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Tripartite Steel agreement LUX 2021-2025

First meeting of the Monitoring Committee

One year after the signature of the last tripartite agreement covering the steel sector and the Bissen site, the government representatives - Franz Fayot as Minister of the Economy and Georges Engel as Minister of Labour - invited the trade unions and the management of ArcelorMittal Luxembourg to participate in a first meeting of the Monitoring Committee of the tripartite agreement covering the period 2021-2025. For the OGBL, this meeting was an opportunity to look back on a year marked by major changes, to monitor the application of the agreement by the signatories and to check whether the commitments made by ArcelorMittal have been respected.

Jobs saved

With regard to the reduction of the workforce, it is clear that the OGBL will never be satisfied with job cuts, even if no redundancies have been made in this case. The restructuring plan initially proposed by ArcelorMittal management expects that by the end of 2025 the company will have only around 3,000 employees spread over the various sites and buildings in the country. At the beginning of 2020, the company employed around 3,500 people. As a reminder, a redundancy plan was avoided, mainly through the use of early retirement, the "cellule de reclassement" (an internal system for managing overstaffing) and various reorganisations. These measures have made it possible to guarantee the continuity of the Luxembourg sites and the jobs that depend on them, well beyond 2025.

Today, the company has less than 3,200 employees. However, not all the reorganisations have taken place yet. The OGBL is closely monitoring the changes, paying particular attention to the interests of the employees. It should be noted that there will be fewer job cuts than initially planned, as some of them are no longer necessary and others could be avoided. Thus, a good thirty jobs were saved and these "chairs" will not be eliminated, thanks in particular to the intervention of the OGBL, which remains very attentive to any form of outsourcing, such as security guards, which must remain within the group's activities.

Investments made

In January 2021, ArcelorMittal's management committed to invest between 165 and 205 million euros. The first figure is a minimum threshold to ensure the maintenance of the tools (of which at least 65 million euros are needed to reinforce the sites with key projects). Today, ArcelorMittal has made a total of more than 41 million euros in investments, of which more than 16 million euros are dedicated to future projects. The OGBL can only note that the company is honouring its commitment to the employees and the Luxembourg government.

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As regards the construction of the new building to be built in Kirchberg, no concrete data could be provided at this stage, although the project has not been forgotten.

ArcelorMittal's management took the opportunity to discuss certain projects to be carried out in line with the group's decarbonisation objectives. These indications point to a more promising future for the Luxembourg steel industry.

The OGBL is keeping a close eye on the Dommeldange site, in order to ensure the continuity of activities that will not be transferred to other sites. For the OGBL, it is necessary to ensure that the guarantees given by the group regarding the maintenance of activities during the period of validity of the agreement and beyond are respected.

Early retirements on hold

Despite repeated requests from the OGBL to open up the right to early retirement to employees born in or after 1965, management still refuses to make use of this instrument, which would make it possible to mitigate the negative effects of job cuts and limit the use of short-time working. The management is currently refusing to make use of it and thus to submit a request to the authorities as provided for by the legal procedure. According to ArcelorMittal's management, such a measure would lead to a loss of skills and abilities. The management also believes that there is no longer any need to use it. The OGBL does not agree with the management's position on this point and believes that the company is in fact simply postponing an unavoidable deadline. Moreover, other solutions would have made it possible to consider a combination of early retirement and skills transfer.

Positive recovery expected at all levels!

The outcome of this first follow-up meeting is positive overall. The OGBL would like to thank the public authorities for their commitment. Nevertheless, the OGBL is aware that despite the tripartite agreement, the health context, the energy prices, the restructurings carried out and to come, the ArcelorMittal group announced record figures and made a profit in 2021. The employees and the Luxembourg sites have contributed to this result. It is therefore evident that the group must accelerate its investments and also invest more in Luxembourg. This applies both to the activities and facilities and also to the staff, who have always been able to accompany the major changes within the company. These changes are all the more important in the digital age and in the midst of the ecological transition.

Finally, it should be noted that the OGBL, joined by other trade unions at world level, is concerned about the increase in fatal accidents within the group: around thirty fatal accidents in 2021 and unfortunately already two deaths since the beginning of this year. Luxembourg has fortunately been spared so far, but the OGBL remains very vigilant and has often reminded ArcelorMittal's management that it must do everything possible to prevent the worst from happening here too. In the current context, investments to improve the ergonomics, health and safety of employees must also be considered a priority. This includes paying particular attention to the well-being and psychological state of all ArcelorMittal employees, especially those affected by the reorganisations.