithuania as regards the implementation of the statutory working week: the overtime done in excess of 40 hours at certain times of year may be compensated by working less than 40 hours at other times. A limit on weekly working time to 48 hours is in force everywhere, with it being sometimes possible to grant special authorizations for going beyond that limit. Legislation on duration of work in the candidate countries therefore seems to comply with European directives. On the other hand, there is no country in which agricultural employers comply with the European framework agreement signed by GEOPA in 1997, an agreement which advocates an average weekly working time of 39 hours together with flexibility being applied on a general scale.

Paid leave. The EU Directive of 23 November 1993 which sets the minimum duration of paid leave at four weeks a year has been implemented into national law in all candidate countries, with the exception of Poland. In that country, the length of paid leave ranges from 9 days if workers have been in the job less than six months, to 26 days when they have worked for over 10 years.

Compulsory minimum wages. In all candidate countries there are legal provisions about minimum wages for agricultural salaried workers, with the same requirements as for other employees. These minimum wages are generally expressed in terms of monthly salary. To be able to make comparisons, we have recalculated the hourly salary according to the statutory working week of 40 hours, i.e. 173,33 hours a month [with the exception of Poland: $(42 \times 52) : 12 = 182$]. It was impossible to collect enough information about employers' social security contributions, so the real cost of work was not evaluated. This being said, the minimum hourly wages noted are much lower than in the fifteen Member States.

MINIMUM HOURLY WAGES IN 2002 IN CANDIDATE COUNTRIES

COUNTRY	MINIMUM HOURLY WAGES
POLAND	1.01 €
HUNGARY	1.15 €
CZECH REPUBLIC	1.08 €
SLOVAKIA	1.10 €
SLOVENIA	2.41 €
LITHUANIA	0.71 €
LATVIA	
ESTONIA	0.68 €
CYPRUS	
MALTA	3.25 €
BULGARIA	
ROMANIA	

Health and safety at work is a major concern. Considerable efforts have been made in the candidate countries over the past two years to implement European directives into national law. In most of these countries, however, it will take quite a long time to effectively bring into line the standards of in-service installations and agricultural machinery. Behaviour at work should also change, particularly as regards the employers' awareness of their responsibilities in connection with the health and safety protection of workers. The difficulty in implementing the *acquis communautaire* has been recorded in the reports drawn up by the European Commission about the real situation in candidate countries. In almost all of these countries, the Commission noted the weakness of the labour inspection services and the environmental surveillance and monitoring services.

SOCIAL DIALOGUE

The primary mission of GEOPA is obviously to maintain and contribute to the development of social dialogue with the organization representing agricultural salaried workers at a European level, EFFAT. Up to now, this dialogue has been limited to producing recommendations addressed to national social partners in the Member States. In fact, for a great many years, agricultural social partners at a national level have had the authority to negotiate collective agreements and the normative provisions of collective agreements, whereas at a European level, the capacity to conclude normative agreements under the Maastricht Social Protocol that has become Article 139 of the Treaty has not yet been used within the framework of sectoral dialogue. In other words, an effective European social dialogue should be based on dynamic national social dialogue.

The Copenhagen seminar offered the opportunity to have the very first exchange of information on this subject.

As far as candidate countries are concerned, negotiating for collective agreements that would apply to agricultural salaried workers is still a novel idea. In several of these countries, the first problem is the high number of organizations representing agricultural employers: quite often, agricultural cooperatives, former State farms turned into commercial undertakings and individual farmers are represented by separate organizations. In the current state of events, it is only in the Czech Republic that there is a national collective agreement for agricultural salaried workers. In Slovakia, there is a national collective agreement for the salaried workers in cooperatives. In Poland, Hungary and Slovenia, there are internal agreements in large holdings.

As far as Member States are concerned, there is a wide range of legal provisions governing collective bargaining. This diversity is a historical heritage from industrial relations which were born over a century ago. Practices relating to negotiations in the agricultural sector also vary a good deal, especially as a result of the smaller or greater importance of the number of salaried workers in agriculture, the weight of trade union organizations of employees, the smaller or greater incentive role played by public authorities, and so on. The Copenhagen seminar was an opportunity for delegates from the EU Member States to present their legislation and national practices in the area of collective bargaining.

The oral presentations done at the seminar will be completed by a more in-depth enquiry among the GEOPA member organizations in order to publish a specific report on collective bargaining.

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