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Welcome to issue no. 4 / 2015 of EWC News.

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.

EWC News appears four times a year.
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1. Basic EWC and SE information



Observatory releases new facts and figures

There has been a legal basis for European works councils for approximately twenty years now and since nearly fifteen years also an EU Directive on employee participation in the European Company (SE). From the outset researchers from the European Trade Union Institute (ETUI) in Brussels have been assessing all developments. An evaluation was released in September 2015.

It reveals that there are currently 1,071 European works councils, with an additional 25 new ones each year. 9% of all bodies are established as SE works councils under the SE Directive, and the remainder operate as normal EWCs. Steering committees exist in 86% of all cases, but only 18% of all EWC agreements provide for a right to on-site visits. Over the years 240 European works

councils have been dissolved, of which 74% due to company mergers. Nearly 40% all EWC bodies still operate on the basis of a "voluntary" agreement and are not subject to the EWC Directive.

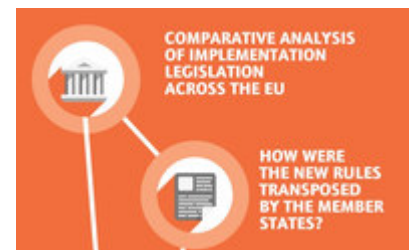
20% of all European works councils were established in German companies, closely followed by the French and the British. From outside Europe, US-companies are strongly represented in terms of figures with 151 of them already having a EWC. They have to define an EU member state in which the EWC is legally established. Germany and the United Kingdom are each chosen one quarter of the time by the non-European and Swiss companies as well as 20% for Belgium, followed by France.

The employer is chairperson in more than half of all European works councils, as customary in French works councils. This model however, is not only common practice in French companies, but is also gladly adopted for the EWC by Finnish, British and Japanese employers. On the other hand, German and Dutch EWCs are usually pure employee bodies. Two thirds of all EWC bodies have a right to paid experts and in 14% of all cases there is a fixed budget. Out of 102 existing SE works councils, 80% belong to German companies and around half of them may also appoint employee representatives on the supervisory board.

- [Statistics download](#)

Legal fine tuning prior to revision of EWC Directive

The European Trade Union Institute published a 200-page legal compendium on the EWC Directive in September 2015. It is linked to the preliminary work for another revision of the Directive which is being carried out by the European Commission, since April 2015 (see [report in EWC News 1/2015](#)). The study is an impact assessment of the EWC Directive from 2009 in all EU member states on the basis of clear-cut criteria.



The questions include for example, how the right to training has been specifically regulated in each country. What rules apply to experts? How is the obligation of confidentiality for critical company data regulated? How is the scope of the EWC defined for transnational matters in the individual jurisdictions? Chapter 4, which analyzes the enforcement of EWC rights in detail for each country is of particular interest. Can a European works council take legal action? What sanctions can be imposed by the courts? Who bears the cost?

- [Further information on the compendium](#)
- [Download of the whole compendium](#)

Forthcoming event

The first interim findings of the impact assessment of the EWC Directive will be presented at the London conference for European works councils on 7 April 2016.



- [Program and registration form](#)

2. EU Directives for managing restructuring

Reforms in Brussels postponed for the time being



A critical issue for employee representatives is how and to what extent local works councils are informed and consulted on restructuring. There are three Directives dealing with the topic which are under debate (collective redundancies, business transfers, Information and Consultation on the national level). The European Commission had officially consulted the umbrella confederations of the European social partners on the matter in April 2015 (see [report in EWC News 1/2015](#)).

The European Trade Union Confederation (ETUC) submitted its opinion on 18 June 2015. It includes the following suggestions:

- The definition of "Information" should be more closely aligned to the revised European works council Directive.
- The sanctions are insufficient. For infringements to these three Directives any implementation of measures should be suspended until all information and consultation procedures have been completely finalized.
- The three Directives should cover the entire supply chain: suppliers, subcontractors and any controlled undertakings.
- The Directives should include the right for local employee representatives to have support from experts, whose cost is borne by the employer.

The employers' confederation BusinessEurope, submitted its position on 29 June 2015 and stresses that:

- The three Directives are working well and should not be changed. Changes would lead to more uncertainty putting pressure on companies and slowing down any decision-making processes.
- Opening up a new debate on the definition of "Information" and "Consultation" would be accompanied by a long period of uncertainty and a risk of new legal interpretations.

Neither the trade unions nor the employers' associations wish to combine these Directives into one single legal act. Both spoke out clearly against a legislative initiative from the European Commission, however for different reasons. The ETUC would like to negotiate changes to the contents of the three Directives with the employers' associations, whereas BusinessEurope would like no changes at all. The European Commission has therefore excluded the topic from its 2016 work program which was presented on 27 October 2015. Consequently, a revision of the three Directives is not to be expected in the short term.

- [Full text of ETUC opinion](#)
- [Full text of BusinessEurope's opinion](#)

Judges decide on sanctions

On 31 August 2015, the district court in the Lithuanian capital Vilnius cancelled the unilateral decision of an employer to create a new business structure with a reduced number of employees. The Lithuanian labour legislation declares any dismissals void if the information and consultation procedures with the company's employee representatives have not been carried out correctly. The court is hereby conforming to the EU Directive on national Information and Consultation from 2002, although this does not make any reference to sanctions. The ruling is a landmark in bringing forward the rights to information and consultation.



The Supreme Court of Justice in the neighboring country, Latvia, passed an exactly opposite ruling in April 2013. The judges could not see any reason to cancel dismissals because of an incorrect or incomplete consultation procedure (see [report in EWC News 2/2013](#)). In the end the question of sanctions will probably have to be decided by the European Court of Justice in Luxembourg. This would not only have consequences for these two cases in the Baltic, but also for all European works councils. So far, there has only been one court ruling on the correct flow for a consultation procedure (see [report in EWC News 3/2009](#)).

- [Report on Lithuanian court ruling](#)

Forthcoming event

Every year the EWC Academy organizes a seminar on the consultation procedure in Montabaur Castle. Next date: 29. March to 1 April 2016.

TIPP !

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

3. News from individual countries

Czechia: the end of cheap labour?



The Bohemian-Moravian union confederation ČMKOS launched a campaign under the title "the end of cheap labour" at a conference held on 16 September 2015 in Prague with around 1,500 participants from all over the country. In order to reduce the wage gap with Germany and Austria faster, it is demanding annual pay increases of 5%.

Productivity in Czechia is around 66% compared with Germany and the gross domestic product already exceeded 80% of the EU average. As a traditionally industrialized country, with strong automobile and metalworking industries Czechia has overtaken Portugal. Salary levels however, are only 28% of the German or Austrian. The average gross wage amounts to 900 € and to 1,700 € for skilled jobs. It would take one hundred years to close the wage gap if wages continued to increase at the current rate. Foreign companies including many from Germany, hereby secure high profit margins which flow back to the home country. For the Czech trade unions low wages also hinder investments in new technologies.

Unemployment at a record low

The chances are good for wage growth, since in October 2015 Czechia had an unemployment rate of 4.7%, the lowest in the EU after Germany. Business is booming, many companies have difficulties in finding sufficiently qualified staff. This particularly applies to the capital Prague which has the lowest recorded unemployment rate of 2.5% in all regions of the EU and shares the top place with the greater Munich area. The social-democratic led government in office since January 2014, is taking a cooperative approach towards unions, whose membership levels however still only amount to 17%.

- [Interview with the ČMKOS general secretary](#) (in German)
- [Report on the business boom in Czechia](#)

New approach to social dialogue in Poland

The 59 members of the new Social Dialogue Council were officially appointed on 22 October 2015 by the president of the republic. The council is composed of representatives from unions, employers' federations and from government. There were already tripartite commissions on social and economic matters in place since 1994, in which the unions however have no longer participated since summer 2013 - in protest against reforms of the liberal-conservative government at that time.



The Civic Platform party, who governed from 2007 to November 2015, had increased the retirement age to 67 and made labour legislation more flexible. This provoked the largest demonstrations against a government in Poland since the 1980's, with 100.000 participants in September 2013. In Silesia at the end of 2012, there was a general strike for the first time since the end of communism. The establishment of the new council was ratified by the Parliament in June 2015 even before the new elections which led to the change of government.

As chairperson, the newly elected national Conservative president appointed his political ally Piotr Duda, who has been secretary general of the catholic trade union confederation Solidarność, since 2010. With 650.000 members it is the largest confederation in Poland. There are two only slightly smaller competing trade union confederations, the social-democratic, OPZZ and the politically neutral trade union forum, FZZ. Their joint struggle against the previous government's neoliberal policies has turned the once bitter enemies of the past into the closest allies.

- [Background report on the establishment of the council](#)

- [Report on the appointment of council members](#)
- [Seminar documentation on labour relations in Poland](#) (in German)

Brexit looming? New suggestions from London



On 10 November 2015, the British prime minister presented his suggestions for reforming the relationship between his country and the EU. Negotiations on the subject are to follow a referendum on EU membership. Employers and trade unions are in favor of staying in the EU, although from different viewpoints. In the future the employers' confederation CBI would like to keep labour legislation exclusively a national matter, but on the other hand is demanding an "EU engagement strategy" from the government to develop British influence in Brussels.

The trade unions fear another "Opt-out" from EU social policy as prior to 1997. On the one hand, the conservative government wants to strengthen the EU's competitive position by dismantling bureaucracy but nevertheless explicitly refers to the major role that the EU plays in the protection of employee rights. The reduction of burdens on business should take place on an equal footing for all 28 EU Member States, not through an "Opt-out" of the UK. The German trade union confederation, DGB and the British trade union confederation, TUC published a joint declaration on the British government's demands on 20 November 2015. The motto: Europe must not just be a free trade area.

- [Report on British government's demands](#)
- [Full text of letter to the president of the EU Council](#)
- [British government's position on EU social policy](#)
- [Commentary on the role played by the EU in British labour law](#)
- [The joint declaration from DGB and TUC](#)

4. Controversial codetermination issues before court

SE participation agreement legally challenged

Late August 2015, ver.di trade union filed a complaint with the Berlin labour court against e-commerce fashion retailer Zalando. The company was founded by financial investors in 2008 and now has 9,400 employees in 15 European countries. A SE agreement was concluded in March 2014, which includes one-third employee participation in the supervisory board but whose provisions lag substantially behind SE works council standards of comparable companies (see [report in EWC News 2/2014](#)).



Through the conversion to the SE legal form (Societas Europaea), ver.di is of the opinion that Zalando has used illegal means to avoid employee participation rights. At the time of the SE conversion, the company already had substantially more than 2,000 employees in Germany, and consequently would have had a full-parity supervisory board under German legislation. Even after the SE conversion employee representatives would have kept the right to half the seats on the supervisory board. The reason behind the abandoning of these codetermination rights was a badly composed Special Negotiating Body (SNB). Ver.di supposes that "it most probably was composed of mainly employer-friendly representatives". Normally, German SNB members are elected by the works council. Since there was still no works council in Zalando at the time, the election process was carried out in a non-transparent fashion. As a consequence the results of the SNB negotiations could be contested. The following texts are only available in German:

- [Ver.di press release](#)
- [Background report](#)
- [Report on Zalando SE works council](#)

Complaint in Austria led to out of court settlement

So far there has only been one court case in the whole of Europe in relation to SE conversion. When the Strabag Construction Holding was converted into a SE in October 2004, it had concluded a participation agreement only with Austrian employee representatives. Neither the European works council was involved nor was a SNB established. A SNB was only established after the filing of a complaint in November 2005 and concluded a SE participation agreement in May 2006.

German codetermination comes before the European Court of Justice



On 16 October 2015 the second instance Court of Appeal in Berlin (photo) decided to take the issue of board-level participation on the supervisory board of TUI, the German tour operator, to the European Court of Justice in Luxembourg. The question hereby is whether German codetermination regulations breach EU legislation, since only employees in Germany have the right to vote or stand for election in supervisory board elections. The 40,000 TUI employees working abroad are excluded from codetermination and only 10,000 in Germany benefit from it. The supervisory board however, not only takes decisions for Germany, but for the whole company world-wide. The plaintiff would like to put the German and the foreign employees on an equal footing and abolish codetermination.

In February 2015, a regional court in Frankfurt am Main had passed a completely different ruling. The entire workforce abroad was included for calculating threshold values within the EU. Thus the supervisory board of the German stock exchange would have had to become full parity-based whereas at the time there was one-third employee participation (see [report in EWC News 1/2015](#)). In order to avoid a full-parity supervisory board, the German stock exchange announced its conversion into a European Company (SE) in September 2015.

At present, the question has become the subject of a controversial debate within the legal community in Germany. In the end, the European Court of Justice could confirm German codetermination, it could restrict it (as wished by the TUI plaintiff) or extend it (in the sense of the Frankfurt regional court ruling). In France codetermination has most recently been expanded and Europeanized, in June 2013. In French companies, the European works council can elect individual representatives on the administrative or supervisory boards (see [report in EWC News 2/2013](#)). Since October 2014 the European Trade Union Confederation (ETUC) is demanding employee participation rights on the administrative or supervisory boards for all EU member states (see [report in EWC News 4/2014](#)). The following texts are only available in German:

- [Court of Appeal press release](#)
- [Press report on court ruling](#)
- [Report on ruling from trade union viewpoint](#)

5. Critical moments in corporate policy

Luxembourg shipyard boom

Although the Grand Duchy only has the Mosel as inland waterway, one of the world's largest shipyards for cruise liners has located its headquarters there since 3 September 2015. The Meyer-Neptun group from northern Germany relocated the legal headquarters from Rostock to the Luxembourg airport. The real reason is the company owner's aversion to representation of the workforce in a supervisory board. The case reminds us of the logistics group Kühne + Nagel from Hamburg who fled to Switzerland for similar reasons at the end of the 1970's.



Meyer shipyards which were founded in 1795, has the largest shipbuilding hall in the world located at their headquarters in Papenburg on the river Ems (photo). Following the acquisition of the Neptun shipyard in Rostock dating back from GDR times, the main office was transferred there in 1997. Although the workforce hereby grew to over 3,000 employees, it was decided not to establish a full-parity supervisory board. There was a standstill agreement between shipyard management and the IG Metall trade union. As a consequence of the acquisition of STX, the

Finnish shipyard in Turku by the Meyer-Neptun group in September 2014 (see [report in EWC News 2/2014](#)), a supervisory board could subsequently no longer be avoided under German law. The only way out was the relocation of the Holding to Luxembourg confronting however the workforce with a fait accompli. Publicly expressed criticism of the situation ended up in the dismissal of the works council chairman.

Avoidance of supervisory board codetermination on the increase

This is not an isolated case. Whereas in the year 2000, only three companies in Germany used a foreign legal entity to keep their supervisory board employee-free, the figure rose to 94 in the middle of 2014. This includes 51 companies which would normally fall under full-parity codetermination just as in the Meyer shipyard. These figures were released by the Hans Böckler Foundation in February 2015 (see [report in EWC News 1/2015](#)). The relocation of the Meyer Shipyard Holding had to take place so rapidly that the conversion to a European Company (SE) was no longer possible in time. If a European works council were now be established it would have to be negotiated under Luxembourg jurisdiction.

- [Company press release](#)
- [Press report on relocation](#)
- [Report on dismissal of the works council chairman](#) (in German)

Threat of legal action reveals plant closure



Central management of Reckitt Benckiser only announced their plans to relocate production of Finish brand name dishwasher tablets from Germany to Poland at the beginning of October 2015, under the threat of legal proceedings. As a consequence the plant in Ladenburg (Germany) is to be closed by 30 June 2016. This British group with German roots is well known for its cleaning and household products and has 36,000 employees world-wide in over 60 countries.

The chairman of the European works council, established in 2001 under British jurisdiction, works himself in Ladenburg. The workforce has been reduced there over the last five years from 500 to the now remaining 240 employees and on several occasions equipment dismantled and relocated to Italy or Poland. Management did not take up any of the IG BCE union offers for employee concessions in return for safeguarding the site. For employee representatives it appears to be "a long-term strategy for increasing margins". In order to carry out an in-depth consultation procedure, the EWC chairman has requested information on the assumptions and calculations on which the plant closure is based and what are the possible alternatives. Locally however negotiations are already underway on a social compensation plan. The following texts are only available in German:

- [Report on the threat for legal proceedings](#)
- [Report on EWC demands](#)

Small break-through in the US Southern States

The first employee representation is soon to be established at the Volkswagen plant in Chattanooga (Tennessee). In a ballot organized by the National Labor Relations Board (NLRB) on 3rd and 4th December 2015, a 71% majority of skilled maintenance workers voted in favour of recognizing the US trade union United Automobile Workers (UAW) as a collective bargaining party. Company management had tried to hinder this by all possible means and engaged one of the country's most famous anti-union law firms.



Even if the vote only involved 11% of the whole workforce, this small step is however highly symbolic. On the one hand the USA is the only country where Volkswagen has no employee representation. On the other, for the first time in many years, UAW has hereby succeeded in

gaining a foothold in a traditionally trade union-hostile Southern State. The first attempt for a ballot of the whole workforce in February 2014 was just lost by the UAW, following massive intervention from conservative lobby groups (see [report in EWC News 1/2014](#)).

- [Report on the ballot results](#)
- [Analysis of the 2014 ballot](#)
- [Background report on automobile suppliers in the Southern States](#) (in German)

Forthcoming event

A conference for works council members in US companies is being held for the fourth time running from 2 to 4 May 2016. There will be an exchange of experience on "Compliance" issues and on Anglo-Saxon management culture.

TIPP !

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

6. New European works councils

Dutch-Italian commercial vehicle manufacturer with default EWC



The European works council of CNH Industrial held their constitutional meeting from 24 to 26 November 2015 in Turin. The three year negotiation period for the conclusion of a EWC agreement had already expired in March 2014 without success. The constitution of the EWC based on the Dutch legislation subsidiary provisions then took a little longer, since the election of the UK and Italian representatives had not been carried out in time (both countries together represent 25% of the mandates). There had already been disputes between the Italian unions concerning membership of the Special Negotiating Body which could only be settled by a court ruling

in May 2014 (see [report in EWC News 2/2014](#)).

- [Report on the EWC constitutional meeting](#) (in Italian)

CNH Industrial has its headquarters in Amsterdam and 41,000 employees throughout Europe in 34 locations. The group was established following the merger of Fiat Industrial with the Dutch company, CNH Global (Case and New Holland). Whereas under the old EWC Directive, the establishment of a default EWC would have been rather disadvantageous for employees, the subsidiary provisions in force since 2011 are more than acceptable. The airline easyJet is one of the positive examples of this (see [report in EWC News 3/2012](#)). Employee representatives from several countries also demanded the constitution of a default EWC for the paper manufacturer, Sofidel, in Tuscany in May 2015 (see [report in EWC News 2/2015](#)).

Finnish sanitary fittings manufacturer establishes EWC

A EWC agreement was concluded on 1 October 2015 at the headquarters of Oras in Rauma on the west coast of Finland. This family-run business has 1,400 employees and manufacturing plants in Finland, Germany, Czechia and Poland. Oras came under the scope of the European works council Directive in September 2013 as a consequence of the acquisition of the German company, Hansa Armaturen in Stuttgart. A Special Negotiating Body (SNB) was subsequently established and held several meetings on a rota-basis in various countries. The future EWC ("Oras Group European Forum") will meet once annually. Finland and Germany have four seats each, Poland two and Czechia one. Each country appoints one member to the working committee which meets twice annually and in extraordinary circumstances. The various provisions (issues of consultation, time-off work, training, experts) comply with the latest EU standards.



Third South Korean company establishes EWC



On 24 November 2015, a EWC agreement was signed for Hanon Systems under German jurisdiction in Kerpen (near Cologne). This automobile supplier, manufacturer of air conditioning technology and based in Daejeon was a subsidiary of the US group Visteon until June 2015. As an independent company Hanon Systems now gets its own EWC. The result was reached in record time, since the Special Negotiating Body (SNB) was established on 24 September 2015. Most recently a EWC agreement was concluded in November 2014 for the Doosan conglomerate from Seoul under Belgian jurisdiction (see [report in EWC News 1/2015](#)). Also Samsung has a European works council

that was already established in 1996 operating under British jurisdiction.

Fixed duration for consultation procedure

To a large extent the Hanon Systems' EWC agreement adheres to the standards of the new EWC Directive. However, consultation procedures for restructuring have been defined and should preferably be concluded within a time frame of around two to three months and involve a maximum of three meetings. The nine members of the EWC come from seven countries, two seats each are attributed to Czechia and Hungary. The Plenum meets once annually and elects a three member steering committee. The limitation on costs for experts, who are paid only for the time they participate in meetings, is somewhat unusual for German EWC agreements. An annual budget of 6,000 € is provided for conducting analyses. Central management reserves the right of veto on training, whereby the costs are always borne by the respective national company.

The European works council of Visteon, which now only covers the electronics division, will initially continue to operate as previously. In addition, a SNB has been established, since this restructuring represents a "change in structure" in the sense of article 13 of the EWC Directive. A dispute on EWC rights had led to legal proceedings in Visteon in July 2011 (see [report in EWC News 4/2012](#)).

7. Updated EWC agreements

French railway-vehicles manufacturer restructures EWC

A revised version of the Alstom EWC agreement was signed on 15 July 2015 in Paris. It came into force on 2 November 2015, after the completion of the sale of the power division to General Electric. The size of the workforce of the former state-owned Alstom was hereby reduced by two thirds. The structure of the "European Works Forum" (EWF), which was established in 1996, therefore came again under debate. In October 2014 the consultation procedure on the group's restructuring could be concluded with important guarantees given by management (see [report in EWC News 4/2014](#)).



No fixed duration for future consultation procedures

First of all, the EWC agreement adopts the definition of Information and Consultation literally from the new EU Directive. Particularly interesting is the provision according to which national consultation procedures may only be terminated once the EWC consultation has been finalized. No deadline has been defined for this. Plenary meetings are held regularly three times per year and the five-member select committee meets every quarter. There are also extraordinary meetings upon request of the employee representatives. Further special working groups can be established. The EWC agreement not only includes a catalog of consultation topics but also combines them with a time schedule. The employer is chairperson since it is an agreement under French jurisdiction. In the future the 19,000 European employees are represented by 18 delegates from ten countries, including five from France and two each from Italy, Germany, Spain and the United Kingdom. Nine further countries with smaller employee headcounts do not get any seats.

- [Press article on completion of restructuring](#)

Italian confectionary manufacturer revises EWC agreement



A revised EWC agreement for Ferrero was signed at a meeting of their European works council on 7 October 2015 in Marche-en-Famenne, close to the Belgian manufacturing plant in the Ardennes. This family-run business in Piedmont has already had a EWC in place on a "voluntary" basis since 1996. Information and consultation rights now come close to the new EU Directive standards, although still lag somewhat behind them.

In contrast to Italian legislation the employer chairs the Ferrero EWC. The annual plenary meetings always take place on a rota-basis in the proximity of different manufacturing plants. The 16 employee representatives come from six countries, with five from Italy (including the secretary). Germany has four representatives. Three representatives coordinate operations between the meetings and meet if necessary. A permanent working group is established for occupational health and safety, with one EWC member from each country. 35,000 people work for Ferrero world-wide.

- [Full text of EWC agreement](#)

Dutch bank with binding EWC regulations

A new EWC agreement for ING Groep was signed on 26 November 2015 in Frankfurt am Main. It enters into force on 1 February 2016. Although the EWC was established in 1996 on the basis of a "voluntary" agreement, in the future it will be subject to Dutch EWC legislation. The bank which is based in Amsterdam, had spun-off its insurance and investment management divisions in July 2014 into an independent company with 11.500 employees listed on the stock market. This "change in structure" in the sense of article 13 of the EWC Directive enabled employee representatives to change the legal status of their European works council.



Three permanent working groups

Even after the spin-off, ING still has 53,000 employees in 40 countries throughout the world and is the largest private commercial bank in the Netherlands. The future EWC is composed of 27 members from 15 countries including five from the Netherlands, four from Belgium and three from Poland. At present, a works council member from Germany is chairman. There are two annual meetings for both the plenary assembly and the four-member select committee. The EWC establishes three permanent working groups which hold half-yearly internal meetings with the competent managing directors: Chief Executive Office (in charge of internal business processes), Commercial Banking and Retail Banking. The transnational scope of the EWC is extensively covered since the recital 16 of the EU Directive has been integrated, and there is no duration specified for consultations.

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

8. Pan-European company agreements

Minimum social standards at German railway operator



In a meeting held in Rotterdam on 28 October 2015, central management and the European works council of Deutsche Bahn signed a European agreement on minimum standards which are to apply to future transnational relocation of jobs. Discussions on the topic began when central management informed the EWC in October 2013 about the establishment of a Shared Service Center in Bucharest (see [report in EWC News 3/2014](#)). In Germany this entailed the loss of approximately 250 jobs.

The agreement now includes provisions for an internal pan-European job market, priority for continued employment in the home country, qualification programs, a hardship fund and early retirement possibilities. A parity-based arbitration committee is established for the settlement of any disputes arising from the agreement. The Deutsche Bahn European works council was established in 2005. The rights of the EWC were extended following the acquisition of Arriva, the British transportation group, in March 2012 (see [report in EWC News 2/2012](#)).

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

Social standards for Swiss insurance following merger

Central management and European works council of Helvetia, the insurance company, signed a European agreement on minimum standards on 2 December 2015 in Frankfurt am Main. It includes regulations on social dialogue, data protection, equal opportunities and occupational health and safety. Another important aspect are measures to ensure socially compatible solutions for company acquisitions. Helvetia expanded its workforce in May 2015, from 5,000 to 7,000 following the acquisition of its Swiss competitor Nationale Suisse.



The agreement explicitly refers to the social partners agenda and its joint declaration on demographic challenges signed in the European insurance industry in 2010 in Brussels. This includes topics such as work life balance, organization of flexible working hours, part-time, home and telework. A new joint declaration by the social partners in the insurance sector on telework was adopted in February 2015.

- [The joint declaration on demographic challenges](#)
- [Brochure on handling demographic challenges](#)
- [Joint declaration on telework](#)

9. The view beyond Europe

Global framework agreement for French supermarket chain



On 30 September 2015, central management of Carrefour and the union confederation UNI signed a framework agreement on social dialogue and equal treatment as well as on core labour standards and occupational safety, on the sidelines of a European works council meeting held in the Paris suburb of Boulogne-Billancourt. It covers 380,000 employees in 35 countries and replaces a previous agreement from 2001. Carrefour holds the second place in the retail trade in Europe (after Lidl) and third place world-wide. An action plan was drawn up on the basis of the new agreement by the UNI Carrefour Global Alliance, a forerunner body to a world works council, at a meeting held from 20 to 21 October 2015 in Nyon (Switzerland). Carrefour's Director of Social Relations also participated in the meeting.

- [Report on the signing of the framework agreement](#)
- [Report on trade union alliance meeting](#)

Belgian materials technology group revises agreement

The international framework agreement on sustainable development was revised on 20 October 2015 at the group headquarters of Umicore in Brussels. The company has been closely cooperating with trade unions on an international level since 2007 and is considered as a positive example for its compliance to minimum social standards. Most recently,



this was once again made clear through a visit of a delegation to the Philippines in February 2015. The group has 14,000 employees in 38 countries.

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



Global network for French construction group

Union representatives from France, Belgium, India, Thailand, Indonesia and Brazil met in Paris on 27 and 28 October 2015 to establish a global network for Saint-Gobain. The employee representative's spokeswoman from the European works council and the group's labour relations director also participated in the meeting. Whereas Saint-Gobain was one of the pioneers at the European level in establishing its EWC in 1992, central management has so far refused to conclude an international framework agreement for other parts of the world. Representatives reported on violations by local management of the core labour standards of the International Labour Organization (ILO). Saint-Gobain belongs to the world's oldest industrial companies and was founded in 1665 as a manufacturer of glass to equip the hall of mirrors in the Versailles palace. Today the group has 190,000 employees in 64 countries throughout the world.

- [Report on the meeting](#)

10. Interesting websites

Employee posting in the construction industry

A website has been created under the initiative of the European umbrella organizations of social partners in the construction industry and sponsored by the EU. Information on posting of workers which is important for employers and employees is available for 27 EU member states. It includes minimum wages, regulations on maximum working hours, health and safety etc.



- [Employee posting website](#)



Industrial hubs

The "Industrial Hub Program" was launched at a conference held in the Scottish port of Grangemouth in October 2015, on the initiative of Unite, the British trade union, together with two global confederations. The goal is to interconnect the different industry sectors which are concentrated all around the ten busiest container ports. Later the project is also to be extended to airports or inland freight terminals.

- [Hub project website](#)
- [Description of Unite trade union project](#)

Newsletter on European labour law

The Hugo Sinzheimer Institut for labour law (HSI) at the University of Frankfurt am Main has been publishing a legal newsletter since 2013, reporting on relevant legal proceedings before the European Court of Justice (ECJ) and the European Court of Human Rights (ECHR). It can be downloaded on the institute's website and is released several times a year



in German language.

- [European labour law newsletter](#)
- [Report on Hugo Sinzheimer Institut](#)



No partnership without social standards

Various religious and development organizations participate in the Rhineland-Palatinate - Fujian working group together with the German trade union confederation DGB and the IG BCE trade union to critically accompany the business partnership which has been in place since 1989 between the German federal state of Rhineland-Palatinate and the Chinese province Fujian. Central issues hereby are labour and social standards. Up-to-date news from China and the situation in the province of Fujian is also available on the website.

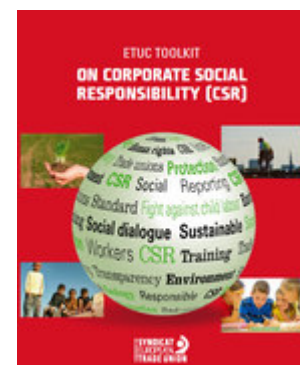
- [Working group website](#) (in German)

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

11. New publications

Brochure on Corporate Social Responsibility (CSR)

The European Trade Union Confederation (ETUC) in Brussels released a toolkit on Corporate Social Responsibility in June 2015, to support members of European works councils. The brochure presents the existing standards applicable to CSR and contains a set of checklists to evaluate for example a management report on CSR. Another goal is how to make the supply-chain more transparent. The toolkit finishes with examples from companies where international framework agreements or pan-European employment agreements have been concluded on this topic. The brochure is available in seven languages.



- [Brochure download](#) (in English)
- [Download of other language versions](#)



Does the supervisory board employees' bench have any power?

In October 2015, the Hans Böckler Foundation published a summary of the results of a survey of employee representatives from sixteen countries on their experience in supervisory boards. It mainly reveals that the lack of power cannot be put down to a lack of information. Much more crucial are the strength of the legal basis for employee representation and the question of whether strategic decisions (e.g. for dependent subsidiaries) are actually taken by the supervisory board. The study should be viewed in the context of the resolution taken by the European Trade Union Confederation in October 2014, when for the first time, all trade unions in Europe took a positive stance to codetermination on supervisory boards (see [report in EWC News 4/2014](#)).

- [Analysis summary download](#) (in German)
- [Overview of the research project](#) (in German)
- [Detailed publication of research results](#)

What role do works councils play in the United Kingdom?

In November 2015, the London branch of the Friedrich Ebert Foundation and the British Involvement and Participation Association, IPA, released this analysis of over 10 years of practice with Information and Consultation in the workplace. The British labor legislation, with the so-called "ICE regulations", first introduced a form of "works council light" based on a EU Directive of 2002. In practice however it is not very widespread: only 25% of all employees in the United Kingdom are represented by such a committee. There were also cases, in which the employer refused to establish a committee as revealed by an overview of legal proceedings (see [report in EWC News 2/2012](#)).



- [Download of the study](#)
- [Background info: Workplace involvement in the United Kingdom](#)

Forthcoming event

Current developments in British labour law are on the agenda of the German-British works council conference on 7 and 8 April 2016.



- [Program and registration form](#)



How do interregional trade union councils (IRTUC) work?

This study which evaluates trade union co-operation in cross-border regions was released in December 2015. The Saar-Lor-Lux region established in 1976 was the first of the now 45 interregional trade union councils (IRTUC). The study, sponsored by the Hans Böckler Foundation, focusses on its origins and activities. Also included in the analysis are the problems of intercultural communication and the interaction between the different trade unions involved. Additional case studies highlight the activities of the interregional trade union council Euregio (Baden-Alsace-Palatinate), Elbe-Neisse and Burgenland and West Hungary. The authors also point out opportunities for developing these bodies. Following texts are only available in German:

- [Book's table of contents](#)
- [On-line order](#)
- [Information on the research project](#)
- [Information on the IRTUC Saar-Lor-Lux](#)
- [IRTUC Elbe-Neisse website](#)

We have collected further literature into a [compilation of publications](#).

12. The EWC Academy: Examples of our work

Autumn Seminars in the Harbour Hotel Hamburg

The yearly European works council workshop on legal questions took place from 28 to 30 October 2015. Topics were previous case-law, including current rulings in the Transdev transport group under French jurisdiction and in the packaging group Amcor, under German jurisdiction (see [report in EWC News 3/2015](#)), as well as the application of the EU regulations in cases of legal uncertainty.





For the second time running a seminar was held in parallel, dealing with the global interconnection of IT systems and data security in the international company. The focus here was on the question of what possibilities do works councils have to control or restrict the transmission of employees' personnel data abroad. With altogether more than 30 participants both autumn seminars were very popular and will be organized again in 2016.

In-house training on EU labour law

The EWC Academy held a training on 16 November 2015 for the Wall company works council in Berlin on EU labour legislation and its effect on German labour law. Wall, with 1,000 employees, is specialized in the development and production of street furniture and the marketing of outdoor advertising space. Since 2009 Wall has been owned by the French group JCDecaux who has, up to now, not yet established a European works council.



Belgian-American automobile supplier wants to close down sites



Since 18 November 2015, the EWC Academy has been supporting Wabco's European works council in a consultation procedure which is underway. This manufacturer of truck brake systems wants to cutback 320 out of the 6,000 jobs in Europe. On 23 September 2015, central management in Brussels announced the closure of two factories in the Netherlands and in France.

Since then, EWC Academy advisors have participated in several meetings in Hanover and Brussels and analyzed the business figures which have been presented by central management to justify the closures. The European works council was established in October 2008 following the spin-off of Wabco from the US group American Standard and is under Belgian jurisdiction (see [report in EWC News 3/2008](#)).

- [Press release on the closure plans](#)
- [Report on protest demonstrations in France](#) (in French)

Frozen food manufacturer about to establish EWC

The German central works council of Frosta discussed the first steps to establish a European works council on 24 and 25 November 2015 at the headquarters in the fishing port of Bremerhaven (photo). The EWC Academy provided background information. With a workforce of 1,500 employees, Frosta is the market leader of frozen foods in Germany. Currently one third of their revenue is generated in Eastern Europe. Apart from the three German manufacturing plants there is another factory in Poland and sales offices in six further countries.



13. Current seminar 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 644 employee representatives from 238 companies have taken part including many of them for several times. This represents around 20% of all transnational works council bodies in Europe. There are in addition the numerous in-house events and guest lectures at other events.

- [Overview of forthcoming events](#) (in German)
-

8th Hamburg Conference for European and SE works councils



As every year in January a two-day conference is being organised in Hamburg covering the following topics:

Monday, 25th January 2016: Current trends in the EWC landscape, legal difficulties and examples of EWC activities

Tuesday, 26th January 2014: Short seminar on EU labour law or alternatively: Short seminar on the EWC consultation procedure

- [Program and registration form](#) (in German)
 - [Report of an earlier Hamburg conference](#)
-

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

Our annual seminar in Montabaur (half way between Frankfurt and Cologne, close to ICE station) is being held from 29 March to 1 April 2016. It is made up of four modules, which are partly delivered in parallel, and are aimed at the following target groups:



- **EWC Initiation seminar (for beginners)**

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

- **"Song and dance act" or full-fledged EWC? (for advanced)**

The characteristics of a correct consultation procedure for restructuring. Particularly suitable for EWC members wishing to work more proactively. The following texts are only available in German:

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

German-British works council conference in London



A conference is being held for the fifth time on 7 and 8 April 2016 in London. The event will have simultaneous interpretation. It is particularly intended for members of European works councils who are subject to British jurisdiction and to all employee representatives interested in the British system.

- [Program and registration form](#)
 - [Report on the second London conference](#)
-

US conference for work councils

For the fourth time already, a conference is being held for works council members in US companies, this time in the Point-Alpha-Academy near Fulda from 2 to 4 May 2016. There will be an exchange of experience on "Compliance" and Anglo-Saxon management culture. The conference is also suitable for work council members from European companies having major sites in the USA. The moderator is once again the former EWC chairman of General Motors, Klaus Franz. Following texts are only available in German:



- [Program and registration form](#)
- [Download of a brochure on Compliance](#)

Language courses: Business English for works council members

- 9 to 11 May 2016 in Hamburg
- 26 June to 2 July 2016 in Esher (near London)
- 20 to 25 November 2016 in Dublin
- [Further information on our language courses](#)

Detailed program on request.

In-house events

Please find an overview of possible in-house events below:

- [Topics for In-house seminars](#)
- [Topics for In-house lectures](#)

14. Imprint

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