

## **Information and communication technologies**

### *ICT sector as a horizontal element for industrial development*

105) The ICT sector is full of contradictions. Strong structural change has caused tremendous job losses. This, together with bad management, results in a very insecure work environment in the ICT sector. On the other hand, the sector has become a driving force for economic development and innovation. What is more important is the fact that ICT is a general force for change in all working life as well as in the whole of society. Hence, ICT can be considered by society as an opportunity but also a threat in many ways.

106) The ICT sector is characterized by services. Out of a total of 7 million employees about 5.3m were employed in services, while only 1.7m in manufacturing. From the employment point of view the sector is undergoing a huge change, i.e. mergers and acquisitions, off-shoring and new technologies. And it is not just manufacturing which is being relocated. When services become more tradable, they also become more subject to relocation.

107) Looking to the future, the EMF has recognised two main features which are important in the sector from the trade union point of view. Firstly, ICT is strongly embedded in the development of other sectors and this fact has to be taken account in industrial policy as a whole. Secondly, the sector itself is high in challenges like the management of change, employment, training and education ,as well as trade union density in the sector, to mention but a few.

108) Offshoring is a form of relocation of activities involving highly-skilled people. Asia (e.g. India) and Eastern Europe (e.g. Hungary and the Czech Republic) are areas where companies are increasingly placing their offshore activities. The reasons for offshoring are cost-cutting strategies and the fact that highly-skilled people are available in these areas. It is in the interests of the EMF to monitor the development of offshoring.

### *Main objectives*

109) The main objectives of the EMF for the Congress period 2007 to 2011 in the ICT sector will be the following:

- Improvement of employment in the ICT sector. Job creation will depend on several activities such as the application of high know-how and knowledge, the development of work and work organisation, the work environment and business models, controlled management of structural change and, above all, a social dialogue between stakeholders. From this standpoint the EMF will promote an industrial policy in the ICT sector.

- Sustainable management of change and industrial development are important for employment. The EMF, together with its member organisations, is a competent partner in industrial policy. The Sector Committee ICT will call on its resources to participate in the development of activities with the Commission, the Economic and Social Committee, as well as other relevant counterparts.
- Social dialogue is one of the main social policy tools for the EMF and it is strongly needed in the ICT sector given that it is facing tremendous structural change. The problem for the EMF is a lack of relevant counterparts. The EMF will devote efforts to creating a fruitful ground for social dialogue together with other trade union federations in the sector.
- The results of industrial policy will be measured in terms of economic and social development at company level. The EMF tool for company level industrial policy is the European Works Council. EWCs must play a significant role in anticipating change in a constructive manner. The EMF Sector Committee ICT will hence continue its work to coordinate and facilitate European Works Councils.
- Analysis, benchmarking and the sharing of best practices among trade unions. In a world of rapid change, high quality management of activities is an essential tool for successful trade union work. Because of its crucial significance the ICT sector needs to be analyzed properly and the results used for benchmarking and best practices among the affiliated trade unions. During the next congress period the ICT Committee therefore intends to create a system offering periodical work projects to its members.

### *Activities*

110) The main objectives will be attained through activities in the ICT field focusing on two different projects.

111) Firstly, the Sector Committee ICT will explore the question of corporate governance. The committee will set up a project which will analyze corporate governance in companies. The project will focus on the development of human resources, corporate social responsibilities and change management. The project will be organised together with the Company Policy Committee, EMF member unions, European Works Councils and other relevant stakeholders. This programme will be organised as far as possible via internet making use of @-trade union network.

112) The second project to be carried out during the next Congress period will concentrate on employment. As described, employment in other sectors is strongly dependent on the development in two main sectors, i.e. ICT and engineering. The Sector Committee ICT, together with the Mechanical Engineering Committee, will run a project which will identify the influence of key sectors on employment in other sectors. The project will be carried out in cooperation with the Industrial Policy Committee, EMF member unions and other relevant stakeholders.

113) Since a number of sub-sectors of the ICT industry in Europe are losing out globally in economic and technological terms, the Sector Committee ICT will continually evaluate structural and technological developments in the sector and make specific proposals aimed at anchoring it more firmly in Europe.

114) The Sector Committee ICT will also work in close cooperation with the Commission, participating in technology platforms as well as work in the field of innovation.