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EWC Academy - Academy for European Works Councils and SE Works Councils

News

Dieser Newsletter auf Deutsch

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EWC Academy - Academy for European Works Councils and SE Works Councils

Newsletter archives

Cette newsletter en français

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1. Draft proposal for new EWC Directive

In future two EWC meetings per year as a minimum standard



On 24 January 2024, the European Commission adopted a proposal to revise the EWC Directive. This marked the official start of the legislative process that the European Parliament had called for in February 2023 (see report in EWC News 1/2023). Many of the MEP and trade union demands have been incorporated by the European Commission. However, the controversial issue of the severity of fines for infringements of European works council rights should be decided individually by the EU countries.

The proposed modifications to the 2009 directive are as follows:

- Today, the EWC must be involved if more than one country is affected by a reorganisation ("transnational measure"). In future, the EWC is to be involved if there are redundancies in just one country and there is likely to be an impact on jobs in other countries.
- The text clarifies that the EWC must be consulted before the final decision is taken by central management.
- The first meeting of the special negotiating body (SNB) must have taken place within six months following the request for the establishment of an EWC, otherwise the negotiations will be deemed to have failed and a default EWC established immediately by law.
- In future, EWC agreements must regulate the financial framework conditions for the recourse to experts, for legal disputes and training and the format of EWC meetings (in-person or video conference).
- As far as possible, each gender should be allocated 40% of the seats on the EWC and select committee.
- At least two plenary meetings should take place each year.
- EWC experts may no longer be excluded from joint meetings with management.
- Confidentiality requirements must be more clearly justified by central management.
- Each individual EU country should define effective, dissuasive and proportionate sanctions in its national EWC law, taking into consideration the severity, duration, consequences and intentional or negligent nature of the offence. The size and financial situation of the penalised company

(e.g. annual turnover) and other relevant criteria must be taken into account when determining the amount of fines.

- The so-called "voluntary" EWC agreements from before September 1996 are to lose their special status.
- The European Commission intends to monitor the application of these new regulations in the future and has defined a series of monitoring metrics for this purpose, e.g. the number of legal disputes concerning individual aspects of the new directive.

Renegotiation of EWC agreements required

In order to increase the efficiency of European works councils, the new requirements on financial and material resources (experts, legal costs, training) apply in principle to all existing EWC agreements, including "voluntary" agreements dating back to before 22 September 1996. If they do not yet meet these requirements, they must be adapted or renegotiated in order to avoid the risk of legal disputes. This is likely to apply to a very large number of EWC agreements. A transitional period of only two years is provided for this. If such negotiations fail, only the subsidiary requirements (EWC by law) will apply thereafter.

European Commission press release

Download the draft proposal with explanations

Trade union reactions

Reaction of the European employers' organisations

Reaction of the German employers' organisations

European Parliament working paper

European Parliament collects requests for amendments

As early as 13 February 2024, German MEP Dennis Radtke (photo) formulated specific amendments to the draft proposal that had been presented by the European Commission. The Christian Democrat from Bochum and former trade union officer of IG BCE had been nominated as rapporteur across all political groups and initiated the entire legislative process with his report in May 2022 (see report in EWC News 2/2022).



The European Parliament's draft for an official response to the legislative proposal calls for an enhanced definition of the terms "transnational matters" and "consultation", aims to reduce the negotiation period for establishing EWCs from 36 to 18 months, to open up the legal process for interim injunctions to halt management decisions and to align sanctions with the General Data Protection Regulation. The provisions of the directive should also automatically apply to existing EWC agreements that deviate from it and any absence of a works council when EWC agreements expire or are terminated should be ruled out (which is currently only the case in Austria).

The draft with the proposed amendments

The next steps

The European Parliament's amendments will first be discussed and voted on in the Committee on Employment and Social Affairs. On this basis, negotiations are to begin in the trialogue, the "conciliation committee" between the three legislative institutions (European Commission, European Parliament and Council of Ministers). There will no doubt still be changes to the text. The adoption of the new directive is only possible after the European elections in June 2024.

Forthcoming event

Once it comes into force, a large number of EWC agreements will have to be amended within just two years. To prepare for these negotiations, we are offering a seminar in Würzburg from 12 bis 15 November 2024.



Seminar programme

2. Empirical study by the European Commission

Current practice and legal issues in EWC work



In preparation for the legislative process, a number of criteria relevant to various aspects of the revised directive were evaluated from December 2022 to December 2023. The analysis was carried out by the same consortium (including the EWC Academy) that produced a report in 2016 (see report in EWC News 2/2018). The focus of the new report was on the current practice of European works councils, the national implementation of the EWC Directive, an evaluation of EWC case law in the individual EU countries and an analysis of the two-stage consultation of the social partners at European level in 2023 (see report in EWC News 4/2023). The results of studies carried out by the European Trade Union Institute in recent years were also integrated (see report in EWC News 1/2020).

Of the almost 1,000 European works councils that exist today, 35% still operate under a "voluntary" agreement that is not subject to the Directive -

more than half of them under German, French or Belgian law. Three quarters of all companies covered by the EU Directive have not yet established an EWC. In the interviews, less than half of the employee representatives surveyed declared that information and consultation in the EWC was useful. Only 20% were involved before a final decision was made by management. The interviews with employer representatives showed that there are very different ideas about what constitutes "effective consultation". However, a relationship based on trust is essential to achieve this, according to the opinion on both sides.

Evaluation of court rulings

To date, the European Court of Justice in Luxembourg has only dealt with EWC issues three times. The proceedings in 2001 and 2004 concerned the information that a German works council is entitled to demand from its employer prior to the establishment of an EWC. European works councils have never taken a case to Luxembourg. As a result, only national court rulings could be analysed for the evaluation. In the UK and France, fines were imposed on the central management for inadequate consultation, and in France, Belgium and Spain, measures were even halted by means of interim injunctions.

The obligation to cover the costs of legal disputes by the central management is not clearly regulated in every country, the clearest being the EWC law in the Netherlands. There are also often problems in connection with confidential information. The legal situation varies greatly from country to country. Here too, the Netherlands has the best regulations from the point of view of employee representatives. In a number of countries, particularly Finland and Ireland, there are problems with access to legal recourse. Not a single EU country has set criteria for how fines should be calculated.

Download the evaluation

3. Further developments at European level

Social dialogue to be strengthened

On 31 January 2024, the leading European employers' organisations and trade unions met with the EU's political leaders for a social summit at the Val-Duchesse castle on the outskirts of Brussels. This is where the social dialogue was launched in 1985 in preparation for the European Single Market, which is now part of the Treaty on the Functioning of the EU. This requires the European Commission to consult the social partners prior to any legislative initiative in labour and social law and to give them the opportunity to negotiate agreements on these issues that can then be implemented through EU law.



The social dialogue produced concrete results in the 1990s: Directives on parental leave, part-time work and fixed-term employment contracts were concluded. Negotiations on temporary employment failed in 2001, and since then no more legislation has been passed in this way. Most recently, negotiations between the European social partners on a framework agreement on teleworking and the right to disconnect also failed in November 2023 (see report in EWC News 4/2023). This deadlock is now to be overcome and social dialogue in the individual EU countries is also to be reinforced. The target of 80% collective bargaining coverage requires capacity building efforts on the part of national employers and trade unions, particularly in Eastern Europe (see report in EWC News 4/2022).

A dedicated social dialogue envoy

A pact for social dialogue is to be negotiated by the beginning of 2025. It includes financial support for social dialogue at EU level and in the current and future member states (candidate countries) as well

as support for the implementation of agreements negotiated between the social partners. There are plans to appoint a dedicated envoy to support social dialogue at national and EU level and to respond to disruptions via a new warning system.

Factsheet: what is social dialogue at EU level?
Press release on the Social Summit
ETUC press release
Historical review of social dialogue since 1985

Protection for platform workers rejected



On 16 February 2024, the Directive on the protection of persons working through digital platforms did not obtain the required majority of 65% of the EU population in the Council of Ministers. 23 countries (63%) voted in favour, only France was against, but Germany, Greece and Estonia abstained. Platform workers usually work as bicycle couriers, taxi drivers or domestic helpers and are bogus self-employed workers without protection under labour and social law. Their boss is not a

person, but an app. Decisions are made by an algorithm.

In December 2021, the European Commission had presented a proposal for a directive that aimed to improve working conditions on digital platforms (see <u>report in EWC News 4/2021</u>). Employees fulfilling certain criteria were to be automatically classified as employees unless the platform could prove otherwise. They would then have been entitled to labour rights and social benefits and allowed to conduct collective bargaining. In May 2023, the European Trade Union Confederation (ETUC) published a country-by-country analysis on the legal situation of employees in the platform economy (see <u>report in EWC News 3/2023</u>).

ETUC press release

Background report on the content of the directive

Assessment of the impact in different countries

German veto brings supply chain directive to a halt

On 28 February 2024, the Council of Ministers failed to find a majority in favour of the directive on due diligence by multinational corporations in monitoring human rights and environmental regulations in their supply chains. The vote had previously been cancelled twice at short notice, although an agreement had been reached with the European Commission and European Parliament since December 2023 (see <u>report in EWC News 4/2023</u>).



Germany had to abstain from voting because the liberal coalition partner FDP vetoed the vote at short notice. When this became known, other countries spoke out against the directive and voted against it, including France, Italy, Sweden and Finland. As recently as 21 February 2024, major food companies had explicitly called for the directive to be adopted. For the trade unions, the rejection came as a shock. It is currently completely unclear whether the directive will be renegotiated after the European elections or whether it has failed completely.

Report on the first postponement of the vote
Interview on the political blockade in Germany
Report on the food companies' demand
Trade union press release after the vote
Study by the Hans Böckler Foundation on the Supply Chain Directive

4. Individual country reports

When will the euro be introduced in the Czech Republic?

On 6 February 2024, the government in Prague decided to prepare an analysis of the country's possible accession to the European Exchange Rate Mechanism II by October 2024. In order to adopt the euro, a country must have been a member of the exchange rate mechanism for at least two years,



during which time the koruna may not fluctuate by more than 15% against the euro. The country has had a pro-European government since December 2021 (see <u>report in EWC News 4/2021</u>).

If the government decides to join the exchange rate mechanism after the parliamentary elections in 2025, the euro could be

introduced by 2028. The Czech Republic is obliged to do so and has repeatedly postponed it since 2002. In no other country that has not yet introduced the euro is rejection greater than in the Czech Republic. Only 44% are in favour of the single currency, while in Hungary and Romania over 70% of the population are in favour. Since the beginning of 2024, Czech companies have been allowed to keep their accounts in euros if they export to countries using the single currency. They can also pay their taxes in the Czech Republic in euros. Denmark and Bulgaria are currently members of the exchange rate mechanism; Romania would like to join in 2027. Most recently, Croatia was also in the exchange rate mechanism and was then able to introduce the euro on 1 January 2023 (see report in EWC News 4/2022).

Press report on the government decision Trade union monitor Czech Republic

First "green" collective bargaining in Spain

On 13 February 2024, the Spanish government submitted a draft bill on sustainable mobility in the workplace to parliament. Companies with 500 employees or more, or 250 per shift, must draw up plans for sustainable mobility in the workplace within 24 months of the law coming into force. These plans must be negotiated with the works council or - if there is none - with a commission of representative trade unions. It would be a shop-floor agreement, with a legal status similar to equal opportunity agreements (see report in EWC News 2/2022).



Such a shop-floor agreement must contain targeted measures for sustainable mobility that are monitored externally, e.g. promotion of low/zero-emission or public transport and carpooling, reduction of commuter flows at peak hours, rules for teleworking. It also includes measures for safety and prevention of accidents on the way to work. In practice, this can mean that public transport tickets are paid for by the employer. Purchase prices for cars used for carpooling or switching from petrol to electric vehicles can be subsidised by the employer. Another option would be to consider travelling to work as full working time if it is done by public transport or in environmentally friendly vehicles such as bicycles or scooters.

Report on the proposed law Trade union monitor Spain

Pilot project for the 4-day week in Portugal



In June 2023, 41 companies reduced the working week to between 32 and 36 hours over four days with the same pay. Normally, a 40-hour week still applies in Portugal. Consultancy firms, technology and retail companies, a department in an industrial company and social organisations took part in this pilot project. Unlike in Spain, they receive no financial support from the state. After six months, the first results are now available. The employees were happier, more relaxed and still did the same amount of work. The extra day off meant they were more rested, concentration and creativity

increased and sick leave reduced.

Similar models for a better work-life balance exist in Iceland, Ireland and the Netherlands. The largest test of the 4-day week with 3,300 participants is in the UK under the motto 100% pay, 80% time, 100% productivity. In Belgium, many employees can choose whether to spread their working hours over four or five days a week. In France, a statutory 35-hour week has been in place since 2000.

Press release on the pilot project
Report on the pilot project
Interview with the research project manager

5. Decisions by national authorities and courts

Amazon fined for unauthorised surveillance methods

On 27 December 2023, the data protection authority CNIL imposed a fine of €32 million on Amazon's logistics division in France (3% of turnover) for excessive surveillance of workers in its distribution centres. This includes the speed at which items are scanned and the idle time of the scanners. All data is stored for one month and statistically analysed, which the authority considers to be illegal. The monitoring can lead to warehouse workers having to justify every break or interruption.



A data protection authority in Germany was also involved with the same issue, and prohibited Amazon from collecting this type of data. However, on 9 February 2023, the Hanover Administrative Court came to a different decision. Since then, Amazon has been authorised to continue monitoring the speed of work with handheld scanners at its logistics centre in Winsen (Luhe) near Hamburg.

Report on the fine in France
Press release from the French data protection authority
Press report on the court ruling in Germany

NEWS Scotland | Scotland Politics | Scotland Business Hundreds of jobs go as Aberdeen paper mill goes into administration 13 menutes ago

EU law still has an impact in the UK

On 11 January 2024, the Aberdeen Labour Court (Scotland) retrospectively awarded around 300 former employees of the Stoneywood paper mill compensation averaging £4,000 (€4,600) per person, totalling £1.2 million (€1.4 million). In a test case, five employees had already succeeded in asserting their claims in a ruling on 28 November 2024. The compensation must be paid because the legally required consultation with employee representatives had not taken place. In September 2022, the insolvency administrators made 301 of 372 employees redundant without prior notice. The mill belongs to the French paper group Arjowiggins, which ceased production at all of its UK sites due to insolvency.

The regulation on consultation before mass redundancies is based on an EU directive from 1998, which was transposed into British law at the time and retained after Brexit. In April 2013, the British government shortened the consultation period from 90 to 45 days (see <u>report in EWC News 2/2013</u>). The Aberdeen Labour Court's ruling effectively confirms a landmark decision by the European Court of Justice from September 2009, according to which dismissed employees receive a higher severance payment if the consultation procedure with the employee representatives is not carried out correctly. At that time, this concerned employees of Fujitsu Siemens Computers in Finland (see <u>report in EWC News 1/2010</u>). In other countries, such as Spain, inadequate consultation procedures have led to the cancellation of redundancies (see <u>report in EWC News 2/2014</u>); in France, an additional ten months' salary had to be paid on top of severance payments of up to €130,000 per person that had already been paid (see <u>report in EWC News 2/2020</u>).

Report on the first test case court ruling
Press release from the trade union Unite

Employer may not limit the works council to online training courses

On 7 February 2024, the Federal Labour Court in Germany ruled for the first time on the question of whether an employer is only required to pay for online training instead of a face-to-face seminar for works council members for cost reasons. The airline Eurowings had refused to reimburse two works council members from Düsseldorf for accommodation and catering costs incurred while attending a seminar in-person near Berlin. Germany's highest labour court judges are of the opinion that the works council has leeway in deciding which training courses it sends



members to. This also includes the choice of training format. The Federal Labour Court thus confirms the ruling of the Düsseldorf Regional Labour Court from November 2022 (see <u>report in EWC News 1/2023</u>).

Federal Labour Court press release

Fast track online procedure for EWC establishment?



On 5 January 2024, the Swiss pharmaceutics group Galderma invited the members of the special negotiating body to a two-hour video conference without interpreters at short notice, calling it a constituent SNB meeting. Completely surprised by the situation, the delegates refused to elect a chairperson as they had never met in person before. The employer wanted to ensure that it had started negotiations in good time before the end of the statutory six-month deadline and

therefore recorded the video conference as evidence.

Galderma specialises in skincare products and was part of the Nestlé food group until 2019. Following the sale to financial investors, a separate European works council could be established; the request for this came from Germany, France and Sweden in the summer of 2023. The company has 5,500 employees worldwide and designated the Vienna branch as the central management within the EU. According to EWC legislation, every member of a SNB or EWC has a legal right to interpreters, which was confirmed by the Austrian Supreme Court in August 2023 (see report in EWC News 4/2023). There is also a court ruling on this topic in Italy: the Court of Appeal of Tuscany ruled in June 2020 that face-to-face meetings and interpreters must be paid (see report in EWC News 2/2020).

Supreme Court in London does not want to deal with EWC issue

On 24 January 2024, the UK's highest judges rejected the application by Adecco's EWC to allow an appeal against the judgment of the Court of Appeal for England and Wales of July 2023 (see report in EWC News 3/2023). The legal dispute concerns collective redundancies in Sweden and Germany in spring 2020, for which no information and consultation was carried out with the EWC. The Swiss HR service provider Adecco was consequently sentenced to a fine in London. Until Brexit, it was subject to British law.



The Court of Appeal cancelled this fine and referred the case back to the first instance, the Central Arbitration Committee (CAC). The CAC must examine whether the collective redundancies in Sweden and Germany were linked or whether they had (actual or potential) effects on another country within the scope of the EWC agreement. Only in this case is it considered to be a "transnational matter" and only then is the EWC competent. This is a recurring issue in many European works councils, but has never been decided by the highest courts. The European Commission's proposal for a new EWC Directive of 24 January 2024 also continues to leave room for interpretation (see report above).

7. Newly established European works councils

New EWC for Franco-German manufacturer of waste containers



On 7 December 2023, an EWC agreement under French jurisdiction was signed at Sulo's headquarters in Colombes (near Paris). Sulo has its second headquarters in Herford (Westphalia), where the administration and the world's largest waste bin plant are located. The plastics manufacturer is owned by a financial investor and a development bank from France. Negotiations on the EWC agreement, which is closely modelled on French practices, took just three months.

The new EWC represents 2,000 employees in ten countries, of which half are in France, and has 15 members who meet once a year under the chairmanship of the employer. They elect the secretary (spokesperson for the employee side) and four other members to the select committee. Extraordinary meetings are held for reorganisations if 30% of the workforce is affected in two countries or the entire group. Experts can be called in at any time. As is customary in France, the expert draws up a report based on the data submitted by the company, which is then presented at a further EWC meeting one month later. Only thereafter does the EWC adopt its opinion.

Video conferences are possible if both sides agree. Without prior consent, the chairperson (the employer) may convene up to three meetings per year as a video conference. The time-off work allowance outside official meetings and training sessions is precisely defined. EWC members receive 4 to 12 hours, the members of the select committee 16 to 24 hours and the secretary 24 to 32 hours

per year. Training for the entire EWC is agreed between the chairman and the secretary. In addition, an individual training plan is drawn up for each EWC member.

Download the EWC agreement

Australian engineering service provider establishes EWC under Dutch law

An EWC agreement for Worley was signed in The Hague on 8 December 2023. The Sydney-based company specialises in project management and consulting in the resources and energy sectors and has 48,000 employees in 45 countries worldwide. The EWC represents 3,700 employees in Europe (excluding the UK) and has 15 members from seven countries, including four from the Netherlands and four from Norway. Small countries with fewer than 20 employees are not represented on the EWC.



An EWC meeting is held once a year under the chair of the employer. A select committee of up to five members manages the daily business. It meets quarterly and for consultations on reorganisations, but only by video. It can hold one meeting per year in person. Extraordinary consultations take place if 10% of the workforce in each of two countries (totalling at least 250 employees) or 100 employees at a single site in a single country are affected. They normally last four weeks, but the schedule is discussed on a case-by-case basis. Once the consultation process has been completed, the select committee receives regular updates on the implementation and impact of the measure.

Many features of the EWC agreement are in line with the subsidiary requirements of the EU directive. However, there are also three critical points. The EWC is not entitled to interpreters (only English is spoken), delegates can be excluded from the EWC if the confidentiality obligation is breached and the termination of the EWC agreement leads to the dissolution of the EWC. The employees can then request the establishment of a special negotiating body, but will no longer have an EWC for up to three years.

Swiss vending services provider establishes EWC in France



After two years of negotiations, an EWC agreement was signed for Selecta at a meeting in Madrid on 19 January 2024. The company, based in the canton of Zug, which is considered as a tax haven within Switzerland, operates vending machines for drinks and snacks in public spaces as well as snack bars and coffee bars in companies, canteens and grocery shops in 16 countries. As the European market leader, Selecta has 6,500 employees and is owned by a US financial

investor.

The EWC agreement provides a first example of how the standards of the planned EWC Directive can be largely integrated and yet the proper functioning of the EWC can be restricted. Although only one meeting per year is planned, the EWC is regarded as a legal entity and can engage legal proceedings against the central management. In line with the French model, the chair is held by the CEO of the Group. The 14 EWC members from eleven countries elect the secretary and two other members to the select committee. They must come from different countries. Switzerland and the United Kingdom are not represented on the EWC.

Restrictive regulations for EWC work

The annual EWC meeting is held in person whereas the select committee has no legal right to hold face-to-face meetings. Twice a year, it meets the central management in a video conference. Extraordinary meetings are planned in the event of reorganisations, but management decides whether a face-to-face meeting or a video conference is held. The EWC has no right of veto here. It must render its opinion after one week at the latest. Extraordinary meetings will be rare, however, because the EWC's remit has been severely curtailed. It is only competent if two countries and at least 10% of the European workforce are affected. Hereby, only those countries are counted in which at least 30 to 50% of the national workforce is affected.

The EWC members can hold telephone and video conferences with each other at any time, but they only have eight hours available per year for all EWC activities, while the members of the select committee have 20. Meetings convened by the employer and training courses are not counted as part of this time allowance. The budget for experts is limited to €10,000 per year. Selecta's EWC agreement could continue to apply without major adjustments if the new EWC Directive were to enter

into force in its current form. This example demonstrates that great care must be taken when negotiating EWC agreements in order not to fall short of the standards set by the legislator.

8. Outstanding agreements

Group split into two separate companies

On 11 December 2023, the Belgian chemicals group Solvay spun off its speciality chemicals division into an independent company called Syensqo. It is listed on the stock exchange and has had a European works council from day one. Separate EWC agreements were signed for both parts of the group on 23 November 2023. For a transitional period of two years, the select committees of the two EWC bodies will continue to meet regularly to discuss the consequences of this spin-off. Since March 2015, there has been a global works council (see report in EWC News 2/2015), which will be continued in both companies.



Solvay's EWC was established in 1995 and now has 13 members from eleven countries, representing 5,700 employees. The new Syensqo EWC has ten members from seven countries and represents 4,900 employees. The United Kingdom is represented in both EWC bodies, the largest country being France. The agreements are therefore strongly inspired by the French model, although they are governed by Belgian law, i.e. the meetings are chaired by the employer. There are select committees composed of three members who meet ten times a year, and the three substitute members are also invited to two meetings. The European works councils can also establish working groups. Plenary meetings are held twice a year and they last at least three days. Every year, a face-to-face seminar is organised for the entire EWC. Solvay is known for its corporate culture of social partnership and has concluded several transnational company agreements (see report in EWC News 2/2020).

Measures to address skilled labour shortages



On 24 January 2024, central management of the French aeronautics and electronics group Safran signed a pan-European agreement with the European Federation of Industrial Trade Unions (industriALL) in Brussels on professional integration of young people. It applies to over 53,000 staff in the European Economic Area, Switzerland and the UK and builds on an agreement concluded in March 2013 (see report in EWC News 2/2013).

Due to its high demand for skilled labour, a high-tech company like Safran must be attractive to young people. The agreement defines a set of measures and targets for the integration of trainees, apprentices and research students for all European sites, which are to be formalised with the involvement of local employee representatives. All trainees on sandwich degree programmes, for example, receive an interview with the HR department to discuss their future career path. Support is provided in the event of difficulties. To monitor the agreement, a committee is set up with the involvement of the European works council, which meets with the HR managers of all European branches within six months to review the contractually agreed quantitative and qualitative metrics. A pan-European agreement on skills development has been in place at Safran since March 2015 and was reinforced in June 2021 (see report in EWC News 2/2021). The EWC agreement was completely revised recently in September 2023 (see report in EWC News 4/2023).

Download the agreement

9. The view beyond Europe

Key performance indicators on corporate social responsibility

On 4 December 2023, central management of the French aeronautics and electronics group Safran concluded a framework agreement with the International Federation of Industrial Trade Unions (industriALL). It applies to 83,000 employees worldwide and enhances the obligations from the 2017 agreement (see report in EWC News 4/2017). New features include a chapter on climate change and a series of specific indicators to assess and monitor compliance with the framework agreement once a year. These include, for example, the proportion of employees for whom there is local employee representation, the



proportion of women in the workforce and in the works councils or key figures for reducing environmental impact.

Report on the signing

Download the agreement

Study on the impact of international framework agreements

No official recognition of trade unions at international level



On 19 and 20 December 2023, 20 trade union representatives of the French industrial group Saint-Gobain from nine countries met in Paris. They discussed the impact of Industry 4.0 on employees in various parts of the world, and the closure of the glass plant in Eupen (Belgium) was also on the agenda. The HR Director took part in the meeting and discussed local issues raised by the union representatives.

However, Saint-Gobain is not prepared to officially recognise the international trade union network for its 168,000 employees in 75 countries or to establish a global works council. This stands in contrast to the practice in many other French global corporations. Saint-Gobain was founded in 1665 as a glass factory to furnish the Hall of Mirrors at the Palace of Versailles. Today, the company specialises in glass and building materials. The employees hold 8% of the share capital and appoint three out of 14 members of the Board of Directors. There has been a European works council in place since 1988.

Report from the meeting

Global social standards after sale

On 24 January 2024, the corporate management of Lipton Teas and Infusions concluded a Memorandum of Understanding with the International Union of Food Workers (IUF). It includes a commitment to respect international labour standards for all 17,000 employees, including 13,500 on its own tea plantations. This includes the right to join a trade union and engage in collective bargaining, free from repression and discrimination. This also applies to Lipton's suppliers.



To monitor the agreement, company management meets twice a year with representatives of the IUF. One of these meetings is combined with a visit to local workplaces. The company pays for the union delegation's travelling expenses. Lipton, which is based in Rotterdam, was a division of Unilever and sold to a financial investor in July 2022. A similar agreement has been in place at Unilever since October 2018 (see report in EWC News 4/2018).

Download the agreement

10. Campaigns and websites

Research on European social policy



The European Social Observatory (Observatoire Social Européen, OSE) in Brussels is one of the 100 most important social policy think tanks in the world. Since 1984, it has been analysing social and employment policy in the EU and its member states, from the effects of the single market and monetary union to ecological restructuring and the social consequences of digitalisation. It also cooperates with the European Trade Union Institute (ETUI).

The Observatory's website

Safeguarding employee rights in the parcel industry

The German United Services trade union (ver.di) has launched a campaign entitled "Fairly delivered instead of delivered", calling on the German government to pass a law to safeguard workers' rights in the parcel industry. Three demands are listed in a petition: a ban on subcontracting companies, a weight limit of 20 kg for parcel shipments in single-person handling and stricter government controls.

Explanation of the reasons behind the petition Video on the campaign Campaign brochure
Report on the situation in the industry



Algorithmic systems should benefit people

ALGORITHM AlgorithmWatch is a human rights organisation founded in 2016 and based in Berlin and Zurich. It analyses the risks and effects of automated decision-making systems on society and is committed to ensuring that algorithms and artificial intelligence (AI) strengthen rather than weaken justice, democracy and sustainability. In research projects, for example, discrimination risks of digital systems and a sustainability index for artificial intelligence have been developed. AlgorithmWatch is funded by the German Federal Government and the Hans Böckler Foundation.

The AlgorithmWatch website

Berlin Tech Workers Coalition

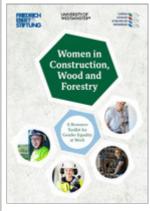
The "Berlin Tech Workers Coalition" supports workers in technology companies in the establishment of works councils, union member recruitment to achieve higher wages or in the fight against discrimination. The members work as bicycle couriers, content moderators, warehouse pickers and video game programmers. The association is supported by the trade unions ver.di and IG Metall. The Berlin association is part of a global network.



Berlin Tech Workers Coalition website
Information on the establishment of works councils
Overview of local organisations worldwide

11. New publications

Handbook to promote employment of women in the construction and woodworking sector



On 12 December 2023, the European Federation of Building and Woodworkers (EFBWW), together with the Friedrich Ebert Foundation and the University of Westminster, published a toolkit on gender equality in the construction, woodworking and forestry sectors. Women currently only account for 10% of all employees in this sector. The handbook is based on the results of an empirical evaluation and describes best practices and good examples from several countries, divided into five chapters: employment policy, image of the industry, HR policy, working conditions and occupational training. Each thematic section links the topic to gender equality and includes a checklist of specific measures to improve gender equality and overcome obstacles. Gender-specific priorities for occupational health and safety in the workplace are also identified.

<u>Further information on the handbook</u> <u>Download the handbook</u>

Involvement of the EWC in cross-border reorganisations

This dissertation was published on 15 January 2024 and deals with the question of how the European works council can effectively enforce its participation rights under German law. The author begins by explaining the history of the EWC Directive and then sets out the implementation of the German EWC Act in great detail, almost approaching the level of a legal commentary. This is followed by an analysis of possible sanctions in the event of inadequate involvement, which in Germany do not conform to the standards required by the EU Directive. As it is pointless for the EWC to demand a consultation on a measure that has already been implemented, a claim for injunctive relief is necessary at an early stage. The author concludes this from a detailed analysis of European law. He makes reference to court judgements in Germany such as the Visteon case (see report in EWC News 3/2011) or Deutsche

Telekom (see <u>report in EWC News 1/2019</u>) as well as the Gaz de France case (see <u>report in EWC News 1/2008</u>).

<u>Further information on the book</u> Order the book



Corporate reports on environmental and social aspects



On 17 January 2024, the Otto Brenner Foundation presented a working paper outlining a new approach to integrated business reporting that addresses environmental and social aspects in addition to purely economic and financial aspects. Since January 2023, there has been an EU directive that requires companies with 500 or more employees to report on sustainability aspects such as environmental rights, social rights, human rights and governance factors (see report in EWC News 3/2023). The working paper is primarily aimed at business journalists, but is also useful for works councils. It contains a checklist of indicators for a company's environmental performance and specifies concrete criteria for assessing social corporate governance. The author has also analysed case studies from two German companies. The Otto Brenner Foundation is part of the IG Metall trade union and is dedicated to science and research.

Further information on the working paper
Download a short version of the working paper
Download the full working paper
Report on the significance for the EWC

How can trade unions use the German Supply Chain Act?

At the end of January 2024, the DGB trade union education centre in Düsseldorf published a brochure on the opportunities offered by the law, which has been in force since January 2023 (see report in EWC News 1/2023). Since then, larger companies have been obliged to check their supply chains for human rights violations and environmental offences and to take action if standards are breached. The brochure describes the legal basis and presents some starting points for trade unions and works councils. Examples include the involvement of local interest groups, the agreement for the textile industry (see report in EWC News 3/2021), the automotive industry dialogue led by the German government and an example from Mexico, where employee representation was established in a German family business with the support of IG Metall.



Further information on the brochure

Download the brochure

Podcast on the Supply Chain Act

Human rights risks in the energy industry

12. The EWC Academy: Examples of our work

16th conference for European works councils in Hamburg

Just a few days after the European Commission launched the legislative process to revise the EWC Directive in Brussels, almost 50 participants from eight countries gathered in Hamburg on 29 and 30 January 2024 to discover the details. Labour lawyer and expert on EWC law, Professor Filip Dorssemont, travelled from Brussels to provide an initial analysis. Also arriving from Brussels was a



research manager from ICF Europe, a consultancy firm that conducted the current EWC study for the European Commission (see <u>report above</u>).

Other topics included current developments in EU law, European and SE works councils and recent court rulings. The activities of the French SE works council of Teleperformance were presented as an example of best practice (see report in EWC News 4/2023). The first day

ended with a boat trip and buffet on the river Elbe. As always, there were separate working groups on the second day: one on the EWC's communication methods and another on specific legal issues. The next Hamburg conference will take place on 27 and 28 January 2025.

Restructuring at Dutch payment service provider

The EWC Academy has been advising the SE works council of equensWorldline since 14 February 2024. The Utrecht-based company with 5,000 employees processes electronic payments for 250 banks in the EU and has been operating as a European Company (SE) since 2008. Equens was acquired by its French competitor Worldline in 2016, but remained an independent subsidiary with an SE works council. Worldline only established a European works council for the entire group in January 2023 (see report in EWC News 1/2023).



On 7 February 2024, parent company Worldline launched a restructuring that involves the downsizing of 8% of the workforce. The business assessments on which the planned measure is based are currently being analysed by EWC Academy consultants who are supporting the SE works council as part of the consultation process.

Company press release

EWC training at Dutch semiconductor manufacturer



On 6 and 7 March 2024, the EWC Academy held a training course for the European works council of NXP Semiconductors. The largest semiconductor manufacturer in Europe, based in Eindhoven, was a division of the Philips Group until 2006. After the spin-off, a separate EWC was established in 2007. It represents 12,000 employees in the EU, the UK and Switzerland. The 16 members from ten countries held their half-yearly meeting this time in Hamburg. The training covered

the national industrial relations systems in Europe, the rights arising from the EWC agreement and the organisation of a profound consultation procedure.

13. Current seminar schedule

The EWC Academy and its forerunner organization have been holding conferences and seminars for the members of European works councils, SE works councils and special negotiating bodies since January 2009. So far, 921 employee representatives from 313 companies have taken part including many of them more than once. This represents around 25% of all transnational works council bodies in Europe. In addition, there are numerous in-house events and guest lectures given to other organizations.

Overview of the forthcoming seminar dates

EWC and SE seminar in Paris (last-minute registration still possible)

From 25 to 28 March 2024, a seminar will be held in Paris for the fourth time after a long break. The objective is to gain a better understanding of French industrial relations and trade union systems. This is particularly important for employee representatives at European level because the features of information and consultation in the EWC and SE Directives have been strongly influenced by the French model. The special highlight of the seminar will be a visit to a trade fair for French works councils.



Basic seminar at Montabaur Castle (last-minute registration still possible)



From 2 to 5 April 2024 the annual basic seminar for members of European works councils, SE works councils and special negotiating bodies will once again be held in Montabaur. The castle is located at the high-speed railway station halfway between Frankfurt and Cologne. Several seminar modules are offered for both beginners as well as advanced participants.

<u>Seminar programme</u>
Report from the last seminar in Montabaur

EWC and SE seminar in Gdańsk

From 16 to 18 September 2024, a seminar will be held in Gdańsk for the second time. In addition to an introduction to the Polish system of employee representation, there will be an opportunity to discover the recent developments following the change of government. Poland is the most important EU country in Eastern Europe and its economy is tightly connected with Western Europe. For this reason, Polish delegates can be found in more than half of all European works councils (see report in EWC News 1/2017).



Seminar programme

Seminar on the renegotiation of EWC agreements in Würzburg



Our legal EWC seminar will take place from 12 to 15 November 2024 at Steinburg castle in Würzburg. The new EWC Directive is expected to be adopted in the second half of 2024. As the new standards will not automatically apply in all cases, a large number of EWC agreements will need to be adapted. Special regulations apply and the negotiation period is limited to two years. This seminar will cover the critical points in order to prepare for this.

Seminar programme

In-house events

An overview of possible topics for in-house events can be found here:

Examples of in-house seminars

14. Imprint

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