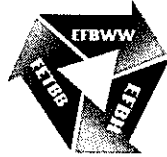


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## **FIEC - EFBWW**

### **Joint declaration on paritarian funds**

*The EFBWW and FIEC wish to stress that the construction industry has specific characteristics, which clearly distinguishes it from other industrial sectors.*

*A typical feature of the construction industry is the responsible role of the social partners in dealing with many issues of the highest importance and with a significant interest for the sector. Thus, the social partners play an essential role on issues such as tackling the frequent lack of qualified workers, the continuous improvement in health and safety at work, the promotion and development of vocational education and training and the setting up of (occupational) pension savings schemes and investment mechanisms.*

*The European and national social partners consider that these challenges can best be met by joining forces. Together the national social partners can deliver added value for the achievement of a sustainable construction industry, taking into consideration the social and economic dimension of the industry.*

*Through the system of collective bargaining, the social partners are well placed to improve the labour market in the construction industry, by providing better protection to workers and by attracting qualified labour.*

#### **Social dialogue and industrial relations as a driving force**

1. The European and national social partners of the construction industry are strongly committed to building a long-term sustainable sector. In keeping with this approach, industrial relations are seen as an indispensable instrument.
2. As the construction sector is comprised mainly of SMEs, and even if some large ones have a sufficient size to do so, and due to the high level of mobility within the sector, it is difficult to organise the industry at site level. Therefore the EFBWW and FIEC consider that the social dialogue as well as industrial relations more widely should be organised at national and regional level.

3. Due to the specific characteristics of the construction industry, such as the impact of factors linked to climate, the high mobility of workers and the "one off" nature of production, the EFBWW and FIEC strongly favour industrial relations at all levels for those issues that have a direct impact on the sector. In addition the EFBWW and FIEC strongly recommend all member states to recognize and support bilateral industrial relations between the recognized social partners within the construction industry.
4. The EFBWW and FIEC strongly underline that officially recognized social partners should be the only ones authorised to set up paritarian social funds.

### **Paritarian social Funds as a driving force**

5. In the process of achieving a more sustainable construction industry, paritarian social funds play an important role. Depending on the specificities of each country, various activities, such as vocational training, occupational health and safety, occupational pensions, complementary social protection, savings and investments, etc. are issues which can be dealt with jointly in paritarian social funds set up, organised and managed by the autonomous social partners.
6. In order to cope with the complex reality of the construction industry, paritarian social funds should be set up as institutions by the autonomous and representative national social partners. The autonomy of the social partners should also include rules governing "funding" by contributors (employers and/or active workers) and "payments" to beneficiaries (workers, retired, etc.) in a rapid, flexible, and transparent manner.
7. The EFBWW and FIEC consider that paritarian management of the decision making process is an important pillar of the social dialogue and as such a perfect tool for achieving the objectives of the "Lisbon" strategy, combining the search for economic efficiency on the one hand with the safeguarding of salaried workers' social rights on the other. By having a system of paritarian management, the social partners can supervise risks taken by the fund and ensure that contributions are not used for other purposes than to provide high quality benefits. In this manner, social partners will be able to reconcile the social and economic objectives of the member states. Thus, the implication of paritarian organizations as key stakeholders is vital.
8. The social partners must always ensure the security of the contributions paid and the long term balance of the constituted funds. They must also continuously monitor their economic efficiency and through correct management, maintain them at an acceptable level on the national and European market.
9. The EFBWW and FIEC consider that the compulsory participation of all workers and companies, at least in certain fields, can play a central role in ensuring the effectiveness of a social fund. Compulsory participation creates a level playing field for all companies and workers. In addition, risks can best be handled in a larger group. The EFBWW and FIEC would also stress that when a social fund makes provision for mandatory participation in some fields, it could also propose a possible supplementary participation in the same or in other fields.
10. Finally, the EFBWW and FIEC consider that solidarity, especially when applied to social protection schemes, constitutes a cornerstone of the European social model

## The EFBWW and FIEC

Recognize that paritarian social funds in the construction industry are an essential instrument for the cohesion of the industry and its sustainability. Both organizations fully agree on the following and :

- **State** that the European Treaty explicitly recognizes the role of the social partners and their industrial relations;
- **Demand** that the construction industry be recognized by national public authorities and legislators as a sector in which the autonomy of paritarian industrial relations, negotiations and subsequent agreements are fully recognized and facilitated;
- **Request** that when necessary and where the framework existing at national level allows it, the provisions of a bilateral collective agreement be declared generally applicable throughout the country for all employees and workers working in the construction sector concerned.
- **Urge** that where it does not yet exist, national authorities set up a legal framework in which national sectoral social partners can autonomously negotiate:
  - collective agreements;
  - the creation of paritarian social funds and how they should operate
- **Ask** the public authorities to safeguard the full autonomy of the social partners from any political influence which may reduce the effectiveness of their joint action.
- **State** that the full autonomy of the national social partners is an essential factor for the sustainability and the flexibility of paritarian social funds to meet the challenges of the construction industry.


Warsaw, 7<sup>th</sup> March 2008

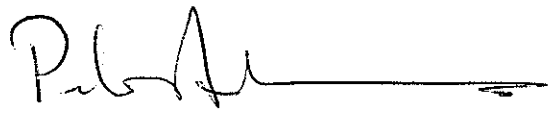
On behalf of the EFBWW

  
Domenico Pesenti  
President

  
John Kerstens  
Chair Standing Committee Building

On behalf of FIEC

  
Daniel Tardy  
President

  
Peter Andrews  
Vice-President