



Welcome to issue no. 4 / 2014 of EWC News.

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Der EBR-Fachinformationsdienst

The Academy for European Works Councils (EWC Academy) is there to inform you about the activities of European Works Councils and related subjects.

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1. Will codetermination become the EU standard?

European trade unions make historical decision



The European Trade Union Confederation's executive committee met on 21 and 22 October 2014 in Brussels for a sort of "interim union congress". It is the highest decision-making organ, which meets between major Union Congresses held every four years. According to a report from the Hans Böckler Foundation there has now been a "historical break-through". The long-lasting controversy on codetermination on supervisory boards has been settled. The following texts are available only in German:

- [Hans Böckler Foundation report on the conference](#)
- [Map on participation in the EU countries](#)

In the past differing opinions within the trade union movement are to be explained by the very different historical experience with employee participation in Corporate Governance. While this is

common in Scandinavia even in small companies (Sweden starting with 25 employees, Norway with 30, Denmark with 35, Finland with 150) and extensive regulations exist in others (one-third participation in Austria starting with 300 employees, in Germany with 500, in Luxembourg with 1,000, and parity-based supervisory board in Germany starting with 2,000 employees), there are a number of West European countries with no practical experience at all in the matter. This applies in particular to Italy, Spain, Belgium and the United Kingdom. Participation on the supervisory board in countries such as Hungary, Slovenia, Czechia and Slovakia is based on the Austrian model. On the other hand Poland and Romania have taken another path – and are usually completely without participation.

European Company Directive (SE)

Since October 2004 companies which do business in several EU countries, have the choice between the national (German, French, British etc.) corporate forms and a European Company ("Societas Europaea" = SE). In order to guarantee employee participation rights on the board of directors or supervisory boards, in addition to the EU Statute there is also a EU Directive on the involvement of employees in the SE. Participation rights are to be negotiated in-house, as with the European works council, by a specifically established Special Negotiating Body (SNB). The "before and after" principle applies hereby; if 25% of the European workforce is already covered by participation then it remains in force. A dynamic approach is however missing, should the company later grow. One single country totalizes around half of all SE transformations in Europe where employee participation plays a role, namely Germany. Employee codetermination "freezing" or avoidance plays a major role in this (see [report in EWC News 4/2011](#)).

- [Further information on the SE corporate form](#)

While the SE Directive puts German codetermination under some pressure, other countries are experiencing an increase in participation possibilities. Employee representatives from Italy, England, Belgium and Poland have now consequently found their way onto SE supervisory boards. In 2013, 120 employee representatives from Germany were members of a SE supervisory board and 36 employee representatives from 15 further countries. Although these are still quite modest figures, they lead to new, practical experience and discussions in countries where there was previously no knowledge of participation.

What is the European Trade Union Confederation (ETUC) demanding?

According to the ETUC, EU measures are oriented too unilaterally at removing obstacles to cross-border business. A European model for Corporate Governance has so far not been developed. In the "Fitness-Check" published in June 2014 a strong trend towards deregulation can be observed (see [report in EWC News 3/2014](#)). Therefore the newly elected European Commission should put a stronger focus on the social dimension. The details are as follows:



- Employee participation should be regulated in one single legislative act, so that there are no longer any more differences between the SE Directive, Merger Directive, etc.
- In all companies under the European legal form, apart from the information and consultation of the European works council or the SE works council, employee participation on the board of directors or supervisory board should also be made compulsory by law.
- The new legislative act should also provide the timely information of European works councils and a strengthened consultation procedure "with a view to reaching an agreement through a meaningful dialogue before a decision is made."
- In case of infringement of these rights, effective and dissuasive sanctions are mandatory in the opinion of the ETUC.
- The European Commission should prepare an official consultation on the subject with the social partners, which represents the first step in the legislative process.
- [Full text of the ETUC resolution](#)

The situation in France and Great Britain

In France, legislation which extends participation rights on the boards of directors and supervisory boards of large companies came into force in June 2013 (see [report in EWC News 2/2013](#)). A part of the seats are occupied by the French works councils and another part by the European works council of the corresponding company. In recent months therefore hundreds of employee

representatives have begun their new mandates. Also in the United Kingdom the topic has spurred a large public debate. In October 2013 the British Trade Union Congress (TUC) started a campaign with suggestions as to how British employees could be integrated into the Corporate Governance bodies (see [report in EWC News 4/2013](#)). In the meantime the topic has also reached Parliament. The Scottish Member of Parliament, Jim Sheridan, chairman of Unite's trade-union group within the House of Commons' labour parliamentary group published a report in September 2014 on the subject.

- [TUC suggestions](#)
- [MP Sheridan report](#)

Forthcoming event

Current developments in European labour legislation are on the agenda of a European and SE works councils' conference to be held on 26 January 2015 in Hamburg.

TIPP !

- [Program and Registration form](#)

2. Recent court rulings

Is downsizing a "confidential business secret"?



On 10 October 2014 the labour courts in Elmshorn (Germany) ruled on confidentiality obligations for an impending downsizing of the workforce. The ruling authorized the works council in the Hamburg suburb Wedel, the German headquarters of the British-Swedish pharmaceuticals group, AstraZeneca, to inform employees about layoffs in the sales force. The employer had previously forbidden this. Altogether 280 of the 900 jobs in Germany are to be cut, and the employees concerned risk being made redundant. The works council therefore convened a general

assembly for all the sales force on 17 November 2014 and filed criminal charges against management for obstructing their works council activities. This was because the managing director had threatened the works council with substantial consequences, should they violate confidentiality obligations (later denied by the court). German legislation provides for up to one year imprisonment or fines for obstruction to works council activities. The following texts are available only in German:

- [Press report before court ruling](#)
- [Press report after court ruling](#)
- [Report on planned restructuring](#)
- [Press report on court filing of criminal charges against management](#)

Even though these legal proceedings concern a national works council, the same question also arises for European works councils. What information is to be considered as confidential? What information can EWC members communicate to their local works councils? In how much detail and also how critically is it possible for European works councils to inform the workforce? There is currently a court case ongoing for the latter question before the Baden-Württemberg District labour court (see [report in EWC News 3/2013](#)). The EWC chairman of the Amcor packaging group, who filed the complaint, will give a presentation during the Hamburg EWC conference on 26 January 2015.

- [Program and registration form](#)

When does a matter have a transnational character?

The Transdev EWC's right to information and consultation on the future of SNCM, the bankrupt ferry company in Marseille was denied by a ruling on 26 November 2014 of the District Court of Nanterre, a Paris suburb. The company has 2,000 employees and operates in the western Mediterranean. The French group Transdev, a bus and rail operator present in 20 countries world-wide, is the majority owner and would like to sell SNCM. A restructuring plan includes the dismantling of



800 jobs.

The Transdev European works council was established in July 2012 following the merger with the transport division of Veolia Environnement (see [report in EWC News 4/2012](#)). The EWC agreement fully integrates the new EU Directive standards and in some aspects even goes beyond. The transnational competence of the EWC has been extended by including the so-called recital 16, word-for-word from the Directive's preamble. As a result the EWC is also responsible for matters which concern only one country, but whose consequences are relevant to all European employees (see [report in EWC News 1/2013](#)). The filing to the Nanterre District Court expressly referred to this point.

The judges did not however acknowledge any transnational nature. The entire SNCM workforce is employed in France and the SNCM and Transdev managements are also located in France. There are therefore not two countries involved. Since SNCM represents only 2.5% of Transdev's entire workforce there are no consequences for the whole of the group with any relevance for European employees. There is furthermore no transfer of undertakings to other countries to be expected. As a consequence only the French work councils are to be informed and consulted, but not the European works council. Following texts are available only in French:

- [Report on the court ruling](#)
- [Full text of Transdev's EWC agreement](#)

Forthcoming event

A legal seminar on previous EWC case-law is being held from 28 to 30 October 2015 in Hamburg.

TIPP !

3. Collective bargaining – unified by law

German government wants to safeguard the functioning of collective bargaining



On 11 December 2014 the government in Berlin adopted draft legislation on unified collective bargaining. In the future, only the agreement of the trade union with the most members will be valid in companies with several unions. Long since a reality in most other European countries, in Germany the question has however given rise to major discussions. The legislative initiative came about as a consequence of industrial disputes that small unions in the transport sector (Deutsche Bahn, Lufthansa) had organized for their own individual interests against large unions. The following texts are available only in

German:

- [Most important contents of the bill](#)
- [Full text of draft legislation](#)
- [DGB declaration on the bill](#)
- [Interview with the chairman of the transport union, EVG](#)

In the decades following Second World War such legislation was not necessary. Firstly, in the private sector, the German trade union confederation DGB hardly had any serious competitor and secondly, the courts supported unified collective bargaining in their decisions. In June 2010, the Federal Labour Court put an end to this long lasting principle in a groundbreaking ruling in complete opposition to the norm in Europe. In contrast, only one month before, French supreme court "Cour de Cassation" ruled exactly the opposite and reinforced bargaining unity in France (see [report in EWC News 2/2010](#)). There was neither a breach of European laws nor of any ILO conventions. Furthermore, this ruling is particularly remarkable, since France, like many other Southern European countries, has a long standing experience with trade-union plurality and its inherent problems.

Legislation on unified collective bargaining wide-spread in countries with union plurality

The most extensive reform of legislation on collective bargaining since the Second World War came into force in **France** on 1 January 2009 (see [report in EWC News 4/2008](#)). Following the Spanish model, the legislator has fixed thresholds for collective bargaining recognition, which are

calculated from the works council election results. Unions, which obtain less than 10% of the votes, can no longer conclude shop floor agreements. For such an agreement to be valid, the signing unions must together totalize at least 30% of the votes. Hereby union membership levels are of no consequence. A trend towards bargaining alliances is to be observed since 2009, since otherwise small unions would risk losing their rights (see the [SNCF and France Télécom examples in EWC News 1/2010](#)).

Similar regulations have existed in **Spain** already for many years and have led the competing trade unions to co-operate constructively in collective bargaining. In Spain all collective agreements are actually signed together by the CC.OO. and UGT and small organizations are hardly present at all in collective bargaining. In **Italy**, the recognition for collective bargaining of competing trade unions was also reformed in January 2014, as a consequence of a previous ruling of the constitutional court in Rome (see [report in EWC News 2/2014](#)).

Competing collective agreements generally excluded

There are also precise regulations on recognition for collective bargaining in many other countries. Frequently criteria are also defined for when a shop floor agreement is valid or not. The following are some examples:



- In **Poland** shop floor collective agreements are only valid if they are signed together by all the recognized trade unions. Trade unions, with less than 10% membership (in some cases 7%), are not considered as recognized. If no trade union reaches this threshold, then the agreement is concluded with the largest trade union in the company.
- Also in **Hungary** trade unions are recognized only if they have 10% membership. If there is no recognized trade union, the negotiating mandate goes to the works council. Decisions on any crucial matters are taken by majority voting.
- In **Romania** a trade union requires half (previously one third) of the workforce as members, in order to conclude shop floor agreements. Only one trade union can therefore be recognized in each company.
- In **Slovakia** the employer negotiates only with the largest trade union or bargaining alliance (composed of several unions). The shop floor agreement then applies to the entire workforce.
- In **Croatia** shop floor agreements are negotiated not by individual trade unions, but by a joint bargaining committee, whose composition is defined by law. Organizations having less than 20% of all union members in the company (craft unions 40%), have no right to sit on the bargaining committee. The status of each trade union is evaluated by an external committee every three years. A bargaining agreement is only valid if the signing trade unions together represent at least half of all union members in the company.
- The only exception in this list of countries is **Czechia**. Previously the same regulations applied as in Slovakia, where only the largest trade union or bargaining alliance negotiates. This was declared to be unconstitutional by the constitutional court in March 2008.

Does German collective bargaining legislation conform to the constitution and to the EU?

If one regards the European landscape, then the planned German legislation falls in line with the regulations of many other EU countries. However should the legislation not conform (as in Czechia) to the constitution or even to EU regulations, this would in turn affect numerous countries. This was possibly one of the reasons why the legal battle around the French collective agreement legislation did not go as far as the European Court of Justice in Luxembourg. The European Court of Justice for human rights in Strasbourg also plays a role on the subject. In April 2014 it had to make decisions on restrictions to the right to strike in Britain dating from the Thatcher times. The judges accorded a certain discretion to the legislator for implementing the human right to strike and rejected the complaint filed by the RMT trade union (see [report in EWC News 2/2014](#)).

Forthcoming event

The recognition arrangements of French trade unions is on the agenda of a seminar being held from 14 to 16 September 2015 in Paris (with simultaneous interpretation).



4. Newly established European work councils

EWC for world's market leader in meal vouchers



A EWC agreement for Edenred was signed on 17 September 2014 in the Paris suburb of Malakoff. The French company who invented the ticket-restaurant vouchers is present in 42 countries and has about 6,000 employees world-wide. Edenred is subject to the EWC Directive since its spin-off from Accor, the hotel group and its listing on the stock-market in 2010. The constitutional meeting of the new EWC took place on 4 and 5 November 2014 in Brussels.

It is composed of 13 representatives from 13 countries. As usual in France, it is chaired by the employer. Plenary meetings are held once annually. The select committee made up of four employee representatives and one representative from central management, meets once per year by video or teleconference in order to prepare the plenary meeting. Meetings requested by the employee side in exceptional circumstances are also only held virtually. It remains to be seen whether the new EU standards for the consultation procedure, which fully apply to Edenred, can be put into practice by these means. EWC members have in addition a right to training (see [report in EWC News 2/2012](#)).

Cooperative establishes EWC

The third largest meal voucher supplier, the French cooperative Chèque Déjeuner, also signed a EWC agreement at the company headquarters in the Paris suburb, Gennevilliers, on 4 November 2014. In contrast with Edenred this is a company which belongs to its 2,000 employees. Furthermore they elect the board of directors (14 members) and receive profit sharing. The works council also elects an additional three members to the board of directors.



Chèque Déjeuner is present in 13 countries, including ten EU member states. The European works council will hold one plenary meeting per year at the company headquarters and a further meeting in another country. The select committee meets twice annually, with a preference on video conferencing as opposed to physical meetings. The EWC can create its own working groups. Central management bears all costs, but in addition the EWC has its own annual budget of 5,000 €. Each EWC member has a right to 90 hours time-off and the secretary to 120 hours (in addition to time for meetings). Each EWC member has a right to ten days training per term of office and is free to choose which training and which provider is appropriate. Altogether the total training budget for a four-year term of office amounts to 120,000 € (excluding language courses). The EWC agreement makes extensive provisions for experts, which is usual in France (see [report in EWC News 1/2008](#)).

- [Report on the EWC establishment](#)

Largest Swedish office furniture manufacturer establishes EWC



On 19 November 2014 a EWC agreement was signed at the Kinnarps headquarters in Western Götaland. This family business with 2,500 employees, half of which are outside Sweden, has production sites in Sweden and Germany as well as subsidiaries in almost all European countries. The EWC meets once per year at the company's headquarters, with a further meeting possible at a foreign site. A steering committee is established with up to five members that carry out their duties on a permanent basis and develop a training curriculum for EWC members. The consultation procedure is based on the new Swedish EWC legislation, which was not however incorporated word-for-word. Kinnarps is well-known for its high standards of Corporate Social Responsibility (CSR) and its commitment to environmental activities. As usual in Sweden, the EWC agreement is formulated very much on the basis of a social partnership.

- [Kinnarps case study on greening of industries](#)

5. Updated EWC agreements

Belgian chemicals group renews EWC agreement

Solvay's EWC agreement was updated on 12 June 2014 in Brussels. Although the EWC was already established on the basis of a "voluntary" agreement in 1995, it is now fully subject to the provisions of the Belgian transposition of the new EU Directive (see [report in EWC News 1/2011](#)). There are extensive provisions on the transnational competence however in contrast with the Belgian EWC legislation, the employer is chairman.



The EWC is composed of 21 delegates from nine countries, who meet once per year. They elect a four-member steering committee, which can hold its monthly meetings in any European site and meet with local employee representatives. In exceptional circumstances the whole EWC holds a meeting not just the steering committee. As a consequence of the acquisition of Rhodia, the French chemicals group, in 2011, today more than half of the European workforce is in France; the second largest country is Germany, followed by Italy, and only in fourth place Belgium. Rhodia had its own European works council from 2001 to 2011 and from 2010 established an International Health and Safety Committee (see [report in EWC News 3/2011](#)). Solvay's EWC had negotiated a charter on sustainable development in 2008 with central management (see [report in EWC News 4/2008](#)).

French beverage group off to a new start



The European works council of Pernod Ricard held a constitutional meeting from 25 to 27 November 2014 for a new four-year term at the company headquarters in Paris (photo). The EWC Academy delivered training on this occasion. The EWC, first established in 1999, is now subject to the new EU standards, which were integrated into their EWC agreement on 12 July 2014. The 24 members from 14 countries meet once per year.

The employer is chairman. The five members of the steering committee come from five different countries and meet three times per year. As usual in French EWC agreements, there are detailed provisions for time-off. In addition to the time for meetings, normal representatives have a yearly allowance of 40 hours, members of the steering committee 60 hours and the secretary (= speaker of the employee side) 80 hours. The right to training amounts to three days per term-of-office. The wine and liquor producer has the largest workforce outside of France in the United Kingdom, where they acquired Chivas Brothers, the Whisky maker in 2001. Pernod Ricard signed an agreement on Corporate Social Responsibility in January 2014 (see [report in EWC News 1/2014](#)).

U.S. automobile supplier doubles number of delegates

Starting from 1 January 2015 a new EWC agreement enters into force for the Dana group. It is based on the new EU Directive's standards, whereby the number of representatives could almost be doubled. The steering committee could also be enlarged from three to five members. The EWC established in 2000 has its headquarters in Essen, Germany (photo), where it normally holds its annual meeting. In the future a second plenary meeting can be held each year in another country. Central management has committed to inform the EWC as early as possible for enabling decision-changing discussions and consultation. Consultation has the goal of achieving "a mutually agreed solution as rapidly as possible". The new EWC agreement was concluded with the assistance of the EWC Academy and there was also a seminar on the subject in December 2012 (see [report in EWC News 4/2012](#)).



We have arranged a selection of EWC agreement texts on a [webpage for download](#).

6. European works councils following mergers

German automobile supplier merges two EWC bodies



In May 2013, piston specialist Mahle bought a majority stake in air conditioning manufacturer, Behr. Both automobile suppliers have their headquarters in Stuttgart. Mahle, a family business, grew hereby to 64,000 employees world-wide. There had only recently been an even larger merger in the same industry: the acquisition of U.S. group TRW Automotive by the third biggest German automobile supplier at present, ZF Friedrichshafen (see [report in EWC News 3/2014](#)).

The two European works councils of Mahle and Behr were combined together into a common body on 19 November 2014 in a meeting in Ludwigsburg. The body has altogether 28 representatives from eleven countries representing the 30,000 European employees. Both councils had already been established in 1996 and therefore have a long working experience. With a view to avoiding the loss of seats and a time-consuming renegotiation of the EWC agreement with a Special Negotiating Body (SNB), both councils agreed to merge. The steering committee has six members. In recent years, Mahle's European works council has been involved with layoffs in five countries including Italy, where it was able to intervene and secure a social plan in 2009 (see [report in EWC News 4/2009](#)).

Japanese electronics firm prefers British jurisdiction

A new EWC agreement for Canon was signed on 30 September 2014. In 2010 the Japanese group took over Océ, the Dutch printer manufacturer. In both companies there had been a European works council in place since 1996 under Dutch jurisdiction. Since both agreements were signed shortly before the 22 September 1996 deadline, they were subject neither to the old nor to the new EU Directives.



In the process of integrating 24,000 Océ employees into the substantially larger Canon group, the European work councils also had to merge. They reached an agreement with central management and used the legal right to renegotiation for "changes in the structure of the undertaking", in order to secure itself the full legal status of the new EWC Directive (see [report in EWC News 4/2011](#)). The only concession to the employer was the change from Dutch to British jurisdiction, as often seen more recently (see [report in EWC News 1/2012](#)). The negotiations were conducted by both steering committees and started in December 2012 without the establishment of a Special Negotiating Body.

The two plenary meetings belong to the positive aspects of the new EWC agreement. Moreover the seven member select committee meets at least a further three times per year with management. Each year there is one day training for the entire EWC and additional training is possible. The transnational competence of the EWC goes beyond the specifications of the EU Directive. A fixed EWC budget is negotiated between the EWC and central management. On the critical side however is the fixed duration for the consultation procedure: it should not last longer than five weeks.

Forthcoming event

A seminar is being held in Hamburg from 28 to 30 October 2015 covering the new EU legislation as a basis for the re-negotiation of EWC agreements. The legally defined procedures for mergers, spin-offs or relocation of company headquarters ("structural changes") will also be covered.



7. Pan-European company agreements

Legal proceedings avoided at the last minute



On 5 November 2014, the French government agreed to the acquisition of large parts of the formerly state-owned company, Alstom, by General Electric (GE), the US conglomerate. There had been a threat of missing the acquisition deadline due to Alstom's European works council, which only rendered its opinion on 28 October 2014. Without this opinion the acquisition could have been challenged in court, as demonstrated in the Gaz de France case in 2006 (see [report in EWC News 1/2008](#)).

The European works council only rendered its opinion once both companies had committed to an agreement closely resembling a pan-European company agreement. Negotiations on the matter had begun on 21 October 2014 under considerable time pressure and constant press coverage. Alstom was already experienced on the subject since the EWC had already negotiated a 3 year job-security agreement for all European sites in 2010, following the acquisition of Areva's energy network (see [report in EWC News 1/2010](#)). The participation of a U.S. company in such negotiations was however a complete novelty.

Negotiating mandate for restructuring

The charter first describes the remaining proceedings for the information and consultation procedure up to the completion of the transaction on 30 June 2015. General Electric has formally committed to fulfill not only the legal obligations of the consultation procedure but also to "negotiate" alternatives to redundancies. Furthermore discussions will immediately begin on the future structure of Alstom's European works council, which will be reduced in size and only cover railway engineering (including the TGV high-speed train manufacturing). A temporary EWC structure ("Structure de Représentation Temporaire") is to be established for up to three years for those divisions which are no longer under the control of Alstom. This body will receive a monthly report on the progress of the integration. Apart from the EU countries there are also representatives from Norway, Switzerland and Turkey. In the energy division a new working group is to be established between the EWC and the top management of both companies which will closely follow the forthcoming restructuring.

- [EWC press release on the consultation procedure](#)
- [Press report before EWC opinion](#) (in German)
- [Press report after EWC opinion](#) (in German)
- [CFDT trade union report](#) (in French)

Forthcoming event

The EWC Academy's annual consultation seminar is being held from 7 to 10 April 2015 in Montabaur Castle under the title, "Song and dance act" or full-fledged European works council? A similar seminar for English-speaking participants will take place from 2 to 4 September 2015 in Manchester.

An orange speech bubble with the word 'TIPP!' written inside in white capital letters.

TIPP!

- [Montabaur program and registration form](#) (in German)



EWC secures social framework for IPO

On 13 November 2014, Bayer's European Forum, as the EWC of the chemicals group is named, signed a joint declaration with central management on the socially responsible spin-off of its plastics division with its 17,000 employees. The decision to list Bayer MaterialsScience (BMS) on the stock-market had been taken in September 2014. BMS would then be the fourth largest chemicals group in Europe.

The long-standing social policy is to be continued in BMS. In all European sites restructuring is to be carried out according to the standards of the new EWC Directive. The relevant definition has been literally incorporated into the text of the declaration. There are "principles of social responsibility" that apply to any downsizing until 2020. This includes open and transparent

information and consultation procedures with employee representatives on the local level in each individual country. Measures for securing jobs have priority and redundancy is to be considered only as a last resort. The Bayer EWC was already established in 1994, long before the adoption of the first EWC Directive.

- [Full text of the joint declaration](#) (in German)

Quality of life in the workplace

A transnational agreement was signed on 27 November 2014 in Paris for the improvement of quality of life in the workplace for the French energy supplier GdF Suez. A Special Negotiating Body composed of 18 EWC members from nine countries was specifically established to negotiate the agreement in the course of four meetings with central management. Two European trade union federations are signatories.



The agreement provides for an evaluation at the local level in all countries of the European Economic Area and based on a list of six criteria. Action plans are subsequently developed in collaboration with local employee representatives and are implemented according to a pre-determined three-step model. Transnational agreements of this kind are to be found more frequently in French-style companies e.g. in the energy group, Areva (see [report in EWC News 3/2012](#)) or in Lafarge, the building materials group (see [report in EWC News 2/2013](#)).

- [Report on the signing](#)
- [Full text of the agreement](#)

8. Works Council Statistics



Evaluation of German works council elections

During the months of March until May 2014 all works councils were newly elected for the next four years. Whereas in France, for example, each company may define its own election dates independently, German law prescribes one single country-wide period. Exceptions to the rule are only allowed in exceptional circumstances.

A first evaluation of these elections was published on 26 August 2014 by the Hans Böckler Foundation. Since the German Ministry of Labour has no official figures and no legal obligation to provide them, the evaluation represents the only data available. In contrast, in countries such as France or Spain an official evaluation of works council elections, provided by the government, is indispensable since it is the legal basis for granting collective bargaining rights or disqualifying small trade unions (see [report in EWC News 2/2013](#)).

Stable workforce representation

The average voter turnout of almost 80% continues to remain high and stable in German companies. Around two thirds of the elected representatives belong to a trade union within the German Trade Union Confederation (DGB), and about 25% are non-unionized. Therefore competing trade-union confederations do not play a significant role in terms of figures. The strong position of this one single confederation distinguishes Germany from many other countries, particularly in southern Europe.

The election results were particularly good for IG BCE, who won around 80% of all works council seats in the chemical and pharmaceuticals industries. They are closely followed by IG Metall with approximately 75%. In comparison the results for ver.di, the services trade-union, with 61% of all mandates are bad but still comparatively good on an international level. In Germany each of these trade unions has its particular industry-specific field of competence, and therefore they do not present candidates mutually against one another. In comparison with the last elections in 2010, the percentage figures have hardly changed. The following texts are only available in German:

- [Hans Böckler Foundation press release](#)

- [Full text of the interim report](#)

Works council resources in France

On 12 November 2014, DARES, the research arm of the Ministry of Labour, published the results of an analysis of French work councils. It shows that there is a striking difference between unionized works council bodies and those composed of non-union representatives.



The better working conditions and resources of unionized works councils is demonstrated by the following figures: almost half of these works councils (46%) make regular use of the assistance of experts, as opposed to only 18% in non-unionized works councils. 75% of unionized works councils dispose of their own offices in the company and only 48% in non-unionized councils. In unionized works councils 72% of all members have taken part in training, in comparison to 17% for non-unionized representatives. There are also major differences in the provisions for time-off work.

Works council work in France significantly more difficult than in Germany

French legislation does not make provisions for 100% time-off for individual mandate holders as in Germany but rather defines hourly allotments. In companies with more than 500 employees the study shows that 75% of all works council members have more than 35 hours per month time-off. As opposed to Germany, general assemblies of the workforce are not compulsory by law, but nevertheless take place in 60% of the companies investigated. A third of all works council members consider that their mandate hinders their professional development; as a consequence there is a lack of sufficient candidates in 38% of the companies analyzed. The work of the works councils is well appreciated by employees, although there is criticism on the little influence that the council has on the employer's decisions. In every tenth French company the employer forbids the works council to communicate electronically with the workforce. Following texts are available only in French:

- [Report on the analysis](#)
- [Full text of the analysis](#)

Forthcoming event

A seminar on French industrial relations is being held from 14 to 16 September 2015 in Paris (with simultaneous interpretation). A visit to a French works councils' trade fair is also planned.



New figures on European works councils



On 2 December 2014, the European Trade Union Institute (ETUI) in Brussels published a new statistical evaluation of European works councils. It is based on the data from the Institute's on-line database that it has been maintaining since 2005 with EWC agreement texts. At present there are 1,070 European works councils in 987 companies. There are currently negotiations underway for the establishment of a EWC in 56 companies.

On 25 September 2014, the Hans Böckler Foundation had already published a country by country comparison (per location of company headquarters) as well as by industry based on this on-line database. Germany with over 200 EWC bodies comes well before France and the UK with just 120 each. The metal industry remains the most important sector with a lot of catching-up to be done for the establishment of European works councils particularly in the services and transport sectors.

- [The EWC database](#)
- [European Trade Union Institute evaluation](#)
- [Hans Böckler Foundation evaluation](#) (in German)

9. The view beyond Europe

Hennes & Mauritz: social responsibility in the supply chain

On 15 September 2014, the Swedish clothing retailer signed an accord on social responsibility in the global supply chain with the International Labour Organization (ILO) in Geneva. As a specialized agency of the United Nations, the ILO is responsible for promoting social justice as well as human and labour rights.



The agreement is the first ever of its kind concluded with the ILO. It is not only considered as exemplary, but also sets a new benchmark for the entire industry. Well-functioning labour relations are to be developed in a combined effort throughout the production chain. For example the Swedish trade union, IF Metall, is assisting H&M suppliers in Cambodia by their first implementation of regulated collective bargaining. The textile industry stands under intense scrutiny, following over 1,100 deaths as a result of the collapse of a factory building in Bangladesh in April 2013. Leadership was handed over to the ILO for the development of an internationally coordinated transformation plan for fire and building safety (see [report in EWC News 3/2013](#)).

- [Report on the signing](#)
- [Self-presentation from H&M on social responsibility](#)
- [Full text of H&M code of practice](#)

Spanish construction groups sign global framework agreements



On 29 October 2014 three of the largest Spanish construction and infrastructure groups signed international framework agreements with the UGT and CC.OO trade-union confederations. They secure minimum social standards, core labour standards and trade union rights in all subsidiaries throughout the world. This includes Acciona with 35,000 employees world-wide, Sacyr Vallehermoso with 20,000 employees world-wide and Dragados, a subsidiary of the ACS group, to which the German construction group, Hochtief has belonged, since 2011 (see [report in EWC News 1/2011](#)). Despite the collapse of the property markets following the financial market crisis of 2007, Spanish construction companies continue to be very active. Apart from banking it represents one of the few industries, in which Spanish companies play an important role on an international level.

- [Report on the signing](#)
- [Full text of the Acciona framework agreement](#) (in Spanish)
- [Full text of the Sacyr framework agreement](#) (in Spanish)
- [Full text of the Dragados framework agreement](#)

Agreement on occupational health and safety strengthens Africa

A global agreement on occupational health and safety was signed on 21 November 2014 in Paris for 160,000 employees of Orange. The telecommunications group, which had recently changed its name from France Télécom to Orange, is present in over 20 African countries where this agreement will have a particularly high significance. The company has had a European works council since 2004 and established a Global works council in 2010 (see [report in EWC News 2/2010](#)). In 2006, France Télécom had already signed an international framework agreement on minimum social standards, on which the new agreement is based (see [report in EWC News 1/2007](#)).



- [Report on the signing](#)
- [Report on a trade union meeting in Africa](#)

10. Interesting websites

Global occupational health and safety

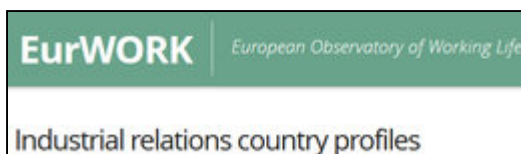


The first edition of an occupational health and safety newsletter was published on 16 October 2014. It is edited by the International Trade Union Confederation (ITUC) in Brussels, whose website has a section with up-to-date news on the subject.

- [Occupational health and safety newsletter](#)
- [News on occupational health and safety](#)
- [Analysis from the British Trade Union Congress, TUC](#)

New look for Country profiles

The new look for the Internet website of the European Foundation for the Improvement of Living and Working Conditions in Dublin has been on-line since 5 November 2014. It includes country profiles and labour relations of all 28 EU-member states as well as Norway which is updated every two years. In addition there are the former republics of Yugoslavia, which do not yet belong to the EU.



- [Country profiles' webpage](#)

Dedicated website for European Skills Councils

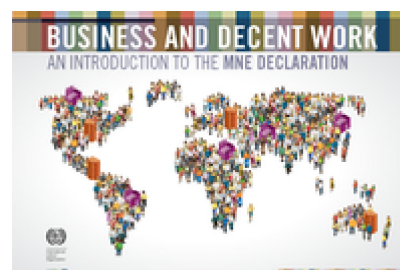


Social dialogue, an exchange on social policy matters between employers' associations, trade unions and the European Commission, has been in operation for many years and is a fundamental principle laid down in the EU treaties. As such, there are currently dialogue forums in 40 industries. Two of them, i.e. the textile, clothing and leather industry as well as the wholesale and retail trade, have already established their own Skills Councils which examine the employment situation and the required skills in their sectors. The establishment of such Skills Councils is currently in progress in a further 14 industries.

- [Overview of Skills Councils](#)
- [Textile, clothing and leather industry Skills Council](#)
- [Wholesale and retail trade Skills Council](#)

On-line training module for Corporate Social Responsibility

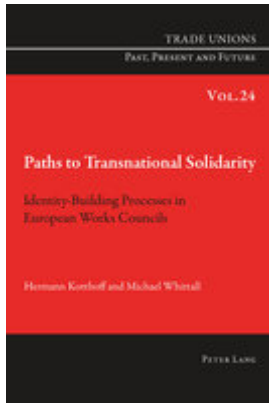
In May 2014 the training center of the International Labour Organization (ILO) in Turin published this training module which puts into practice the Declaration on Multinational Enterprises and Social Policy through case studies and practical exercises. The Declaration of Principles was adopted for the first time in 1977 and last updated in 2006. It defines core labour standards (industrial safety, equal chances, freedom of coalition etc). Signatories are the member states of the ILO, a specialized agency of the United Nations.



- [Full text of the Declaration of Principles](#)
- [Report on the application of the Declaration of Principles](#)
- [Description of the training module](#)
- [Start of training module](#)

We have arranged many further interesting websites into a [collection of links](#).

11. New publications



Empirical case study on European works councils

A research paper was published in March 2014 which examines life inside the European works councils of five companies. The authors, who were sponsored by the Hans Böckler Foundation, have analyzed the key points which help in establishing identity and in promoting mutual co-operation. According to works council researcher Hermann Kotthoff, "the most important point is that the EWC should have dialogue with management on as many important topics as possible and also be taken seriously by them". The cases examined include the French pharmaceuticals group, Sanofi (see [report in EWC News 2/2010](#)) and Unilever, the consumer goods manufacturer (see [report in EWC News 2/2014](#)).

- [Further information on the study](#)
- [Table of contents of the book](#)
- [On-line book order](#)
- [Report on a Hans Böckler Foundation researcher's meeting](#) (in German)

Legal stance of transnational company agreements

A book was published in March 2014 which undertakes a legal classification of transnational agreements negotiated by European works councils on topics such as data security, profit-sharing, non-discrimination or on the consequences of restructuring. Since there are still no legal safeguards for such agreements, a large majority of the European Parliament requested a framework Directive on the subject in September 2013 (see [report in EWC News 3/2013](#)). It is still unclear whether the new European Commission will take up this initiative. There is substantial resistance from the employer side. The book is only available in German.



- [Further information on the book](#)
- [Table of contents of the book](#)
- [On-line order](#)
- [Data base of transnational company agreement texts](#)

Forthcoming event

A seminar is being held from 23 to 26 March 2015 in Brussels and will cover the role of European works councils in such cross-border company agreements.

- [Program and registration form](#) (in German)



Trade unions in Sweden and Norway

The Friedrich Ebert Foundation recently published two current country analyses on Scandinavia: in August 2014 on the "Swedish model" and in November 2014 on Norway. In both countries a decrease in the high levels of union membership is to be observed. While white-collar employees in Sweden remain faithful to trade unions, the level of unionization for blue-collar workers has sunk from almost 90% in the middle of the 90's to 68%. In contrast to the rest of Scandinavia, union membership in Norway amounts to only 52% but remains however relatively stable. Membership in Finland has also fallen below the 70% mark (see [report in EWC News 1/2013](#)).

- [Download of the study on Sweden](#)
- [Download of the study on Norway](#)
- [Download of a study on the future of the Nordic model](#)

Production chains and working conditions in computer manufacturing

This report was published in October 2014 by Electronics Watch, a monitoring organization for fair working conditions in global computer manufacturing. It describes working conditions in the manufacturing plants in Southeast Asia, Mexico and Brazil. Altogether twenty large computer brand subcontractors are analyzed as well as the structure of contract manufacturing for products ranging from electronic components through to smart phones, printers, photocopying machines and servers. The fast growing electronics industry and its complex production system is increasingly gaining the attention of trade unions and non-governmental organizations. The study was carried out with financial support of the European Commission.



- [Complete analysis - download](#)
- [Analysis summary - download](#)
- [Background report on the industry](#)
- [Electronics Watch website](#)

We have gathered together further documentation into a [collection of literature](#).

12. The EWC Academy: Examples of our work

Fourth EWC conference in London



The annual EWC Academy conference was held on 23 and 24 October 2014 in London. Apart from current developments in labour legislation there were also discussions on the consequences of a possible withdrawal of the United Kingdom from the EU on European works council activities. Professionals reported on information and consultation procedures on the British level and EWC activities in the insurance company Axa (see [report in EWC News 2/2014](#)) as well as the turbine manufacturer Rolls Royce. Apart from

German and English participants there were also three further countries present. The next London conference, planned on 22 and 23 October 2015, will cover the program of the new government, since in May 2015 parliamentary elections will take place.

Seminars on labour legislation and EWC work in Manchester

In 2015, the EWC Academy will further increase its seminar offering in the United Kingdom and has started co-operation with the Trade Union Education Unit at Manchester College. The training facility is highly specialized in workplace employee representation and was awarded a TUC prize for quality in 2012 (comparable to the German works council award). A seminar is being organized for the first time from 23 to 25 June 2015 on labour legislation and industrial relations. The British system will be presented in German; in parallel there will be a seminar for English-speaking participants on the German co-determination system. A further seminar is being held in Manchester from 2 to 4 September 2015 aimed at EWC members who wish to work more proactively in the future (in English, and on request German simultaneous interpretation).

- [Trade Union Education Unit website](#)
- [Report on the quality award](#)

Data-protection in international companies

In the former Hamburg dockside area, HafenCity, from 3 to 5 November 2014, discussions took place on the extent to which national and European works councils should be involved in the transnational processing of personal employee data. The seminar which was



organized for the first time by the EWC Academy met with great interest and included 27 participants from Germany, Great Britain and France. Apart from a further seminar to be held from 28 to 30 October 2015 in Hamburg, the EWC Academy also offers expert counseling on the subject.



Swiss insurance - EWC plenary meeting

The Zurich European Forum (ZEF), as their European works council is named, met from 10 to 12 November 2014 in the company training center in Zurich. Following a memorandum agreement between employee representatives and central management in May 2014 defining minimum standards for socially responsible restructuring and guidelines for severance plans (see [report in EWC News 2/2014](#)), the EWC Academy has now been commissioned to assist in providing opportunities to develop EWC activities and a structured flow for the consultation procedure. With 60,000 employees world-wide, the Zurich Insurance Group is the largest insurance group in Switzerland.

Forthcoming event

A member of the Zurich Insurance Group's EWC steering committee will present a report on their EWC work during the Hamburg conference on 26 January 2015.

TIPP !

- [Program and registration form](#)

Improved consultation procedure for U.S. Company

The annual plenary session of the Avaya European works council was held from 8 to 11 December 2014 in Frankfurt. The company provides communication technology solutions for business customers and has subsidiaries in nearly all countries of the European Internal Market. The largest sites are to be found in Germany, Ireland and in the United Kingdom.



Avaya has had a EWC in place since 2004 under German jurisdiction. Since the EWC agreement has not been modified since 2007, the U.S. company is therefore automatically subject to the new EU Directive. The representatives have now elected a new steering committee enlarged from three to five members. The new EWC chairman comes from Germany and the EWC Academy has been commissioned as the advisory firm. The plan is to develop a structured consultation procedure as a guideline for future restructuring. In 2011, the Avaya EWC had won, at the time, a particularly exceptional pan-European legal battle, following repeated difficulties with the time-off for British representatives (see [report in EWC News 1/2011](#)).

13. Current training schedule



The EWC Academy and its forerunner organization have been organizing and delivering conferences and seminars for the members of European works councils, SE works councils and Special Negotiating Bodies since January 2009. So far 605 employee representatives from 228 companies have taken part including many of them for several times. This represents around 19% of all transnational works council bodies in Europe. In addition there are numerous in-house events and guest lectures given to other organizations. Following texts are only available in German:

- [Overview of the forthcoming seminar dates](#)
- [Seminar flyer download](#)

7th Hamburg Conference for European and SE works councils

As every year in January, a two-day conference is being organized in Hamburg. The topics:

Monday, 26 January 2015: Current trends in the EWC landscape - new court decisions and examples of EWC activities

Tuesday, 27 January 2015: Visits to a Vattenfall power station and discussion with EWC members



- [Program and Registration form](#)
-



Seminar in Brussels

A seminar is being held in Brussels from 23 to 26 March 2015 on the role that European works councils can play in the elaboration and development of transnational company agreements. The agenda also includes attendance to a meeting of the European Parliament's employment and social affairs committee.

- [Program and registration form](#) (in German)
-

EWC seminars in Montabaur Castle (also suitable for SE works council members)

Our annual introductory seminar is being held from 7 to 10 April 2015 in Montabaur (halfway between Frankfurt and Cologne). The following three seminar topics are being run in parallel for beginners or for advanced participants respectively (in German):



- **EWC Initiation Seminar**

Basic information on the European works council and labour relations in other countries. Particularly suitable for newly elected EWC members or for companies where a EWC has not yet been established.

- **"Song and dance act" or full-fledged European works council?**

The characteristics of a correct consultation procedure for restructuring. Particularly suitable for EWC members seeking to work more proactively.

- **World-wide co-operation**

Networking with sites and suppliers outside Europe and the development of minimum social standards. What role can the EWC play?

- [Program and registration form](#)
 - [Report on this seminar from 2012](#)
-

Additional seminar dates

- Helsinki, 4 - 7 May 2015: Scandinavian EWC seminar (with simultaneous interpretation)
- [Program and registration form](#)
- Berlin, 11 & 12 June 2015: Third conference for works council members in U.S. companies
- Manchester, 23. - 25 June 2015: Seminar on UK labour legislation for non-British

participants (with simultaneous interpretation) / German legislation and co-determination for non-German participants (in English)

- Manchester, 2 - 4 September 2015: Seminar for EWC members seeking to work more proactively
- Paris, 14 - 16 September 2015: Seminar on French industrial relations
- London, 22 & 23 October 2015: Annual EWC conference (with simultaneous interpretation)

Language courses: Business English for works council members

- 19 - 22 January 2015 in Hamburg
- 12 - 18 July 2015 in Eastbourne (on the English channel coast)
- 20 - 26 September 2015 in Dublin
- [Further information on our language courses](#)

Detailed program available on request.

In-house events

Please find a summary of possible topics for in-house events here:

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

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