

Welcome to issue no. 2 / 2011 of EWC News.

8<sup>th</sup> August 2011

**Der EBR-Fachinformationsdienst**

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

EWC News appears four times a year.  
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## 1. New EWC legislation: many countries behind

### Timely transposition in eleven countries only

The delay for transposing into national legislation was very precisely defined by the new European Works Council Directive. Each of the 27 European Union countries as well as Norway, Iceland and Liechtenstein had until the 5th June 2011 to revise their national legislations. Only 11 of the 30 countries succeeded. Germany was not able to meet the deadline either.

Forerunner was Portugal, where the new EWC legislation came into force already in November 2009 (see [report in EWC News 4/2009](#)). In second place came the United Kingdom, where the former labour government brought the new law before parliament in April 2010, a last official act before losing the elections. It came into force unamended as of 6th June 2011 (see [report in EWC News 1/2010](#)). In December 2010 Austria followed, where the best EWC act in the whole of Europe was adopted (see [report in EWC News 1/2011](#)), and then Belgium with a universally binding collective agreement (see [report in EWC News 1/2011](#)).



Norway then followed in January 2011 and in February 2011 Slovakia. Denmark and Bulgaria adopted their new EWC legislation in March 2011 and Spain, Sweden and Latvia in May 2011. In Malta the law came into force on 10th June 2011 a few days late and Ireland followed on 21st July 2011.

- [Overview of the new legislation with a link for download](#)

Legislation has not yet been passed in ten countries but is in its' final legislative stage, including Czech Republic, the Netherlands and Romania. A further six countries are even more behind including Hungary, Poland and Luxembourg.

### **Germany just two weeks late**



After the new EWC legislation was passed by the German Bundestag on 7th April 2011 (see [report in EWC News 1/2011](#)) it was first put on the agenda of the upper house of the German Parliament on 27th May 2011. It therefore came into force only on 18th June 2011 following the signature of the Federal President and its publication in the federal legislative bulletin. The following documents are only available in German:

- [Ministry of Labour – press release](#)
- [Full text of the new EWC legislation](#)

### **The French must remain patient**



The new French EWC legislation will not come into force before September 2011. Only a draft bill exists for the moment. The national assembly had authorized the government in January 2011 to make any changes to the existing EWC legislation by decree. Despite this simpler approach their lateness comes as a surprise, since in December 2008 the French government was very active on a European Union-level, to push for a rapid adoption of the new Directive (see [report in EWC News 4/2008](#)).

### **Italy waits for Berlusconi**



On 12th April 2011, after nearly one year of tough negotiations, Italian employer associations reached an agreement with the three large trade union confederations CGIL, CISL and UIL on a common position for the transposition of the new EWC Directive. Back in 1996 they had also come to a similar agreement. For the European Commission however this was not sufficient. Under the threat of legal steps, Italy was therefore forced, in 2002, to adopt an Italian EWC law. The new EWC Directive also needs, therefore, to be transposed into national legislation but this is hardly foreseeable in the near future, given the current political agenda in Italy.

- [Full text of the common position agreement](#) (in Italian)

### **First discussions in Switzerland on EWC legislation**



On 16th June 2011, 22 Social and Christian-democrat MPs made a request to the National Council, aimed at regulating the involvement of Swiss representatives in European works councils on a legal basis. So far Swiss representatives can only be included on a voluntary basis within the scope of EWC agreements. In the last months events concerning layoffs in Alstom, the mechanical engineering company, have drawn the political debate in Switzerland over European Union worker rights into the public eye (see [report in EWC News 3/2010](#)). Another request provides legal rights for the establishment of works councils in companies with at least 100 employees. Within the European Union the right is fixed legally starting with 50 employees and in Germany starting with as few as five. The following documents are only available in German, French or Italian:

- [The request for Swiss EWC legislation](#)
- [The request for the establishment of works councils with at least 100 employees](#)

### **Croatia to implement EWC Directive**



On 1st July 2013 Croatia will join the European Union. From that day on the EWC Directive (as well as the SE Directive) will be applicable to this Balkan country. On this date, at the latest, all European and SE works councils are to be extended to include representatives from Croatia.

- [Press release on Croatia's accession to the EU](#)

## Is renegotiation of EWC agreements necessary?

In every second European works council renegotiation is absolutely necessary in order to benefit from the new standards. Reason: The EU Directive excludes many companies. An article in the June issue of the German technical magazine, "The Works Council", highlights this question in detail.

- [Article on the exceptions in the new EWC legislation](#)

## Workshop on renegotiation of EWC agreements

The training and consultancy network "euro-works council.net" is offering the opportunity to prepare for such renegotiation and for an exchange of experience in a workshop to be held from 10th to 12th October 2011 on the Wartburg castle in Eisenach (in German language only).

- [The Wartburg workshop program](#)
- [Registration for the Wartburg workshop](#)

## 2. Focus on EWC legal aspects

### Second French-German works council conference in Paris

35 participants from Germany and France visited the French capital from 29th June to 1st July 2011, for an exchange of EWC working experience and to inform themselves about the new legal situation. Metal and electrical industries were particularly strongly represented, in addition to the chemical and pharmaceutical sectors, as well as transport, banking and insurance.



On the first day, two German EWC members presented how transnational restructuring was handled in the automotive supplier Mahle (see [report in EWC News 4/2009](#)) and in the heating manufacturer Vaillant (see [report in EWC News 2/2010](#)). Afterwards two French EWC secretaries described the recently concluded European-wide restructuring agreements at ArcelorMittal, the steel group (see [report in EWC News 4/2009](#)) and at Areva, the energy group (see [report in EWC News 1/2011](#)). The participants then discussed in working groups possible strategies for European works councils to promote the conclusion of such agreements. One of the working groups actually developed concrete steps for the metal and electrical industries.



On the second day reports on the transposition of the EWC Directive were given by Evelyne Pichot from the European Commission in Brussels (in center), Hanna Schelz from the German Federal Ministry of Labour in Bonn (second from right) and Benjamin Maurice from the French Ministry of Labour (second from left).

### Particularities of certain country legislations



For the European Commission qualitative differences can already be found between certain countries. Austria has, for example, the most extensive provisions for the right of access of the EWC to foreign business premises. While all other countries specifically exclude the new standards for EWC agreements concluded before 1996 and for those amended between 2009 and 2011 (see [report in EWC News 1/2011](#)), Austria is, as yet, the only European Union country not to have done this. The new definition for information and consultation is valid for all European works councils in the alpine republic without exception, as well as for "voluntary" agreements concluded before 1996.



According to analysis by the European Commission, the British EWC legislation is the most restrictive. Whereas, in all countries EWC agreements renegotiated after structural changes (e.g. after mergers) fall under the provisions of the new Directive without restriction, the United Kingdom is the only country where this is not the case. Old agreements on European forums under British legislation are therefore able to maintain their weak standards for ever, that is

unless the employer is ready to accept the new standards voluntarily.

### Penalty Provisions under criticism in Germany



The German legislator can be criticised for its' low penalties in the case of violation of EWC rights. Even the weak British legislation increased the maximum fine from 75,000 to 100,000 pounds. In contrast the highest fine in Germany remains at 15,000 euros, an amount, which does not even cover the costs of one EWC meeting. However, in some cases, German EWC legislation does provide for terms of imprisonment.

Hanna Schelz from the Federal Ministry of Labour highlighted the importance of early involvement of the EWC. The possibility of penalties afterwards is not as useful for the EWC as the use of legal possibilities already upfront. Whether German labour courts will ever go as far as in France, where a court injunction was ruled in the case of Gaz de France (see [report in EWC News 1/2008](#)), has to be first proven in practice.

- [Background info: French court rulings on EWC matters](#) (in German)

### Consultation in hostile takeover in France



The French Ministry of Labour is particularly sensitive when it comes to consultation of the EWC during hostile takeovers. According to draft legislation, central management must inform the EWC within two days of the announcement and thereafter convene an extraordinary meeting in as short time as possible. The Ministry of Labour will publish a circular note describing this and other points, to accompany the changes in legislation.

### Paris judges: the EWC is to be informed first!

While the debate on this question is still controversial in the legal professional world, French judges have again come up with an exemplary ruling with explosive repercussions on the European level. The Paris district court ruled, on 26th February 2011, that information and consultation of the European works council must take place prior to that of the national works council.



The legal action was taken by the central works council of the French energy group GdF-Suez. In December 2009 the employer presented plans to merge two service units, one of them in Belgium and the other in France. As a consequence of the merger between Gaz de France and Suez the 119 employees of these two units were to be combined into one single unit. The central works council refused to give an opinion arguing that it fell under the responsibility of the EWC. First of all the consultation procedure with the EWC had to be concluded, and only then could the plans be presented to the central works council. This controversy has legal consequences, since in France the employer can only implement its' plans once all consultation procedures have been duly completed.

The judges confirmed the viewpoint of the employee representatives. A similar ruling was already taken in October 2006 for the Hamburg consumer goods group Beiersdorf, when a French court stopped the implementation of plans until the EWC had been involved.

- [Information on the Beiersdorf ruling](#) (see page 3)
- [Further court rulings on EWC matters](#) (in German)

## 3. International protest and solidarity actions

### Despite framework agreement no job security



In cooperation with the Alstom EWC, the European Metalworkers' Federation (EMF) once again organized a European-wide action day on 30th May 2011. Several thousand employees from 13 German locations participated. There were also protests at two locations in Switzerland (photo). There were also strikes and protests at Alstom plants in Belgium, France, Italy, Spain and Poland.

Despite the signing of a European-wide agreement on job security on 24th February 2011



(see [report in EWC News 1/2011](#)) the problems have not been resolved. The EWC is demanding protection against layoffs until 2015 and the entry into the renewable energy business. This could prevent 3,200 job losses announced in October 2010 in the energy division of the French company (see [report in EWC News 4/2010](#)). There are also conflicts over planned layoffs in railway vehicle manufacturing, which concern especially the Salzgitter plant.

- [EMF Press release on action day](#)
- [Video from the Mannheim demonstration day](#) (in German)
- [Website on current events within Alstom Germany](#) (in German)
- [Report on demonstrations in other countries](#)

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#### World-wide action day on companies' birthday

IBM, the US-computer group is celebrating its' 100 years of existence. On this occasion IBM trade union representatives called for a world-wide action day on 14th June 2011 to demand respect towards all employees in the company throughout the world. In Europe there were actions in Greece, Italy, France, Belgium and Germany. Events outside Europe took place in Australia, Argentina, India and the USA. Employee representatives from 15 countries created a world-wide trade union alliance for IBM on 6th May 2011, a sort of precursor for a world works council.



- [The call for the action day](#)
- [Video of birthday greetings from IBM employees](#)
- [Open letter to the CEO of IBM](#)
- [IBM world-wide trade union alliance Internet blog](#)

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#### German Ikea works councils members support US-colleagues



On 30th June 2011 the annual plenary assembly of 300 work council members took place at Ikea in Berlin. They represent 13,000 employees in 46 Ikea stores throughout Germany. The meeting gave unanimous support to the election campaign for employee representation in the Ikea production plant in Swedwood, Virginia. Resistance against this from local US-management already led in July 2010 to a break out in Sweden (see [report in EWC News 2/2010](#)). On 27th July 2011 they finally managed: 76% of the staff voted by secret ballot for the establishment of an employee representation.

- [Call to support employee representative elections in Virginia](#)
- [Report on the ballot results](#)

#### 4. Work councils develop transnational solutions

##### EWC Working group created for call and service centers

The European works council of Axa, the French insurance company, would like to regulate working conditions in all Assistance centers through a European-wide framework agreement in the same style as the Areva agreement (see [report in EWC News 1/2011](#)). A European meeting of employee representatives first took place on the 12th and 13th April 2011 at the headquarters of Axa Assistance in Châtillon near Paris. The situation in Germany, Spain, Belgium, Portugal and France was discussed in detail.



Service centers are characterized by low wages, young personnel and high turnover. Delocalization has taken place, depending on the language, from France to Morocco and from Spain to Argentina. Axa central management announced that it is willing in the future to hold one meeting a year dedicated to the Axa Assistance subsidiaries, which have altogether more than 6,000 employees.

- [Report on the meeting](#)
- [The Axa EWC website](#)

## European-wide guidelines on work-related stress



On 5th May 2011 in Munich an agreement was concluded between central management of the Allianz group and the SE works council aimed at reducing the level of stress in the workplace. It defines both risk assessment and the role of national health and safety committees and of local management. A

comparable agreement was concluded in July 2010 by the European works council of the French luxury goods group PPR (see [report in EWC News 3/2010](#)).

As part of the transformation of the Allianz group into a European Company (SE), in October 2006, the participation agreement explicitly granted the SE works council the right of initiative on topics such as e.g. health and safety. Such provisions are present in numerous SE agreements, but have never yet been used. The Allianz SE can therefore be considered as a pioneer in the development of SE works council activities.

- [Report of the signing of the agreement](#)
- [Interview with the HR director and the chairman of the SE works council](#)
- [Full text of the Allianz agreement](#)

The Allianz group guidelines explicitly refers to the framework agreement between the European social partners from October 2004.

- [Full text of European social partners' framework agreement](#)
- [Union guidelines to European framework agreement](#)
- [Evaluation report on 2008 framework agreement](#)

The chairman of the Allianz SE works council, Rolf Zimmermann, will report on the agreement during the seminar for European and SE works councils on 23rd January 2012 in Hamburg.

## Profit-sharing at EADS

A transnational collective agreement on profit-sharing was signed on 1st June 2011 in Paris covering all EADS employees in Germany, France, Spain and the United Kingdom. A trade union negotiation group (including representatives from the German group works council) and the European works council were the contracting partners of central management. This is the first agreement based on a procedure which was defined in a European-wide framework agreement from September 2010 (see [report in EWC News 3/2010](#)).



With this trade union negotiation group, EADS has established a parallel structure to the EWC, based on the French model of industrial relations. In France works councils are only responsible for information and consultation, while negotiations with the employer are usually reserved for trade unions. The lack of codetermination is one of the reasons for this division of responsibilities.

- [Background info: Work councils in Germany and France](#) (in German)

## 5. New EWC agreements

### New EWC in the pharmaceutical industry



On 5th April 2011, negotiations for the establishment of a European works council in the Japanese pharmaceutical company Takeda were successfully completed. The signing took place on 9th May 2011 in London, shortly before the end of the three-year negotiating period. According to the chairman of the Special Negotiating Body (SNB), Manfred Lock, from the works council in Aachen, Germany (photo), it was a special challenge to negotiate under UK law. Since January 2009, Dr. Werner Altmeyer from the training and consultancy network

"euro-works council.net" has been acting as an adviser to the SNB (see [report in EWC News 1/2009](#)).

- [Interview with the SNB chairman](#)
- [Full text of the EWC agreement](#)

### Italian Drinks company establishes EWC

On 19th April 2011 an EWC agreement was signed for the mineral water producer, San Benedetto. With 2,300 employees, the company has five production sites in Italy, as well as plants in Spain, France, Poland and Hungary. The headquarters is located in Scorzè in the Veneto region. The new EWC is still subject to the old EWC legislation and may include up to 20 members. The signing parties include representatives from the three major Italian trade union confederations CGIL, CISL and UIL.



### French electric motor manufacturer establishes EWC



An EWC agreement was signed on 20th May 2011 at the Angoulême headquarters of Leroy-Somer in the West of France (photo) for its 6,000 European employees. The employer is chairman, a secretary and three additional members from the employee side are elected to the Board. The EWC meets once a year in Paris. The 17 EWC members have a right to five days training during their four-year term of office. Six representatives come from France and all other countries have one seat each. Outside of France there is a large workforce in the Czech Republic and Hungary, with nevertheless a further eight countries having each fewer than 75 employees.

### First Swedish EWC to operate under new legislation

ST Ericsson the joint venture, founded in 2009 and provider of platforms for smartphones, is to establish an EWC. On the 10th June 2011 an agreement was signed under Swedish law, the first of its kind since the new EWC legislation came into force. The two parent companies have had their own European works councils for years: the telecommunications systems provider Ericsson since 1995 under Swedish law, and the Franco-Italian semiconductor manufacturer ST Microelectronics since 1999 under Italian law.



The 3,800 employees of ST Ericsson in Europe are to be represented by 17 EWC members. Five of them are from France, four from Sweden, and one each from a further eight countries. They elect a coordinator and a further three members to the steering committee. The employer chairs two annual plenary meetings. While the procedure for information and consultation is based on the new directive, the period for the council to establish an opinion has been limited to two or three weeks.

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

## 6. Examples from the EWC agenda



### First consultation in 15 years

The French supermarket chain, Carrefour, the world's second largest retailer after Wal-Mart, with almost half a million employees (including 120,000 in France), has carried out its first consultation procedure since the establishment of the European works council, in 1996.

An extraordinary meeting of the European works council took place on 24th March 2011, to deal with the spin-off of business activities. The Spanish-French discount chain Dia with 3,700 stores is to be completely sold, as well as a share of 25% of the Carrefour real estate company. The EWC commissioned a consultant to assess the financial and economic consequences of these plans. This was the first ever opinion in the history of the EWC, since there was previously only information, but never consultation.

- [Full text of EWC opinion](#) (in French)

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### Tobacco group: New EWC agreement following merger

The tobacco group, Imperial Tobacco, signed a revised EWC agreement on 30th March 2011 under British legislation. The Bristol-based company took over its Spanish competitor Altadis in January 2008 (see [report in EWC News 4/2008](#)). For almost three years both European works councils continued to work in parallel, and only now have they been merged into a single body.



The 16,600 employees of the merged companies are represented by 41 EWC members. Spain has nine representatives, France six, Germany, and the United Kingdom four, Poland three and the 15 remaining countries one each. The select committee meets three times a year and is made up of eight employee representatives. The EWC, established in 1996, by Imperial Tobacco continues to operate with the status of a "voluntary agreement" under old legislation, however, the standards of the new EWC Directive have been largely integrated. Consultation has been limited to six weeks (four weeks to formulate an opinion and two weeks for central management's response). There are provisions for a conciliation procedure for problems with time-off for EWC members.

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### Mining group to sell mineral division



On 31st May 2011, the European works council of Rio Tinto was consulted in an extraordinary meeting on the planned sale of its talc activities to Imerys, the French building materials company. After the sale two employee representatives from Rio Tinto will temporarily be included in the Imerys EWC: one from Austria and one from France. Imerys created its EWC in 2001, but whose current term of office will first end in 2014. The Anglo-Australian mining group Rio Tinto has only had an EWC since the acquisition of Alcan, the Canadian aluminium producer, after adopting its French EWC agreement (see [report in EWC News 3/2008](#)).

## 7. The SE legal form no longer attractive?

### Number of SE creations down

While the transformation of German companies into the legal form of a European Company (SE) has been on the increase over the past few years, it now seems to be on the decline. On the 1st June 2011, there were 87 SE companies based in Germany. In the first half of 2011 there were only five newcomers, while three companies abandoned. The Hans-Böckler-Foundation speaks of a "market saturation" for this legal form.



Almost half of all European Companies have their headquarters in Germany. One of the reasons for this is the German codetermination. In the course of the transformation of a German company into an SE, it is possible for the company to either reduce the membership of a parity-based supervisory board, to avoid an imminent increase in membership or to "freeze" for ever the membership to one third. Such cases are relatively often observed in practice. The following documents are available only in German:

- [Recent report on the SE legal form](#)
- [Most recent figures in detail](#)
- [Background info: Participation in the SE](#)

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### Fresenius abandons SE status

Since 28th January 2011, Fresenius, the healthcare company has been trading under the German legal form of KG. Although the SE legal form is still in existence, all of the shares have been transferred to the new company. The SE works council has also been dissolved. Its role has now been taken on by a "normal" European works council that





existed already before the SE transformation (see [report in EWC News 2/2007](#)).

In order to avoid the extension of the supervisory board to 20 members, according to the German Codetermination Act, a merger was carried out with an employee-free Dutch company. The 12 member supervisory board has six employee representatives (four from Germany, one each from Austria and Italy). The election of representatives to the new supervisory board was one of the last tasks of the SE works council. In the end, nothing has in fact changed in the composition of the employee delegation.

The use of the EU merger Directive to enable a freezing of the supervisory board is still very rarely seen in practice. One of the first examples was in February 2010 for the food manufacturer Apetito (see [report in EWC News 3/2010](#)).

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### More SE transformations target against codetermination

**Aixtron**, a manufacturer of systems for the semiconductor industry from Herzogenrath, has been trading since 22nd December 2010 as a SE. By these means, the management of the expanding technology group could ensure that the supervisory board will remain in the future free of participation. With 450 employees in Germany and without transformation to a SE employee representatives would soon have had to be appointed to the supervisory board. Representatives in the special negotiation body came from Britain, Germany and Sweden.

- [Company press release on SE transformation](#)

With just under the threshold of 2,000 employees, the wind power plant manufacturer **REpower Systems** from Hamburg decided against parity-based participation. Since the 15th June 2011, it has been operating as a SE and was therefore able to freeze employee participation in the supervisory board to one third. New, however, is the establishment of an SE works council.

- [Company press release on SE transformation](#)

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### Frankish sports goods manufacturer selects one-tier model



The separation of executive and supervisory boards now belongs to the past for Puma. The SE was registered on 25th July 2011, with a Board of Directors where three of the nine members are employee representatives (two from Germany and one from France). The employer side is mainly occupied by the French, since the former family concern has been majority owned by PPR, a French commercial and luxury goods group, since 2007.

The one-tier model is based on the French form of corporate governance, according to which the chairman of the Board of Directors has special powers and executive directors have fewer rights than on a German management board. The probable 30 members of the new SE works council come from 26 countries. At the same time, the PPR European works council (see [report in EWC News 4/2008](#)), established in 1999, remains in existence.

- [Company press release on SE transformation](#)
- [Full text of the conversion report](#)
- [Full text of the rules of procedure for the board](#)
- [Background info: the French model of corporate governance](#) (in German)

## 8. Highlights from individual EU countries

### Exemplary collective agreement against social dumping

On 1st March 2011 a new sectorial collective agreement comes into force in Denmark, prohibiting social dumping. The small and medium-sized companies of the construction and woodworking industries have committed themselves to only award subcontracted work to companies which are subject to a Danish collective agreement. The minimum wage in this sector was increased to 112,85 Danish Crowns (15,15 euros) and all employers are to contribute immediately into a fund to finance measures against social dumping. The collective



bargaining parties have thus proven that they are able to resolve problems independently and do not need to rely on the legislator.

The new collective agreement aimed at preventing the unprecedented conflict that occurred, 2004, in Sweden. At that time, Laval, a Latvian company, was building schools in Vaxholm in the vicinity of Stockholm and paid its` Latvian employees Latvian wages. Because Laval refused to comply with the Swedish sectorial collective agreement, Swedish trade unions organised industrial and boycott actions. The subsequent legal dispute went as far as the European Court of Justice which ruled in December 2007 against the Swedish trade unions (see [report in EWC News 4/2007](#)).

- [Further information on new collective agreement](#)

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### Improved protection from dismissal for Polish representatives



On 26th May 2011 the parliament in Warsaw adopted an addendum to the Labour Code which substantially strengthens protection from dismissal for trade union representatives. Like pregnant women, they have now become practically undismissable. The new ruling is based on a judgment of the Polish Constitutional Court of 12th July 2010, which considers the previously inadequate protection from dismissal as a violation of union freedom, guaranteed by the constitution.

The plaintiff was a member of the Solidarność trade union who was dismissed, without notice, after he had informed his employer of the establishment of a trade union section within the company. The change to the Polish Works Council Act which came into effect in July 2009, was also based on a decision of the Constitutional Court (see [report in EWC News 3/2009](#)).

- [Solidarność trade union website for European works councils](#) (in Polish)

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### Caterer recognizes trade unions as collective bargaining party

On 30th June 2011 the French company Sodexo signed a recognition agreement with the three largest British trade unions, Unite, Unison and GMB. It defines guidelines for cooperation between local management and employee representatives. Sodexo has 43,000 employees in the United Kingdom with 2,300 locations in public catering as well as in facilities management for companies, educational institutions, government agencies and hospitals.



Without this framework agreement, local trade unions would have had to fight individually for their recognition. British employers rarely grant such generalised recognition for the entire workforce. As an example Vodafone accepted a collective bargaining representation in October 2007 for only 500 of its` 11,600 British employees (see [report in EWC News 3/2007](#)).

The framework agreement is the result of a coordinated campaign of trade unions from six countries: in addition to the British, trade unions from France, the United States and Turkey demanded the right to free trade-union activity around the world. In September 2010, Sodexo came under criticism from a human rights organization for violation of international labour standards in the United States (see [report in EWC News 3/2010](#)). There has been a European works council in the company since 1998, under French law.

- [Report on signing of the agreement](#)
- [More trade union news on Sodexo](#)

A works council conference is being organised from 27th to 28th October 2011 in London to give an opportunity to those wishing to learn the specifics of employee representation in the United Kingdom and the importance of a recognition agreement.

- [Program of London works council conference](#)
- [Registration form for the London conference](#)

## 9. The view beyond Europe



## Norwegian aluminium producer strengthens social dialogue

On the 15th March 2011 Norwegian chemical industry unions and the International federation of chemical trade unions ICEM signed a framework agreement with the central management of Norsk Hydro in Oslo, which guarantees minimum standards for 23,000 employees in 40 countries.

Just two weeks later, two Norwegian employee representatives on the supervisory board traveled to Brazil, to provide information on social dialogue and the new framework agreement. Norsk Hydro has recently bought several Brazilian companies.

- [Report of the signing of the agreement](#)
- [Full text of the agreement](#)
- [Brazil trip report](#)

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## Employee representatives agree on world-wide action plan for Caterpillar

The trade union network for the US construction equipment manufacturer met on the 30th and 31st March 2011 in Chicago. 30 representatives from Belgium, France, Germany, the United Kingdom and the United States agreed on an action plan. The network, including also Japan and Australia, was first established in 2010. Four members of the steering committee are nominated by the European works council, which was established in 1996 under Belgian law.



- [Report on Caterpillar coordination meeting in Chicago](#)
- [Report on last EWC meeting](#)



## Negative headlines again for Deutsche Telekom

On 12th July 2011 several trade unions filed an official complaint to the OECD against Deutsche Telekom for the violation of good corporate governance principles. It lists anti-union activities in the United States and Montenegro. As OECD Member States, Germany and the United States have a political and legal responsibility to ensure that these principles are upheld.

Unions accuse central management of double standards when it comes to social responsibility. Deutsche Telekom came under criticism of a human rights organization in September 2010, because of violations of international labour standards in the United States (see [report in EWC News 3/2010](#)).

- [Full text of the complaint](#)
- [Trade union global campaign website](#)
- [Video on the situation in the United States](#)

## OECD with new guidelines

A few days earlier, on 25th May 2011, the OECD adopted a revised version of its guidelines for responsible business conduct in a global context. What is new is the due diligence of companies for the social situation in the supply chain.

- [Full text of new OECD guidelines](#)
- [Critical evaluation of the new OECD guidelines](#)

## 10. Media for employee representatives

### Video on new EWC legislation from Brussels

The European Commission has released a video which explains, in three languages, the tasks and practical work of European works councils just in time for the entry into force of the new EWC legislation. A teaser gives a taste for the actual video movie which lasts more than six minutes.



- [The teaser to promote the video film](#)
- [Full length video film](#)

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### Hungarian video on the reasons for an EWC



Hungarian trade unionists have produced a video that explains the reasons why a European works council is useful for employees in the new and old EU countries. The animated film is available in Hungarian with English subtitles.

- [Hungarian video](#)

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### New Internet blog from Italy

To celebrate the 110 years existence of FIOM, the metalworkers federation of the largest Italian confederation, CGIL, launched on the 16th June 2011 the FiomNetWork, a communication blog on the Internet. The contents are available on Facebook and Twitter.



- [The FiomNetWork](#)



### TUC newsletter for precarious workers

The British Trade Union Congress (TUC) started in January 2011 to highlight the rights of precarious workers through a newsletter. The title of the first issue is "Enforcing minimum workplace rights".

- [The January 2011 newsletter](#)
- [Press release on TUC newsletter launch](#)

We have compiled many more interesting links into a [collection of links](#).

## 11. New publications



### Working inside European Works Councils – case studies

This 216 page-research work which was published in March 2011, presents the role and influencing power that European works councils have on company management policy. It is based on empirical analysis carried out at the University of Linz, Austria, which examines also the internal operation of the EWC work. Focus was put on European works councils from food processing, construction, paper production, the steel and automotive industries and the pharmaceutical industry. A separate chapter deals with trade union support for European works councils, characterized by growing resource issues and engagement of external consultants. The book is only available in German.

- [The various types of EWC of the Linz researchers](#)
  - [More information about the book](#) (in German)
  - [Book online order](#) (in German)
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## Working conditions for posted workers

Since 1st May 2011, there is complete freedom of movement on the labour market within the European internal market between Western and Eastern Europe. Only Romania and Bulgaria must wait until 2013 for the last restrictions to fall. In this newly released study, the University of Amsterdam have analysed the living and working conditions of posted workers, the legal aspects of posting regulations as well as their practical application in 12 countries. A detailed evaluation was also presented by the Friedrich-Ebert Foundation in September 2010.

- [Study Download](#)
- [Friedrich-Ebert Foundation evaluation](#) (in German)
- [DGB summary on freedom of movement](#) (in German)
- [Advice for posted workers in Germany](#) (in German)



## Activity report of the European Trade Union Confederation (ETUC)



The 12th Congress of the ETUC was held in Athens from 16th to 19th May 2011 under the motto "Mobilising for a Social Europe". The General Secretary presented a comprehensive 112 page-report covering the past four years, and presenting the results of social dialogue at EU level, a chapter dedicated to European works councils and on the employee participation in the SE. For the coming years, the "Athens manifesto" was adopted, setting out the twenty most important priorities.

- [Full text of the activity report](#)
- [Athens manifesto](#)
- [Congress Website](#)

## 40 Years of European Metalworkers Federation (EMF)

In June 2011 in Brussels, on the occasion of its 40th anniversary, the EMF released a 33 page book highlighting its history since its creation in 1971. The book is the result of a Hans Böckler Foundation research project. The authors from the Free University of Berlin present the different fields of activity where the Federation is active and provide an insight for the future. The book is available in German, English and French.

- [Press release on book publication](#)
- [Description of research project](#) (in German)
- [Book download](#)



We have put together further technical literature on a [literature website](#).

## 12. Training and consultancy network "euro-workscouncil.net": More examples of our work

### Seminar for European and SE works councils at Montabaur Castle



From the 6th to 9th June 2011, works council members from 15 companies (three in the SE legal form) came to Montabaur, to get up to date information on the new German EWC legislation and to learn how to deal with transnational restructuring. Most of the participants

came from the metal, electrical and IT industries, but the chemical, pharmaceutical and banking

industries were also represented. The EWC initiation day for works councils members that still have to establish an EWC took place in parallel.

The restructuring seminar focused on the manner in which information and consultation is handled in French companies. Since the basic philosophy of the EWC Directive is strongly inspired by French industrial relations, German works council members need to see through a pair of "French glasses", to strategically develop their EWC or SE works council. The event will be available again in spring 2012.

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### Aluminium group anticipates already new EWC legislation

The British Dutch steel group Corus (see [report in EWC News 4/2009](#)) sold its aluminum division in 2006 to the US group Aleris, who subsequently established its own EWC in Koblenz. Representatives come from the United Kingdom, Germany, Belgium and Norway. The EWC agreement, signed in May 2007, is subject to German law, and has remained unchanged since then. For this reason, the new German EWC legislation is directly applicable to Aleris.



With the support of training and consultancy network "euro-works council.net" a proactive communication strategy for the EWC was discussed during the plenary meeting of the EWC held from 11th to 13th April 2011 in Waldburg, Germany. The use of the new German EWC legislation led directly after the meeting to the addition of one British representative to the steering committee, even before the revision of the EWC agreement or the coming into force of the new legislation.

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### Automotive supplier to close Spanish plant



On 23rd June 2011, central management of the US group Visteon announced the closure of its El Puerto de Santa María plant in Andalusia (photo) with around 400 employees. The EWC was informed in an extraordinary meeting on 12th July 2011 at the European headquarters in Kerpen near Cologne. Visteon falls already fully under the new EWC German legislation, even though negotiations on a new EWC agreement have not yet been concluded (see [report in EWC News 1/2011](#)).

### EWC to use new legal situation for intensive participation

The training and consultancy network "euro-works council.net" has been commissioned as a consultant by the EWC for the information and consultation procedure and has for this purpose put together a German-Spanish team of consultants. Dr. Werner Altmeyer was already appointed as expert for the revision of the EWC agreement in March 2011.

- [Company press release](#) (in Spanish)
- [Television report on the closure plans](#) (in Spanish)
- [European works council resolution](#)

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### Final report of the REDITER project

The final report of the REDITER project was presented in Paris on 4th April 2011. In this project, five seminars were held in the course of 2010 in five different countries, to give information on the impact of the new EWC Directive (see [report in EWC News 3/2010](#)). Most of the 160 participants came from companies in the service industry. The project was carried out with partners from five countries on behalf of the confederation of service sector trade unions (UNI Europe). The German partner was the training and consultancy network "euro-works council.net".



- [Press release and final report of the project](#)

### 13. Current seminar schedule

The training and consultancy network "euro-works council.net" has been organizing and delivering

conferences and training seminars for the members of European works councils, SE works councils and special negotiation bodies since January 2009. So far 253 employee representatives from 121 companies have taken part (representing about 12% of all companies in Europe with an established EWC). The majority of participants came from Germany and France, but a further nine countries were represented. Following is an overview of the planned events:



#### **German-Belgian works council seminar in Brussels**

A German-Belgian seminar for works council members will be held on 29th and 30th September 2011 in Brussels. More than 100 European works councils operate under Belgian law. Belgium therefore stands numerically in fourth place behind Germany, France and the UK. Participants will be able to familiarize themselves during the seminar with the legal situation in Belgium and the Belgian system of employee representation. Simultaneous interpretation will be provided for the event.

- [Program and registration form](#)

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#### **Renegotiation of EWC agreements**

Following the coming into force of the new EWC legislation it is advisable in many companies to renegotiate the EWC agreement. To this end we are offering a workshop to enable an exchange of experience and to make a critical analysis of participant's EWC agreements. The workshop will be held from 10th to 12th October 2011 on the Wartburg castle in Eisenach (photo) in German language only.



- [The Wartburg workshop program](#)
- [Registration form for the Wartburg workshop](#)

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#### **German-British works council conference in London**



A German-British works council conference will be held on 27th and 28th October 2011. It is aimed at all members of European works councils, who are subject to UK law, as well as to employee representatives wishing to familiarize themselves with the British system. Participation is not limited to Germany and the UK, simultaneous interpretation will be provided for the event.

- [The program of the London conference](#)
- [Registration form for the London conference](#)

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#### **English language courses for works council members**

13. – 18.11.2011 in Esher Place (near London)

- [Language course program](#)
- [Language course registration](#)
- [Further information on our language courses](#)

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#### **Hamburg Conference for European and SE works councils**

As every year, a two-day conference will be again held in Hamburg. The topics:

**Monday, 23rd January 2012:** Beyond information and consultation – developing EWC and SE works council into



negotiating partners for central management

**Tuesday, 24th January 2012:** Employee representation in Central and Eastern Europe

Both modules may be booked separately or together. The program is currently in preparation. Interpretation for the conference is provided in three languages (German, English and French).

- [Hamburg Conference report 2009](#) (in German)
- [Hamburg Conference report 2010](#) (in German)
- [Hamburg Conference report 2011](#)

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**Seminars of the Institute for Further Education of Works Councils (ifb)**



Since 1998 the ifb has been offering EWC seminars which were developed in conjunction with the training and consultancy network "euro-works council.net". The seminars are held in German language only.

**Basic seminar: The European Works Council from A to Z**  
07. – 11.11.2011 in Munich

**Advanced seminar and idea exchange**  
21. – 25.11.2011 in Stuttgart

- [Further information on the basic seminar](#)
- [Further information on the advanced seminar](#)

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**Workshop for SE works council members**

In 2011 the training and consultancy network "euro-works council.net" will be organising another SE workshop. Since the number of SE works councils is still relatively small, the next date will be coordinated with any interested participants by telephone. Anybody interested should please fill in and return the following questionnaire.



- [SE works council questionnaire](#) (in German)

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**In-house events**

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

- [Topics for in-house training](#)
- [Topics for in-house lectures](#)

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