

## At Focus:

### Italy

“The activation of a policy based on corporate social responsibility should be a moment of real action between the company and workers.”

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**Questions for the colleague Salvatore Federico about the results of the crisis for the Italian wood and furniture industry, about trade union fields of activity and about the role of qualification and further training?**

➡ The global economic and financial crisis has also significantly affected the wood and furniture industry in 2009. What are the economic consequences for your company and the sector at yours and how do you see the current developments?

The year 2008 has closed for the entire industry with a decrease in turnover heavier (-5.6%) than had been expected earlier this year when the crisis had not yet seen the worst profile.

The sector has maintained the produced value just under EUR 38 billion, returning to 2006 levels, and it keeps to be one of the most important sectors of the Italian economy.

The year 2008 ended with nearly all economic indicators to the negative mainly because the last months of the year were more than offset by the favourable trend in the first half-year, which was broadly in line with what happened in the previous two years. As part of the chain were mainly domestic consumption to suffer the most: nearly 31 billion euro less in 2008 represent a decrease of 7.8%, which is, however, been accompanied by a more than proportional reduction in imports (+8.6 %) over the previous year.

In this figure there are of course the imports of timber and semi-finished wood. Their decline anticipated and then confirmed the sector crisis and the phenomenon of "de-stocking," which covered many of the branches of the chain, as many other economic sectors.

As for exports - for the industry as a whole exports represent 35% of sales but in furnishing they reach 52.5% - the decrease recorded in 2008 was less than the most pessimistic expectations. After the stark growth of sales in 2006 and 2007, a decrease of 2%



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represents a certainly not positive outcome, but at the same time is an important signal of competitiveness of Italian products. A fortiori, it may be noted that, in so difficult a year, the trade balance stood at EUR 6.6 billion (up 5.9% compared to 2007).

➡ What are the consequences of the crisis for the employment in the sector? What has grown worse – for example for jobs, working hours, salaries or labour standards in the company?

The industry crisis has caused a significant use of the redundancy fund and, in some cases, the opening of mobility procedures in order to allow workers closer to retirement to take advantage of this opportunity.

➡ How have the trade unions handled the crisis? What were your instruments and strategies to protect jobs and employees? How successful were you?

Having obtained in derogation a refinancing of social safety nets allowed to have appeals of Cig beyond the limits prescribed by law. This allows to maintain the employment enterprise / employee. Furthermore, in some cases, companies and trade unions have maintained a diversity of work schedules.

➡ What should be the further activities of trade unions to support the interests of employees (like secure jobs, good labour standards and wage agreement salaries) even under crisis conditions? What are your approaches on company and sector level?

The activation of a policy based on corporate social responsibility should be a moment of real action and confrontation between the company and workers in order to build a climate of real participation in positive and negative moments of the production

cycle. At the sector level a Bilateral Monitoring Wood / furniture have set up with the intent to be a moment in industry analysis and training proposal for the sector.

➡ **The European and international competition in the wood/furniture industry will remain significant even after the current crisis. Many companies have to improve their products and qualities. Which importance has vocational further training in this context?**

Training is the central point in order to have competition based on quality, research and innovation, to be implemented with specialized personnel.

➡ **How far is qualification a topic of your company and sector activities today ? What has improved, where are still deficits?**

The training system is created for the development of wood / furniture sector:

For the workers, because it allows them to be "employable", that is to have those skills necessary to be on a constantly evolving job market.

For the industries, because it provides the workforce they need in a competitive environment in which the Italian production system has been assigned of a role that is not what it costs to compete (other countries are doing better than we do), but to focus on innovation and quality.

For the local community, because it manages to retain in its territory the skills necessary for the continuation and development of a production system that contributes to the welfare of all citizens, so we must join forces and ensure that the social partners and representatives of local communities cooperate to encourage and support the activities of firms. In the previous collective agreement the staff classification system was rewritten just in terms of qualification. Qualification is an instrument of development of every employee in connection with training.

➡ **Do you have trade union or company-based initiatives for a systematic and improved further training for employees of wood/furniture sector?**

In Italy there is an institution called Fondimpresa and managed by Confindustria, CGIL, CISL, UIL, which funds educational projects. The Bilateral Wood / Furniture Centre is going to propose training projects to be carried out in all companies that apply the wood industry Collective Agreement.

➡ **What do you expect from the European Cooperation in the project INNO2 ? What results do you expect in the context of further training ?**

The project INNO2 is the reason for us to compare and cope with different experiences in order to try to reach a unified position to be applied in all countries where we operate.

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