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[Dieser Newsletter auf Deutsch](#)

### Welcome to issue no. 1/2008 of EWC News.

The training and consultancy network "euro-workscouncil.net" informs you about the activities of European Works Councils and related subjects.

EWC News appears four times a year.  
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## 1. Employers clear the way for negotiations

### **New EWC Directive: setback for British hardliners**

The looks focussed until last with tension on this building in Brussels nearby the EU institutions: the headquarters of the European employers' federation BusinessEurope. Its decision was announced on April 2nd 2008. Unlike at the adoption of the EWC Directive in 1994 continental employers' federations could enforce this time a pragmatic solution against the resistance of the British industry. Until January 2009 direct negotiations with the trade unions on the wording of the new EWC directive can now take place.



- [Letter of the employers' federations to the European Commission](#)

The decision was not easy for the employers, but the pressure from the trade unions, the European parliament and the European Commission had increased within the last months (see [report in the EWC News 2/2007](#)). Without their willingness to compromise the further legislation procedure would hardly have been influenceable by the employers.

**Review: The second stage of the consultations started with delay**

Already at the beginning of January 2008 an initiative of the European Commission was expected (see [report in the EWC News 4/2007](#)), which was however a long time-coming. After intensive lobby work with the employers (see [report in the EWC News 3/2007](#)), which especially aimed at a mitigation of the regulations on information and consultation, intensive talks between top-rank officials from the surrounding of social commissioner Vladimír Špidla and representatives of the trade unions and employers' federations took place behind the scenes. The European Commission was finally ready to make its outline **easier acceptable** to the employers' side and thus smoothing the way for direct negotiations between the social partners.

On February 20th, 2008 the European Commission finally went to public with its consultation paper. The European Trade Union Confederation (ETUC) reacted on the same day with an agreeing press release.

- [The consultation paper in the wording](#)
- [Press release of the European Commission](#)
- [The reaction of the ETUC](#)
- [Background paper: Problems of the current EWC Directive](#)

### Scientific accompanying study

The European Commission engaged the London consultancy firm GHK Consulting to calculate the impacts of the legal proposals for the companies as well as to examine the costs and benefits of the EWC work. At present GHK Consulting is conducting telephone interviews in 80 companies (this is every tenth company with an EWC) with the employers' and employees' side.

- [Communication of GHK Consulting](#)
- [Statement of the federation of trade unions EFFAT on the survey](#)
- [The course of the revision process to date](#)



### The French presidency wants to lace restructuring package up

The revision of the EWC Directive could get an additional dynamic in the second half of the year 2008 when France takes over the presidency of the EU. Under the motto "Anticipation of Change" the French government calls for a forum, which shall discuss the early participation of employees at restructurings. And the European Commission wants to link all related legislative initiatives into one consistent strategy. Already on February 28th, 2008 social commissioner Vladimír Špidla had announced several initiatives for the time of the French Presidency at the European Economic and Social Committee in Brussels. This includes besides the revision of the EWC Directive particularly:

- a partnership for change between the European social partners like the example of the [partnership in the automotive industry](#)
- the beginning of the legislation procedure on transnational collective agreements (see report in the EWC News 2/2006).

## 2. Court decisions in EWC issues

### No merger without hearing the EWC

A decision with an Europe-wide meaning for the EWC jurisdiction was passed in the palace of justice in Paris (see photo) on January 16th, 2008. The Social Chamber of the highest French appeal court ("Cour de Cassation") confirmed an interim injunction of the European Works council of Gaz de France. This had stopped the merger with the French utility group Suez in the last minute in November 2006 (see report in the EWC News 4/2006).



The verdict means that members of the supervisory and administrative boards of multinational companies are not entitled to decide on mergers with other companies unless the EWC has been consulted correctly in all details and the consultation has been completed. Part of the procedure is also an impact analysis through consultancy companies, which the EWC selects itself. The judges grant an independent participation right to the EWC --

independently from the rights of the works councils of individual countries. The decision provides the highlight of a number of verdicts in France, which strengthen the meaning of transnational employee representations.

- [The verdict in the wording](#) (in French)
- [Background: current court decisions in France](#) (in German)
- [Digression: The verdict in the case of Alcatel-Lucent of April 2007](#)

Also the French central works council of Gaz de France was not correctly involved. Only a few days later on January 22nd, 2008 the district court in Paris was fortifying those rights also.

- [Press release for the verdict concerning the French central works council](#)

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### A new hearing ends with social guarantees



Still before the completion of the lawsuit the merger was once more driven forward in September 2007 against the resistance of the employees' side (see [report in the EWC News 3/2007](#)). In an EWC meeting on December 20th and 21st, 2007 the workers' representatives of Gaz de France demanded additional documents to have them checked through an advisor and tabled a catalogue with 35 questions. Without reacting to it, the central management invited for January the 8th and 9th, 2008 for another EWC meeting. Its aim to terminate the hearing before the announcement of the above bashful verdict was however baffled by the workers' representatives. During the course of the two turbulent meeting days they decided on five resolutions to various aspects of information and consultation and demanded particularly

1. more information about the social and legal consequences of the merger and
2. more time for evaluating this information by advisers.

- [The resolutions in the wording](#) (in French)

Another EWC special meeting on January 22nd, 2008 also remained without result. As a reaction towards the criticism and the judgement which was passed in the meantime the central management of a group provided all demanded documents and faced the discussion on February 21st, 2008 once more in the EWC. On March 11th, 2008 the EWC finally decided on his statement against the merger on the base of the presentation of the adviser studies. At the same time the central management issued a statement on social guarantees after the merger, which was seen as a success for the employees' side. The following documents are only available in French:

- [Press release for the meeting on February 21st, 2008](#)
- [The statement of the EWC to the merger in the wording](#)
- [The statement of the central management on social guarantees](#)

After concessions from the management the EWC of Suez had already given its statement on January 7th, 2008, it also declines the merger. With the legally correct conclusion of the consultation procedure in both groups the way is free for the merger.

- [The statement of the Suez EWC in the wording](#)
- [Backgrounds to the merger of the two utility companies](#)

### The future of the two European works councils

With the merger the EWC of Suez is dissolved automatically and the EWC of Gaz de France is performing the representation for the entire group. Simultaneous a special negotiation body (SNB) is formed, which is to negotiate within three months a new EWC agreement. With that more could be reached than with Alcatel-Lucent, where the central management strictly declined the renegotiation of the EWC agreement after the merger (see report in the EWC News 3/2006).

- [Thesis paper to the EWC structure after the merger](#)
- [The EWC agreement of Gaz de France in the wording](#)

- [The EWC agreement of Suez in the wording](#)



### Ruling on the appeal against the election at Schneider Electric

The German Federal Labour Court (BAG) in Erfurt decided on April 18th, 2007 about the question which court is responsible for the rescission of the election of German members in the European works council of a French group. The BAG corrected the decision of the industrial tribunal in Düsseldorf of June 2005 (see report in the EWC News 4/2005) and the procedure was referred back to the country industrial tribunal in Düsseldorf, where in December 2007 a judgement was given. Responsible are therefore German and not French industrial tribunals. The following documents are only available in German:

- [The BAG decision in the wording](#)
- [The decision of the court of lower instance in the wording](#)
- [Comment on the BAG decision](#)

### 3. Reactions to factory relocations

#### Nokia disregards EWC rights at work closures



Completely surprisingly the Finnish electronics company Nokia declared on January 15th, 2008 the closures of its factory for mobile phones in Bochum with 2,300 employees to June 30th, 2008. Afore the company has received almost 100 m. € subsidies and guaranteed a certain amount of jobs until December 31st, 2007. Two weeks after the expiry of this period the shutdown was announced although the profit in the 4th quarter 2007 had increased by 60%. The federal state government in Düsseldorf demands back 41 m. € of Nokia.

On January 30th, 2008 workers' representatives from European Nokia locations met on invitation of the European Metalworkers' Federation (EMF) in Brussels. They condemned the procedure of the management, demanded an extraordinary meeting of the Euro Forum (so the official name of the EWC) and engaged a legal report on the possible violations of the EWC Directive. Nokia had founded its Euro Forum already in 1993 when the adoption of the EWC Directive was yet not sure at all and belonged at the time then to the pioneers of a social Europe.

- [The EMF statement on legal consequences](#)
- [Press release after the meeting of the Nokia workers' representatives](#)

On February 12th, 2008 a delegation of the Bochum works council held conversations with the Nokia central management in Finland, however without achieving the withdrawal of the shutdown decision. One day later Finnish unions together with IG Metall and EMF published the "**Helsinki declaration**" on the company policy of Nokia in which they demand a fair frame for the participation at such restructuring decisions. Since February 20th, 2008 the German group works council negotiates about a compensation agreement with the employer.

- [Statement after the conversation on February 12th, 2008](#) (in German)
- [The Helsinki declaration in the wording](#)
- [The website of IG Metall concerning Nokia in Bochum](#) (in German)
- [TV report on Nokia and the revision of the EWC Directive](#) (in German)
- [Download of solidarity ringtones](#) (in German)

#### The situation in Romania



On February 11th, 2008 the production started in Jucu near Cluj-Napoca with 350 employees, later to be up to 3,500 employees. The industrial park was set up with 60 m. € from the PHARE programme of the EU, when no investor yet was in view. Aid money for business relocations within the EU is no longer paid since 2007 (see report in the EWC News 2/2006). The Nokia

buildings in Jucu are being built by a German construction company.

Till now the Romanian trade unions don't have succeeded yet to organize staff and to negotiate a wage agreement. According to media reports uniformed spies are engaged to prevent contacts between the newly recruited employees and journalists or trade unions. The metalworkers' union in the Romanian confederation Cartel ALFA accuses Nokia of exploitation, because the staff has to work 60 to 70 hours per week although only 48 hours are legally permitted. On February 5th, 2008 the company presented itself to the Romanian Minister of Labour Paul Păcuraru to apply a change of the labour law. Since March 18th, 2008 the Romanian anti-corruption directorate examines the contracts between Nokia and local authorities, after the mayor of Jucu was arrested in summer 2007.

- [Report on the Romanian Nokia plant](#) (in German)
- [Solidarity declaration of the Romanian metalworkers' union](#)
- [Report about the corruption accusations](#)
- [Digression: Labour law in Romania](#) (in German)

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### Research location of Novartis in danger

On December 18th, 2007 the 240 employees from the Novartis research center in Vienna (see photo) learned by video message of the closure of its location. The works council wants to use all possibilities to undo this decision. On February 7th, 2008 the state economy commission dealt also with the topic after the engagement of the trade unions. It can check the decision of the company, can prepare reports and give recommendations.



- [Solidarity appeal of the trade union GPA-DJP](#) (in German)
- [Declaration of the European chemical unions federation EMCEF](#)

The pharmaceutical company Novartis disposes since 1995 of an European works council ("Euro Forum") according to Austrian law. The seat of the company lies in Switzerland. In 2006 the EWC had carried out an EU sponsored project on an Europe-wide comparison of working conditions.

- [Presentation about the EWC work and the project at Novartis](#) (in German)



### Partial shutdown of a steelworks in Lorraine?

On January 16th, 2008 the works council of the ArcelorMittal plant Gandrange at the Moselle was informed that 600 of the 1,100 jobs are dismantled. The European Metalworkers' Federation (EMF) in Brussels demands the retention of an economically viable location and stands together with the European works council of ArcelorMittal for an alternative concept. The Consultancy firm Syndex, which was engaged from the works council, presented its report on March 14th, 2008. This is to be discussed at the beginning of April 2008 also in the select committee of the EWC (see [report in the EWC News 2/2007](#) to the EWC agreement of ArcelorMittal).

- [Press information of the EMF](#)
- [The Internet Blog of the CFDT](#) (in French)
- [The report of the consultancy firm Syndex](#) (in French)
- [Press release for the presentation of the report](#) (in French)

To bring in its divergent ideas in the discussion the trade union CGT compiled a counter-report done by the consultancy firm EVS. Such an "expert battle" between trade unions is hardly conceivable outside France. The CGT is in many plants in Lorraine in a minority position, the first place occupies there since some years the CFDT.

- [The Internet Blog of the CGT](#) (in French)
- [The counter-report of the consultancy firm EVS](#) (in French)

- [Digression: Regional main emphases of the French trade unions](#) (in German)

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### Redundancy scheme negotiations à la française

The tyre plant of Kléber in Toul (Lorraine), subsidiary of the French group Michelin, with 800 employees will be closed 2009. In the course of the protests the staff took two manager on the factory premises into detention and released them only after an agreement on redundancies schemes had been signed three days later. Simultaneous blockades were set up and tyres were set to fire. An agreement was reached on February 17th, 2008, after the French Minister of Labour Christine Lagarde got involved in the conflict. The action found Europe-wide press echo, the Frankfurter Allgemeine Zeitung (FAZ) warned: "Who negotiates with French trade unions must dress up warmly."



- [The FAZ report about the events in Toul](#) (in German)
- [TV report about the protests](#) (in French)
- [Discussion in the European Parliament](#) (in French)
- [Informationen about the European works council of Michelin](#) (in French)



### Protests in Italy

The household appliances plant of Electrolux in Florence (Italy) with 900 employees is to be closed. For April 4th, 2008 the Italian trade unions therefore call for a all day strike. In a solidarity message the Spanish trade union UGT demands equal minimum standards at restructuring in all European countries. Electrolux had already closed down the AEG plant in Nuremberg in the year 2006 (see report in the EWC News 1/2006).

- [The strike call of the Italian trade unions](#)
- [Press release of the European Metalworkers' Federation](#)
- [The UGT solidarity letter](#)

In June 2007 a conference on the future of the household appliances industry in Europe took place in Arezzo (Italy) on which also Electrolux was discussed (see [report in the EWC News 2/2007](#)). For the Italian locations of the Swedish household appliances group a framework agreement was last signed in January 2007.

- [The framework agreement for Electrolux Italy in the wording](#)
- [Case study on the European works council of Electrolux](#)
- [Additional documents: Restructurings in the household appliances industry](#)

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### No increase of factory relocations ascertainable

WSI

On January 22nd, 2008 the Hans Böckler foundation published first results of a WSI survey with interviews of 2,000 German works councils. According to this about 8% of all companies were affected by a relocation. Mostly they take place within Germany only every fifth went abroad.

- [Further information about the WSI works council survey](#) (in German)

### 4. EWC agreements are adapted



### RWE now with holding EWC

The step towards a two-tier EWC structure in the energy group RWE was carried out on November 16th, 2007 when a framework agreement on the erection of a European RWE forum at a topmost holding level

was signed. The special negotiation body (SNB) was founded in April 2007 and negotiated efficiently and constructively.

The new agreement replaces a principle agreement from the year 1995 which expressly abstained from a "holding EWC" and only provided for the formation of European division works councils. After the take-over of the British water provider Thames Water an "European Water Forum" was founded in June 2002 (see report in the EWC News 4/2005). In March 2005 the "European Energy Forum" for the sale and net division RWE Energy followed (see report in the EWC News 2/2005) and in January 2006 started the "European Power Forum" for the electricity generation company RWE Power.

The workers' representatives of the respective subsidiaries were informed on European developments by the RWE central management and could coordinate their positions transnationally during the half-yearly meetings. However with the sale of Thames Water in December 2006 the "European Water Forum" had lost its basis again. With the now practised two-tier EWC structure RWE is standing in a row with the Swedish paper group SCA (see report in the EWC News 4/2005) or the aircraft manufacturer and arms group EADS (see report in the EWC News 1/2006).

- [The RWE group structure](#)
- [Summary: Employee representation in the RWE group](#)
- [Presentation about the European division fora](#)

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### **Ambitious EWC project in a Danish bank**

On December 10th, 2007 an EWC agreement for Danske Bank was signed in Copenhagen according to Danish law. The chairmanship lies with the management, the 23 workers' representatives elect a vice-chairman. Once a year a plenum meeting takes place, the EWC can call special sessions with a majority of votes. The ten members of the select committee ("exclusive board") meet three times a year. Thus a meeting takes place in each quarter of the year.



In one point this agreement goes further than the status quo of the EWC Directive: The rights on information shall serve the purpose to conclude agreements across the group comparable those of Suez or Schneider Electric (see [report in the EWC News 2/2007](#)). The new EWC agreement replaces the previous agreement from the year 2005.

- [Details on the EWC agreement](#)
- [The EWC agreement in the wording](#)

To strengthen the cooperation in the new EWC an EU financed project for Danske Bank was started. From December 2nd to 4th, 2007 the first workshop took place in Dublin.

- [Informationen about the EU sponsored project](#)
- [The work programme of the project](#)
- [Report of the workshop in Dublin](#)



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### **After protests: Generali replaces EWC agreement**

A new EWC agreement for Generali was signed on December 18th, 2007 at the group seat in Trieste after conflict loaded negotiations of some months. Particularly controversial was the role of the trade unions, which had organized together with the EWC an Europe-wide protest day in October 2006 against the plans of the Italian insurance group to cut down thousands of jobs (see report in the EWC News 4/2006). The pressure created through this was not without effect: already in November 2006 the central management committed itself to include the employee representations of all European countries in consultations in time before restructurings (see [report in the EWC News 1/2007](#)).

The EWC agreement signed now gives the 1997 founded European works council a new,

improved basis. It is based on both, on the new social charter of the group as well as on the implementation of the EU Directive for information and consultation in Italy. Provided are two annual plenum meetings, these with all 37 EWC members, a steering committee consisting of seven members is running the daily business. The quality of the participation rights, however, doesn't reach the standard of the Italian bank UniCredit, which had formed an EWC in January 2007 after the take-over of the German HypoVereinsbank (see [report in the EWC News 1/2007](#)).

- [Report of the controversial negotiations at Generali](#)

Before the trade unions had argued against the merger of the German subsidiaries Volksfürsorge and AachenMünchner insurance. Through this the headquarters of Volksfürsorge in Hamburg and 500 jobs would cease to exist.

- [Press release of the trade unions concerning the merger of the German subsidiaries](#)

#### **Digression: The EU Directive on information and consultation in Italy**

- [The EU Directive in the wording](#)
- [Report of the implementation of the EU Directive in Italy](#)
- [Presentation of the implementation of the EU Directive in Italy](#)
- [Trade unions and workplace representation in Italy](#) (in German)



#### **... and in other countries**

- [Consequences of the EU Directive in Poland and Ireland](#) (in German)
- [Documents of a research project on the implementation of the Directive](#)

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#### **Revised EWC agreement for Panasonic**

On February 8th, 2008 a new EWC agreement for the Japanese electronics company Panasonic was signed in Paris -- it is subject to British law. The "Panasonic European Congress" (PEC), which is the official name of the EWC founded in 1995, meets under the chairmanship of the employer once a year, 27 workers' representatives out of twelve countries belong to it. The new agreement prolongs the conference by an additional meeting day. In future all documents are translated in all required languages, a three-headed "Employee Representative Committee" (ERC) meets four times a year. On the other hand, a claim to training and for the erection of internal working groups (on topics like working conditions and similar) could not be succeeded. The negotiations were accompanied by Prof Dr Ulrich Zachert from the University of Hamburg, who also works as a legal adviser as part of the training and consultancy network "euro-works council.net".



- [The new EWC agreement in the wording](#)

One of the Europe-wide first legal proceedings in an EWC issue took place in 1998 at Panasonic in the face of a work shutdown in Longwy (France) and the relocation to Peine (Germany). For formal reasons the employees' side lost the court case at that time in the second instance. To avoid such situations, every EWC should have a regulation about the decision making and authorization in its standing orders.

- [Backgrounds of the lawsuit of 1998](#) (in German, see page 624)
- [The significance of standing orders for the EWC](#) (in German)



#### **Thomas Cook with a new EWC agreement**

On March 6th, 2008 a new agreement for the Tourism group Thomas Cook was signed in Oberursel (Germany). The negotiations became necessary through the merger with the British company My Travel (see [report in the EWC News 2/2007](#)). A new

election of the EWC delegates will take place only 2010, until then the two European works councils will meet together.

The new agreement provides for two annual meetings with a duration of three days. The EWC chooses a three-headed executive committee which has an access right to all European branch offices. At the EWC meetings one full-time trade union officer each from Germany and the UK will attend with a consulting voice, in addition experts can be consulted according to German habits.

- [The EWC agreement in the wording](#)

## 5. Employers hinder erection of EWC

### Kühne + Nagel: Company founder conducts legal filibuster

Since 1996 workers' representatives try in vain to launch an European works council in the forwarding agency Kühne + Nagel. They fail because of the aversion of the major shareholder and company founder to any form of employee participation, which was already shown at the adoption of the co-determination act in 1976: In order to avoid the formation of a supervisory board with workers' directors at the time then the seat of the company was transferred without further ado from Germany to Switzerland. This was also very favorable in order to avoid the formation of an European works council because the question of responsibility within the EU employed the courts for years, until the European court of justice in Luxembourg (ECJ) finally declared in 2004 the German company of Kühne + Nagel responsible.



- [The verdict of the ECJ in the wording](#)
- [Background report of the ECJ verdict](#) (in German language)



However, the erection of the EWC couldn't be performed because the central management in Switzerland forbade all European locations to provide the required information to Germany. A recent wave of complaints led in January 2007 to the first verdict, which has ever been ruled on EWC issues in Austria (see [report in the EWC News 3/2007](#)). The employers' side sharply criticized the behavior of Kühne + Nagel because in the end such legal precedents would only strengthen the employees' side. Dr Werner Altmeyer, editor of the EWC News, asked the chairman of the German group works council, **Michael Kalis** (photo) to the backgrounds of the current procedure. Kalis demands from the legislator to make sanctions possible against unwilling employers.

- [The interview in the wording](#)

Meanwhile the case Kühne + Nagel is being dealt with the highest priority at the European transport workers' federation (ETF). A coordination meeting on the further procedure took place in Brussels on December 7th, 2007 with the assistance of the consultancy network "euro-workscouncil.net".

- [Report in the EWC newsletter of ver.di and GPA](#) (in German language)

### Stilke works council also in future without EWC

On December 6th, 2007 the regional industrial tribunal in Baden-Württemberg declined the claim of the works council from Stilke station bookshops to erect an European works council -- for formal reasons. In opposition to this is a voluntary agreement from 1996, which merely foresees a written procedure on information and consultation (see Report in the EWC News 1/2006). The erection of an EWC is thus impossible. The company Stilke is part of the Valora group with seat in Switzerland, which is in permanent conflict with its workers' representatives. The following documents are only available in German:



- [Dossier of the trade union ver.di on Stilke](#)

- [Press report about the personnel policy](#)

The decision of the German industrial tribunal judges is in an European comparison rather unusual. In a comparable case a voluntary EWC agreement from the year 1995 was suspended by a French court in October 2006, because only one single trade union (the CGT) had sued it (see [report in the EWC News 1/2007](#)). The highest French appeal court confirmed this decision on March 8th, 2008.

- [Summary of further court decisions](#) (in German)

## 6. Workers' representatives set priorities



### Department store chain in the criticism

On November 28th, 2007 the employees' side in the European works council of the French retail group of Galleries Lafayette asked the central management to call an extraordinary EWC meeting. Before relocations had been disclosed from Portugal to Poland without information and consultation of the EWC. The group is represented with department stores in France and Germany as well as with financial services in eight countries. The EWC was constituted according to French law in February 2005. The following documents are only available in French:

- [The writing of the EWC in the wording](#)
- [Overview of the EWC erection and the structure of the company](#)

### Comparison of working conditions in the cement group

26 workers' representatives from twelve countries met from November 28th to 30th, 2007 in Warwick (UK) for the annual meeting of the Holcim Euro Forum. Since the take-over of Aggregate Industries the UK with 6,000 employees is now the tallest country in the Holcim group. For the first time delegates from Romania and Bulgaria no longer took part only as observers but as full members at the EWC meeting. The workers' representatives started with support of the Institute for Industrial Relations in Amsterdam a project to compare pay and working conditions with each other in the Holcim plants. The Euro Forum, so the official name of the EWC, was formed 1996 according to Belgian law. The group has its seat in Switzerland.



- [More information about the EWC meeting](#)
- [The EWC agreement in the wording](#) (in German)
- [Report on planning for an international framework agreement](#) (in German)
- [Background: international framework agreements in Switzerland](#) (in German)
- [Presentation about trends in the worldwide cement industry](#)

### Digression: participation rights of the employees in Switzerland

The trade union Unia has recently compared the participation rights of the employees in Switzerland with the EU standards. The documents are only available in German and can be download here:

- [Comparison table of the participation rights Switzerland -- EU](#)
- [Comment on the comparison participation rights Switzerland -- EU](#)

### IT service provider violates Belgian law

In a public letter the EWC of the IT service provider Atos Origin appealed to the central management in Paris on January 17th, 2008 to protest against the violation of agreement standards and labour law and the dismissal of workers' representatives in Belgium. In June 2007 an EWC was founded at Atos Origin after long and



arduous negotiations shortly before the expiry of the legally scheduled three-year period (see [report in the EWC News 2/2007](#)).

- [The EWC declaration in the wording](#)

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### Guarantee fund for restructurings demanded



The EWC of the raw material group Rio Tinto Alcan has in his meeting on February 21st, 2008 still not received the necessary information of the sale of the packing and further processing division (see [report in the EWC News 4/2007](#)). It demands an early and regular information about the progress of the planning, sufficient time for an economical analysis by EWC experts and the imposition of a guarantee fund for redundancy schemes. On April 23rd, 2008 Europe-wide actions against threatening staff cuts are planned.

After the take-over of the Canadian aluminium manufacturer Alcan through the British Australian raw material group Rio Tinto the central management agreed to integrate the European branches of Rio Tinto into the EWC of Alcan. Rio Tinto had established no transnational employee representation till now. The Alcan agreement was concluded in March 2006 according to French law (see report in the EWC News 2/2006).

- [Background report to the merger of Rio Tinto and Alcan](#)
- [The EWC agreement of Alcan in the wording](#) (in German)

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### General Motors shortly before the conclusion of a general agreement?

Since more than a year the negotiations are going on between the European Employee Forum of General Motors and the central management about the next Astra generation. On March 13th, 2008 the workers' representatives at a meeting in Frankfurt am Main denied at first generally new plans of the group (productivity improvements, outsourcing). Before this an Europe-wide general agreement shall be signed, which provides for minimum standards on outsourcing and a renunciation of work shutdowns. Such a negotiation mandate isn't foreseen in the EWC Directive, at General Motors it is based on an "European solidarity pledge" from December 2005 (see report in the EWC News 1/2006).

- [Press release about the beginning of the negotiations a year ago](#)
- [Report of a workshop in Eisenach](#) (in German)
- [Press release about the current situation](#)
- [Presentation about the strategy of the workers' representatives](#)



## 7. New erection of European works councils



### Manufacturer of rolling bearings finds EWC

On October 9th, 2007 the negotiations about an EWC agreement was completed at the headquarter of the Schaeffler group in Herzogenaurach (Bavaria). During the negotiations lasting 15 months the workers' representatives from ten countries not only dealt with the text of the agreement, but started already with its work in anticipation of the new EWC. So they swapped in the special negotiation body (SNB) experiences about the flexibilization of the working time and job guarantees. The EWC will constitute according to German law until June 2008. The following texts are only available in German:

- [Report from a SNB meeting](#)
- [Report of the completion of the negotiations](#)
- [IG Metall web site for Schaeffler employees](#)

## A French bank founds EWC

On January 30th, 2008 an EWC agreement for the group Crédit Agricole was signed in Paris. It is one of the last French big banks, which till now still has no employee representation on an European level.



The agreement has a clear French handwriting: it is a mixed committee. The employers' side consists of at least eight delegates, amongst this the president of the bank as the chairman of the EWC. The workers' representatives come from 22 countries and are supported by a full-time trade union officer from the European service trade unions (UNI). They meet once annual with the employer and can ask for a second plenary meeting. The nine members of the steering committee, among this is the secretary of the EWC, meet once a year with the employer and twice internally as well as at current causes. All meetings take place in Paris.

Although all costs for the meetings are taken on directly by the employer, the EWC gets an own budget of € 60,000 every year. Besides the meetings and the time-off in their country of origin all EWC members receive 30, members of the steering committee 60 and the secretary 100 hours per annum for personal arrangements. Typical for France is also a very far-reaching financing of experts.

- [Press release for the EWC foundation](#) (in French)
- [Background: typical course of a French EWC meeting](#) (in German)



## U.S. group founds EWC according to Dutch law

An EWC agreement was signed for Nalco on February 13th, 2008. The U.S. group is active in the treatment of water and in chemical processes for the Industry. The distinctive feature of the agreement is: at the end of every quarter an EWC meeting takes place with all delegates from 19 countries at the seat of the European management in Leiden (the Netherlands), where the management is giving a report on the financial situation. Additionally special sessions are possible for special cases. Every EWC member gets a personal budget of 40 hours, the secretary of 120 hours and another five members of the steering committee of 60 hours per annum time-off. The participation in meetings isn't credited against this.

The texts of numerous EWC agreements are available on a [download page](#).

## 8. The look beyond Europe

### International framework agreements in the service sector

Alongside the metal industry (see report in the EWC News 3/2006) framework agreements on worldwide social standards are particularly spread in enterprises of the service sector. For the service trade union federation UNI this is a main work emphasis.



### UNI's Global Framework Agreements

Affiliates can download agreements [here](#)

Carrefour - Euradius - Falck - France Telecom - H&M - ISS - Metro - NAG - Nampak - OTE - Portugal Telecom - Quebecor - Securitas - Telefónica - UPU

Reingard Zimmer from the editorial staff of the EWC News spoke with **Alke Bössiger** (photo) of UNI in Geneva about the trade union strategies to this topic. UNI had last signed such an agreement in the Spanish telecommunications group Telefónica in December 2007 (see [report in the EWC News 4/2007](#)). It required a hard campaign in the Canadian print group of Quebecor, until in May 2007 a worldwide framework agreement



was perfect (see [report in the EWC News 2/2007](#)).

- [The interview in the wording](#)
- [Summary of framework agreements in the service sector](#)
- [Background: Globalisation and social justice](#)



### Yoghurt factory in the USA obtains staff representation

The French food group Danone belonged already in the 1980s years to the pioneers signing international framework agreements with the trade unions. Nevertheless fundamental employee rights are not everywhere understood, so for example in the USA. After the factory management had before refused, the 300 employees of the yoghurt factory in Minster (Ohio) could only succeed with their claim to a trade union representation on December 6th, 2007. The success in the USA was only possible because of the support of the International Union of Foodworkers' (IUF) in Geneva, which had last concluded an antidiscrimination agreement with Danone in June 2007 (see [report in the EWC News 4/2007](#)).

- [Press report on Danone USA](#)
- [The international work of the IUF](#)

### Air France KLM with a new social charter



On February 20th, 2008 a social charter was signed at the Parisian airport Roissy between the EWC and the central management of Air France KLM and with that an agreement for Air France from the year 2001 was extended on the new group. After the take-over of the Dutch airline company KLM by Air France the two European works councils also had merged in February 2006 (see report in the EWC News 1/2006). The steering committee of the EWC will supervise the implementation of the charter which formally is only valid within the EU but is worldwide recognized as a reference in the group.

- [Report of the signing](#)
- [The social charter in the wording](#)

## 9. EWC research

### Study on works councils advice shows great national differences



In December 2007 the Ruhr University of Bochum together with the Hans Böckler foundation published an industry-specific study of works council advisers. In contrast to the traditional management consultancy the "work oriented advice" is orientated at the interests of the employees and their representatives. Its origins lie within the 1980s years and the then changes of the labour organization and technology. Today works council adviser are consulted predominately at restructurings and shutdowns but also for the draft of company agreements on different topics. The borders between consulting, seminars and applied science are fluent. All following documents are only available in German:

- [The study for the work oriented advice in the wording](#)
- [Report about the prospects of the works council advice](#)
- [Check list: Quality requirements to the advisory service](#)

Chapter 5 is for European works councils particularly interesting as it compares works council advice on an international scale. The EU Directives on mass redundancies or for the information and consultation at a national level foresee unlike the EWC Directive no minimum regulations for the use of advisers. Everything is dependent on the national habits. E.g. the use of external experts is in that way in France furthest spread and in the United Kingdom practical not existing. Germany is located in the middle field, however it has a backlog demand.

- [Report about the work of French works council advisers](#)

#### **The study shows the legal framework for some countries:**

- In Germany, France, Belgium and the Netherlands the works council can consult experts at the expense of the employer, in Italy this applies only to the RSU (a kind of works council not yet established in all factories).
- There is no such provision in UK, Ireland, Denmark, Luxembourg and Spain, whereupon the employers has to bear the costs for external experts.

In Germany the legal basis is controversial as a judgement of the second instance labour court in Cologne of October 2006 shows. It exempts the employer from bearing the costs.

- [Press report about the Cologne verdict](#)
- [The verdict in the wording](#)

#### **Advice for European works councils**

The right to call an expert is provided in the subsidiary requirements of the EWC Directive, whereof in French companies this is used to the highest degree. The least use of the support through experts is being made in Anglo-Saxon companies. Only 60% of all EWC agreements foresee the presence of experts in all EWC meetings, in some cases the employer is not obliged to bear the costs..

For this reason the advice mandate is usually covered by full-time trade union officers free of charges. Here one can speak of a concealed subsidization of the employer through membership subscriptions of the trade unions. The present EWC Directive shows a blur in the delimitation of trade union officers and experts, that is why the European Trade Union Confederation is arguing for an independent participation right of the trade unions at EWC meetings in addition to the cost transfer for experts.

- [Examples of the topic pallet of EWC advice](#)
- [Report on a cross-border adviser cooperation](#) (in German)
- [The activity of works council advisers at international merger processes](#) (in German)

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#### **Final report from Austria**



On January 28th, 2008 the University of Linz submitted the final report of a research project, which in cooperation with the Austrian trade union confederation (ÖGB) had analysed the success factors, hindrances and challenges for European works councils (see report in the EWC News 4/2006). Case studies examine the EWC work at Austria Tabak, Semperit, MAN and further companies. The study defines corner points on the way to an active and successful European works council and names problems, e.g. the unsatisfactory personnel capacity of the trade unions to support EWCs. The following documents are only available in German:

- [Brief summary of the study](#)
- [Conclusions and prospects for an active EWC work](#)
- [Digression: Communication in the EWC through means of new media](#)

In previous issues of the EWC News we already introduced results of the research project. So the researchers have for example arranged the role of the central management according to types:

- [Type 1: The "culture of cooperation"](#)
- [Type 2: The EWC as a presentation forum for politics of the group](#)

- [Type 3: The marginal EWC in the authoritarian corporate culture](#)

## 10. Interesting web pages



### Nordic trade unions inform on EWC topics

Under the roof of Nordic IN 22 trade unions from the metal, energy, chemistry, paper and textile industries from Sweden, Denmark, Finland, Norway and Iceland have combined in order to strengthen their influence in Europe. A web site provides current news on industrial relations and on European works councils, also in English.

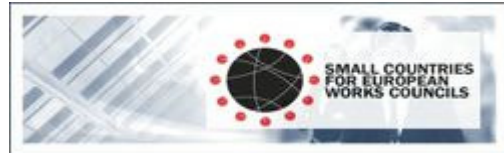
- [The web site of Nordic IN](#)
- [Information on EWC topics](#)

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### European works councils in small EU countries

This web site is a successful example for the transparent documentation of an EU sponsored project, which was carried out by trade unions from Malta, South Cyprus and Estonia in the year 2007. The project management as well as the research and seminar planning can be looked up in the detail. All texts are available in English.

- [The web site of the EWC project](#)
- [Report about Malta with EWC case studies](#)
- [Report about Cyprus with EWC case studies](#)



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### French EWC with its own bulletin



The European works council of the French bank BNP Paribas is from time to time publishing its own bulletin informing about its work. The files can be accessed at a web page of the trade union CGT-FO.

- [The bulletins of the EWC](#) (in French)



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### Regional networking of the trade unions

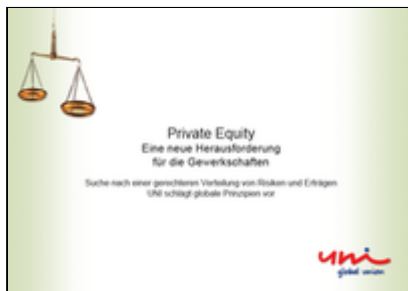
Regional trade unions from Lower Saxony, Andalusia, Great Poland and the Normandy set up a network amongst each other with the support of an EU sponsored project. Information about planned workshops and topics, which the projects deals with, can be accessed on the web site.

- [The web site of the project](#)

Numerous further interesting links are arranged in a [link collection](#).

## 11. New publications

### Rules for finance investors



In October 2007 the federation of the service trade unions (UNI) submitted a booklet on finance investors. With an eleven point programme investment companies (private equity and hedge funds) should be committed to socially responsible behaviour, amongst others compliance with current collective bargaining agreements and outsourcing agreements. The booklet is available in five languages and illustrates concrete examples, for example the entry of Blackstone at the Deutsche Telekom or the dialog of the British trade union GMB with Permira.

UNI Global Union

### **Private Equity. What this matters to trade unions**

Nyon 2007, 44 pages

- [Download of the booklet](#)
- [The eleven point programme in the wording](#)
- [The UNI web site on the topic of Private Equity](#)

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### **Legal manual concerning business transition**

In January 2008 the third edition of a guidebook for works councils, which are confronted with various forms of restructurings, was published. The guidebook presents legal consequences of business changes for the works councils, for the participation in the supervisory board, the validity of collective agreements, the individual contracts of employment as well as company pension schemes. Newly included are the EU merger Directive (see report in the EWC News 4/2006) and the SE legislation (see report in the EWC News 4/2004).



Michael Bachner/Roland Köstler/Volker Matthießen/Wolfgang Trittin

### **Arbeitsrecht bei Unternehmensumwandlung und Betriebsübergang**

Baden-Baden 2008, 3. edition, 499 pages, ISBN 978-3-8329-2592-5, € 58,-

- [On-line order](#)



### **Change of Polish labour law**

At the end of the year 2007 this thesis, which deals with the transformation of the Polish labour law in the years after 1989, was published. An important aspect is the role of the trade unions, which at first had claimed a monopoly in the representation of shop floor interests (similar to the UK). After implementation into Polish law of the EU Directive on information and consultation works councils were established in Polish companies in 2007 (see report in EWC News 2/2006). The author illustrates preliminary events leading up to the latest developments as well as the implementation of the EWC Directive and the consequences for Polish industrial relations.

Patrizia Chwalisz

### **Die Transformation des polnischen Arbeitsrechts und die Gewerkschaften**

Frankfurt am Main 2007, 248 pages, ISBN 978-3-631-56518-6, € 51,50

- [Further information about the book](#) (in German)
- [On-line order](#)

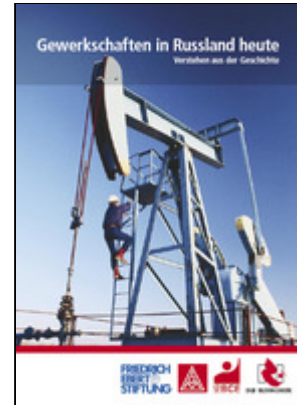
## Trade unions in Russia

This booklet having been published in January 2008 illuminates the history of the Russian trade union movement after 1992 and deals also with the current situation in the metal industry and the chemical industry. It describes exemplified the regular exchange of experience between the German and Russian workers' representatives of the Henkel group.

DGB-Bildungswerk u. a.

### **Gewerkschaften in Rußland heute**

Düsseldorf 2008, 55 pages, € 3,50



- [Download of the booklet](#) (in German)

In May 2006 the European Federation of Public Service Unions (EPSU) presented a study on the Russian group Gazprom, one of the greatest employers in Europe.

- [The Gazprom company profile in the wording](#)

## 12. Training and consultancy network "euro-workscouncil.net": Examples of our work / job advertisement

### Europe Forum of Roche starts in new period of office



The Swiss pharmaceutical company Hoffmann-La Roche disposes since 1996 about a European forum. 27 members from 13 EU countries and Switzerland met in Brussels from March 10th to 14th, 2008 for the constituting meeting for the next four years. Since approximately half of the delegates are new in office the training and consultancy network "euro-workscouncil.net" was conducting a workshop on EWC work and industrial relations in the EU countries.

An important discussion point was the current revision of the EWC Directive, which could eventually lead to an adjustment of the EWC agreement with Roche. This provides one annual meeting with the central management, a coordination committee meets twice every year. As a voluntary agreement based on article 13 of the EWC Directive it still enjoys until now the right of continuance, it is neither liable to Swiss law nor to any EU country. A positive feature is the consideration of the two divisions pharmaceutical and diagnostics, each subsidiary with more than 150 employees sends at least one delegate per country into the EWC.

- [The EWC agreement in the wording](#) (in German)
- [Our offer for EWC workshops](#)

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### Restructurings in the energy industry in Western and Eastern Europe

Which strategies pursue energy companies in the European single market? How can workers' representatives react to it nationally and European? How can the role of European works councils in energy companies be strengthened and how can a common platform be developed, which is similarly acceptable in Western and Eastern Europe? Trade unions from the energy industries from Romania, Hungary, Czechia, Germany, Austria and Italy are putting forward these questions. In cooperation with the European Federation of Public Service Unions (EPSU) in Brussels a corresponding EU restructuring project is at present being prepared by the Training and Consultancy Network "euro-workscouncil.net".



- [Background: Employee representation in Central and Eastern Europe](#) (in German)
-

## Completed projects: Reports now available



The Training and Consultancy Network "euro-works council.net" participated as part of an EU sponsored project in the completion of case studies in the chemical industry. The project had been initiated by the Italian research institute CESOS and the trade union confederation CISL. In the companies Smurfit Kappa, Kion and ContiTech the **influence of German works councils on restructurings** in the light of the new EU Directive on information and consultation was empirically examined (see [report in the EWC News 2/2007](#)). All documents are in the meantime available on the web page of the research project, amongst this also examples from France, Hungary, Italy, Spain and Romania.

- [The connection between the German work's constitution and EU Directive](#)
- [The sector study on the chemical industry and the case studies in the wording](#)
- [The web site of the CESOS research project](#)

As part of the LINKS project ("Possibilities and Limitations for European Works Councils in the Port Sector") the Training and Consultancy Network "euro-works council.net" submitted a case study on the European works council of **Dubai Ports World**. This was founded after the take-over of the British ferry and port company P & O in May 2007 by the Arabian group and replaced the EWC of P & O, which existed since the year 2000 (also see [report in the EWC News 2/2007](#)). The document contains interesting details on a legal proceedings from the year 2002, the only lawsuit of an European works council so far on British soil. The unsolved question of the legal status of British EWC committees becomes clear.



- [The case study in the wording](#) (in englischer Sprache)

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## Latest contributions in professional journals

Kathleen Kollewe participated on the main topic "trade unions in the upswing"? in the magazine **spw** with a contribution under the headline "What is called good work?" in Decembers 2007. Industrial relations in Sweden are being examined in a country report published in the magazine **der betriebsrat** in January 2008 by Werner Altmeyer and Olle Hammarström under the title "union representatives instead of works council". In January 2008 Bernhard Stelzl reported in the magazine **Mitbestimmung** about the WSI autumn forum "WSI on poverty, wealth and welfare state" and Werner Altmeyer explained the latest judgement, which preliminary stopped the merger of Gaz de France with Suez ("supervisory board must respect EWC rights" see also [point 2 further above](#)). All texts are only available in German:

- [The contribution "What is called good work?"](#)
- [Table of contents of the magazine spw from December 2007](#)
- [The country report on Sweden](#)

You find English language publications at our [publication page](#).



### Web editor wanted

Together with our partner in Paris, the professional information service "Planet Labor", we search for our branch office in Hamburg a member of staff to enlarge on the reporting about industrial relations and European work and social legislation.

- [The job advertisement for a Web editor](#) (in German language)
- [Die Web page of Planet Labor](#)

## 13. Current seminar appointments

Registrations are possible for the following seminars and workshops co-made by us:

## Works council activity in Europe, the Euro works council (EWC)

- **EWC 1:** work without boarders -- the way to the European works council  
16 -- 19-09-2008 in Frankfurt → [further information about this seminar](#)
- **EWC 2:** Ensuring legal compliance for EWC agreements -- work in the EWC  
22 -- 26-09-2008 in Stuttgart → [further information about this seminar](#)
- **EWC 3:** EWC for professionals -- deepening and refresher course  
03 -- 07-11-2008 in Berlin → [further information about this seminar](#)

## Europe for trade union officers of IG Metall

Institutions -- Political fields -- European works councils

16 -- 18-04-2008 in Bad Orb

13 -- 15-10-2008 in Bad Orb

→ [further information about this workshop](#)

## In-house events

Please find a survey of the subjects of in-house events here:

→ [Topics for in-house training](#)

→ [Topics for in-house lectures](#)

## 14. Imprint

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[www.euro-ce.org](http://www.euro-ce.org) (French)

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