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Welcome to issue no. 3 / 2023 of EWC News

Content

- [1. Revision of EWC Directive in second phase](#)
- [2. Further legislative initiatives at European level](#)
- [3. National labour legislation in motion](#)
- [4. Court rulings in Britain](#)
- [5. Special situations for European Works Councils](#)
- [6. Newly established European Works Councils](#)
- [7. Revised EWC agreements](#)
- [8. New SE conversions](#)
- [9. The view beyond Europe](#)
- [10. Interesting websites](#)
- [11. New publications provide country comparisons](#)
- [12. The EWC Academy: examples of our work](#)
- [13. Current seminar schedule](#)
- [14. Imprint](#)

1. Revision of EWC Directive in second phase

European Commission - new request for comments from social partners



The second and final phase of consultations on the revision of the European Works Council Directive was launched on 26 July 2023. It follows the first round of consultations, to which the European Commission had received responses from eleven European trade unions and employer associations in May 2023 (see [report in EWC News 2/2023](#)). After evaluating this feedback, it has concluded that there is scope for further action by the EU. The second phase of consultations will now focus on the concrete content of a revised EWC Directive. The legislative process should officially begin by the end of 2023 at the latest, as requested by the European Parliament in a resolution passed in February 2023 (see [report in EWC News 1/2023](#)).

The consultation document is divided into four chapters:

- There should no longer be unjustified differences in EWC rights. Exemptions for “voluntary” EWC agreements concluded before September 1996 or between 2009 and 2011 are to expire. There would then be only one set of rules for all European works councils.
- The procedure for negotiating EWC agreements is to become more efficient and effective, unnecessary delays are to be eliminated and sufficient resources are to be made available to the members of special negotiating bodies (which is currently not the case in all EU countries).
- A more precise definition of “transnational matters” should bring more legal certainty. An efficient procedure and adequate resources (e.g., paid experts) for the consultation of the EWC should be ensured in all countries.
- EU member states should enforce the directive more effectively, through efficient, dissuasive and proportionate sanctions and through a guaranteed access to justice.

The European Commission raised the following questions to unions and employers' associations:

1. How do you assess the objectives of amending the EWC Directive?
2. How do you assess the possible options for amending the EWC Directive?
3. How do you assess the possible legal instruments?
4. Are the European social partners prepared to negotiate amendments to the EWC Directive? In this - rather unlikely - case, a joint proposal could enter into force immediately. A time-consuming legislative procedure would no longer be necessary.

[European Commission press release](#)
[Full text of the consultation document](#)
[Detailed explanation of the consultation document](#)

The next steps

The second consultation phase is due to end on 4 October 2023. The timetable is quite tight, since the draft of the new directive text should be available before the end of the year, unless the social partners enter into negotiations on a new directive. The conclusion of the legislative process will then probably fall within the term of office of the new European Commission, which will be elected following the European elections in June 2024.

Forthcoming Event

The current status of the revision procedure will be discussed during the next EWC conference on 29 and 30 January 2024 in Hamburg.

[The conference programme](#)



2. Further legislative initiatives at European level

EU to regulate artificial intelligence (AI).

On 14 June 2023, the European Parliament adopted its position on the draft AI law, which is expected to become the world's first legislation to regulate artificial intelligence. The legislation will classify AI systems into groups according to the risk they pose and regulate them according to their level of risk. The key issues for negotiations with the European Commission and the member states on the final version of the law were adopted with 499 votes in favour, 28 against and 93 abstentions.



MEPs want to enforce guarantees that any AI systems used in the EU are safe, transparent, accountable, non-discriminatory and environmentally friendly. AI systems are to be monitored exclusively by humans and not through automated systems. The goal is also to have a technology-neutral, uniform definition for AI that can be applied to future systems. The European Trade Union Confederation (ETUC) particularly welcomes the obligation to consult employees and their trade unions before introducing AI in the workplace and the obligation to carry out an impact assessment of the introduction of AI on fundamental rights. However, in addition it calls for an EU directive on algorithmic systems in the workplace. The European Commission had commissioned a study in January 2023 to examine the potential impact of AI systems in the workplace. However, there will be no draft legislation before the European elections in June 2024.

[European Parliament press release](#)
[Commentary from trade union perspective](#)
[ETUC position](#)
[Press report on the opinion of the European Commission](#)
[Overview of algorithmic systems in the workplace](#)

Loopholes for data protection breaches to be closed



On 4 July 2023, the European Commission presented draft legislation to facilitate cross-border cooperation between national data protection authorities in enforcing the General Data Protection Regulation. It provides for concrete procedural rules for the authorities when individuals in several member states are affected. As a result, cases such as those against large Internet corporations from the U.S. should be expedited.

Ireland and Luxembourg - two smaller EU countries known to act as tax havens and preferred locations for European subsidiaries of large U.S. tech companies - are struggling with significant backlogs of data breach investigations. In November 2021, the Irish Council for Civil Liberties filed a formal complaint against the European Commission for not monitoring closely enough how Ireland

applies the General Data Protection Regulation. In January 2023, the European Commission finally agreed to take action.

The General Data Protection Regulation has been in force since May 2018 (see [report in EWC News 1/2016](#)). Since then, fines of almost €4 billion have been imposed, most recently €1.2 billion on 13 April 2023 against the U.S. Internet group Meta Platforms (formerly Facebook). It concerned the personal data of social media users. Surveillance in the workplace also plays a role. The Swedish textile retail chain Hennes & Mauritz for example had to pay a fine of €35.3 million (see [report in EWC News 4/2020](#)).

[Report on the complaint against the European Commission](#)
[Press release on draft legislation](#)
[European federation of Industrial Trade Unions' toolbox on data protection](#)

Forthcoming Event

A seminar on the General Data Protection Regulation will be held in Bremerhaven from 14 to 16 November 2023.

[Seminar programme](#)



European standards for sustainability reporting

On 31 July 2023, the European Commission adopted the first set of standards for the disclosure of information on environmental, social and governance aspects. The legal act supplements and clarifies the directive on sustainability reporting by companies with 250 or more employees (see [report in EWC News 1/2023](#)). In the future, they will have to publish reports on their social and environmental risks and the impact of their activities on people and the environment. However, the recommendations drawn up by a group of experts have been watered down by the European Commission.



In the future, employee representatives will be able to better understand their employer's impact on the environment and society and the company's sustainability strategy. The report is to cover, for example, gender equality, training, skills development, working conditions, pay, work-life balance, healthy working environment, and collective bargaining policy and participation. This data must be independently verified and certified.

The European Commission had conducted a public consultation before adopting the legislation. All of the feedback which could be submitted until 7 July 2023, has been published. In total, there were 604 responses, mostly from associations and individual companies. However, in addition to the European umbrella organizations, trade unions from Spain, Poland, France, Belgium and the Netherlands also participated. From Germany, DGB, ver.di, IG Metall and IG BCE submitted observations. The European Works Council of Deutsche Telekom also participated.

[Further information on the legal act](#)
[DGB statement](#)
[ver.di statement](#)
[European Trade Union Confederation position](#)
[The statement from the European Works Council of Deutsche Telekom](#)
[Interview on the topic](#)

3. National labour legislation in motion

New government in Finland seeking to restrict the right to strike

On 23 June 2023, a right-wing conservative coalition replaced the previous red-green government in Finland. Following the neoliberal model, the new government wants to make the labour market more flexible in order to promote economic growth and employment. To this end, cuts are planned in the social security system, e.g., no wages are to be paid on the first day of illness. The collective bargaining system will also be restructured to promote peaceful industrial relations. In the future, wage increases may no longer exceed the proposals of an arbitration board. Collective bargaining at local rather than sector level will be encouraged; some sectors have been trying this for years (see [report in EWC News 2/2021](#)). Derogations from the sectoral collective agreements are to be made possible everywhere by law.



A right-wing conservative coalition in government until 2019 had pursued similar concepts, triggering a general strike by the unions in September 2015 (see [report in EWC News 3/2015](#)). Such protest actions are also to be restricted, whereby political strikes in the future should last no longer than one day. Solidarity strikes will be subject to a proportionality test and notification requirements. Fines for unlawful labour disputes can be up to €150,000, with a minimum of €10,000. Workers who participate in an unlawful strike will be subject to a €200 fine.

Changes also in individual labour law

The notice period regulated in the Employment Contracts Act is to be reduced to seven days and will also apply if a collective agreement provides for a longer period. Termination is justified if there are good reasons, even if they are not serious. The current law requires both criteria. Fixed-term employment contracts can be concluded for one year without any specific justification. All of these legislative proposals are to be gradually introduced into parliament until 2025.

[Report on change of government](#)
[Coalition agreement paragraph on labour market reforms](#)
[Trade union assessment of the labour market reforms](#)
[Trade Union Monitor Finland](#)

Infringement proceedings against Norway for restrictions to temporary agency work

On 19 July 2023, the EFTA Surveillance Authority (ESA) in Brussels opened infringement proceedings against Norway for violating the EU Temporary Agency Work and Posting of Workers Directives. The case was triggered by a law that severely restricts the use of temporary agency work in Norway since 1 April 2023, with the goal of promoting permanent employment contracts and combating social dumping. Norway is not an EU member, but is part of the European Economic Area (EFTA). Therefore, the EFTA Surveillance Authority (ESA) is responsible for such infringement proceedings rather than the European Commission.



Norway already had very restrictive regulations on temporary work before the new law came into force, stricter than the other Scandinavian countries. Now, temporary workers may only be used as replacements during maternity leave, sick leave or temporary peaks in workload. In principle, this also requires the prior consent of the company's employee representatives. In the greater region around Oslo, the use of temporary workers on construction sites has been completely banned. Every temporary worker is entitled to a permanent employment contract after three years of uninterrupted employment with the same contracting company. Norway's social democratic government has been in office since October 2021 (see [report in EWC News 3/2021](#)).

[Report on the new law](#)
[ESA press release](#)
[ESA's letter to the Norwegian government](#)
[Trade Union Monitor Norway](#)

Stronger protection for trade unions in Bulgaria



On 7 August 2022, the parliament in Sofia passed a reform of the penal code. Among many other points, freedom of association has been reinforced. Anyone who obstructs the joining of a trade union or the establishment of trade union representation faces a prison sentence of up to five years and a fine of up to 5,000 lev (€2,500). Bulgaria has had a pro-European conservative-liberal government since 6 June 2023.

Bulgaria is the poorest country in the EU with the greatest inequalities and the lowest wages. The monthly minimum wage for 2023 is 780 leva (€400), which 22% of all workers are paid. From 2024 it is to be linked to the increase in average wages in order to comply with the EU directive on adequate minimum wages (see [report in EWC News 4/2022](#)). In Bulgaria, trade unions are capable of mobilizing large numbers of people for protests (photo). Their membership has increased slightly in recent years, and the 21% level of organization is relatively high for Central and Eastern Europe. The various

governments have therefore tried to avoid any conflict with the unions. There is union representation in almost all large companies; works councils remain unknown. However, the collective bargaining coverage rate is only 28%. Bulgarian labour law dates back to the communist era and offers relatively good employee protection by European standards.

[Report on the legislative amendments](#)

[Report on the long-term development of trade unions](#)

[Trade Union Monitor Bulgaria](#)

4. Court rulings in Britain

EWC law remains in force after Brexit

On 30 June 2023, the Court of Appeal for England and Wales in London ruled in the third instance that British companies must continue to apply British EWC law. This means that the European works council of the airline easyJet will continue to exist after Brexit in the form it has existed hitherto. The central management was of the opinion that with Brexit the EWC would cease to exist and have to be completely re-established under German law, without British delegates.



The Court of Appeal has hereby confirmed the decisions of the lower courts. In November 2022, the Employment Appeal Tribunal in London had dismissed the appeal by central management against the decision of the Central Arbitration Committee in the first instance (see [report in EWC News 4/2022](#)). In the reasoning behind their ruling, the top judges describe the amended provisions of the British EWC Act as “possibly not the best thought through piece of legislation”. However, the intention is perfectly clear: all companies with their global headquarters on UK soil that had an EWC or were negotiating the establishment of an EWC on 31 December 2020, will remain subject to UK jurisdiction after Brexit. As of 1 January 2021, new European works councils can no longer be established on the basis of British law.

[Full text of the ruling](#)

Conservative government’s legislation on strikes is unlawful



Until July 2022, it was illegal in the UK to use temporary employment agency workers as strike-breakers. This regulation has been reinstated since 10 August 2023. The High Court for England and Wales, in a ruling on 13 July 2023, invalidated a government regulation that had provisionally allowed this “to minimize the negative and unfair impact of strikes on the British public”. The top judges consider this regulation “unlawful” and called the behaviour of employers to replace striking workers with agency workers as “irrational”. The court action was filed by 13 unions with the support of

the umbrella organization TUC. The British right to strike has been the subject of repeated criticism since the Thatcher era (see [report in EWC News 4/2012](#)).

[TUC press release](#)

[Full text of the ruling](#)

Mass redundancies in two countries must have a direct link

On 26 July 2023, the Court of Appeal for England and Wales revoked a fine against the Swiss employment agency Adecco. The UK subsidiary took on the role of central management (acting on behalf of group management in the non-EU country of Switzerland) until Brexit. In this case, EU law is still relevant because the EWC’s complaint was filed prior to Brexit. In December 2022, the Employment Appeal Tribunal had fined Adecco £20,000 (€23,255) for failing to consult the EWC on collective redundancies in Sweden and Germany in 2020 (see [report in EWC News 4/2022](#)). A further fine of £5,000 (€5,800) was imposed for failing to provide the EWC with country-specific sales performance figures. Central management had not appealed against the second fine.



At the heart of the case is the definition of “transnational matters”. Adecco’s management argues that collective redundancies are purely “national” matters and that the EWC is consequently not competent to deal with them. They were not being ordered by the European management, but decided in each country under its own responsibility. The head office would only be responsible for developing the group strategy and translating it into local operational targets and country budgets. The EWC criticizes this reasoning since in this case redundancies would never fall within its remit. The two lower courts had shared the EWC’s viewpoint and always regarded redundancies in more than one country as a “transnational matter”. The EWC has since applied for permission to appeal to the UK Supreme Court.

[Full text of the ruling](#)

[Video of the court hearing](#)

Who pays the court costs?

While the two lower court proceedings are free of charge, court fees are incurred for the Court of Appeal. The unsuccessful party must then pay the legal costs of the successful party. Adecco’s central management therefore filed a claim to the court for a cost order against the EWC. They argued that the possibility for the EWC to pay these costs is a question that it would have to resolve internally. On 13 September 2023, the Court of Appeal rejected this claim. All legal fees of both parties had already been paid by the central management. The court argued that a ruling on the payment of costs against the EWC would therefore be inconsistent. Moreover, the EWC is “simply consisting of a group of individual workers who have volunteered from time to time to fulfil this role”. Consequently, the central management must bear all legal costs. The payment of lawyer fees had already been decided for the first time in a landmark court ruling in October 2019 (see [report in EWC News 4/2019](#)).

5. Special situations for European Works Councils

First EWC established in a Polish group raises legal issues



In early September 2023, the Polish trade union confederation Solidarność conducted a legal investigation into the establishment and ongoing work of Orlen’s European works council which had been inaugurated in December 2021. Semi-state-owned energy group Orlen is the largest company in Central and Eastern Europe with 35,000 employees and is based in Płock, the centre of the Polish oil industry on the Vistula river north of Warsaw. 48% of the group’s workforce is a member of a trade union, a very high level of unionisation for Poland.

The case has a particular significance: Orlen is the first Polish company ever to set up an EWC. Previously there was an EWC at Arctic Paper under Polish law, but the company is from Sweden (see [report in EWC News 3/2016](#)). Furthermore, Orlen has no EWC agreement and the EWC rights have been systematically infringed on a massive scale. The request to establish the EWC originally came from the Czech Republic, but central management showed no interest in the question. Therefore, no negotiations took place and an EWC was immediately established “by law” with 14 members. Poland has six seats, the Czech Republic two, the three Baltic States, Slovakia, Hungary and Germany one seat each. The EWC adopted its own set of internal rules of procedure, which almost look like a normal EWC agreement, but these were not accepted by the central management. According to Solidarność, there is massive obstruction in the financing of the EWC’s ongoing work, even though Orlen is reporting record profits.

In August 2022 Orlen took over the second largest Polish oil company Lotos in Gdańsk with branches in other countries. The takeover was only approved by the European Commission under conditions. For example, Lotos petrol stations had to be sold to the Hungarian group MOL, where there has already been an EWC since 2004. Although this was a fundamental change in the structure of the group with effects in several countries, the EWC of Orlen was neither informed nor consulted. The Solidarność head office will now discuss the legal consequences of this situation. In recent months the failure of negotiations and the recourse to subsidiary requirements have become more frequent (see [report in EWC News 1/2023](#)).

French mining group establishes Global works council

On 1 July 2023, Eramet became the first company in the mining sector to have an international employee representation body (“Global Forum”). It will negotiate global agreements on social

protection, quality of working life, diversity and inclusion, and parenthood issues. These will benefit all 9,000 employees in 15 countries, 80% of them outside Europe.



France (including New Caledonia), Gabon, Norway, Senegal and Argentina are represented in the forum. Central management describes the model as groundbreaking because for the first time a works council will be able to negotiate international framework agreements. In other companies, trade unions are responsible for this (see [report in EWC News 3/2021](#)). In September 2015, a French court ordered Eramet to pay compensation to former employees in Africa (see [report in EWC News 3/2015](#)).

The European works council, which has existed since 2000, will be integrated into the Global Forum and retain its legal competence for information and consultation. As the workforce in Europe is slowly declining (currently 1,600 employees, of which 750 in France), the EWC was threatened with dissolution. The Global Forum meets twice a year, has an entitlement to training, can set up working groups, visit a country once a year and has its own budget of €30,000. The Forum agreement was signed in Paris on 17 May 2023.

[Press release on the establishment of the Forum](#)

British-Australian mining company dissolves EWC



On 31 December 2024, Rio Tinto's European works council will be dissolved. Only a small part of the 52,000 workers are left in Europe. In Iceland, there are 370 workers in an aluminum smelter, all other production sites are outside Europe. Due to Brexit, the British workforce and the group headquarters in London are no longer part of the EWC. There are administrative units in France, which is where the EWC is based. However, if the threshold of

1,000 employees in the internal market is not reached, the EWC Directive no longer applies to Rio Tinto. On 13 June 2023, a contractual agreement was consequently reached to dissolve the EWC, which was established in 1996.

Important parts of the group have been sold in recent years: the packaging division to Amcor (see [report in EWC News 4/2009](#)), the aluminium processing division under the name Constellium to financial investors (see [report in EWC News 2/2012](#)) and other plants in England and France were closed or also sold. Planning for a new lithium mine in Serbia was stopped by their government in January 2022. The decrease in the workforce led to the merger of the French group works council with the EWC in March 2017, which is possible under French law (see [report in EWC News 4/2017](#)).

6. Newly established European Works Councils

Restrictive regulations for French EWC

An EWC agreement for Sopra Steria was signed in Paris on 7 December 2022. The IT group, based in Annecy in the French foothills of the Alps near Geneva, has 54,000 employees in 30 countries, but only 2% of them outside Europe. It describes itself as a European leader in digital transformation. The agreement was negotiated in just three rounds of negotiations between February and October 2022.



The allocation of seats is exactly in line with the requirements of the EWC Directive. The United Kingdom with its large workforce and Switzerland are not included. The chair - as is customary in France - is held by the CEO, while the employee representatives elect a secretary and two deputies who form the EWC Board. Two ordinary plenary meetings of the EWC are held each year, one of which can be held by video conference as is the case for all extraordinary meetings. The competence of the EWC has been regulated very restrictively. Information and consultation only take place if the entire company is affected or 50% of the European workforce is made redundant. The deadline for rendering an opinion is then one month, or two months if an expert is consulted. It can even be reduced in justified cases at the request of central management.

Interpreters for meetings and translation of documents are limited to French and English only. The allowance for training includes one single training session at the beginning of the four-year term of office and language courses. Each EWC member has two days' time-off work per year, and members

of the EWC Board have eight, in addition to the time for official meetings. In March 2018, an SE agreement was already concluded for Sopra Steria in Hamburg to avoid the establishment of a supervisory board with full-parity representation in Germany (see [report in EWC News 2/2018](#)). In addition to the new EWC there is consequently also an SE Works Council for Germany and Austria.

[Full text of the EWC agreement](#)

Japanese automotive supplier establishes EWC under Italian law



An EWC agreement for Marelli was signed in Turin on 26 January 2023. Negotiations had started in April 2022. Marelli has grown in Europe through acquisitions, and many sites formerly belonged to Fiat (Italy) and Bosch (Germany). The new EWC has 28 members including just under half from Italy (eight mandates) and represents 17,000 employees in eight EU countries and the UK. Two plenary meetings are held each year, chaired by central management. The employee representatives elect a select committee of ten members, including the secretary. A coordinator from the European Federation of Industrial Trade Unions attends all meetings, as do paid experts when necessary.

The competence of the EWC in restructuring is precisely defined. If from 4 to 8% of the employees at sites in two countries, depending on the size of the sites, are affected by a measure within a period of twelve months, the EWC is informed and consulted. However, the deadline for rendering an opinion which is set at 7 working days is very short. After termination of the EWC agreement, the EWC is dissolved if no new agreement is concluded. The employee representatives can then request a special negotiating body. In December 2021, however, a court in France ruled in a similar case that a period “without a works council” is not provided for in EU law (see [report in EWC News 4/2021](#)).

US search engine operator Google establishes EWC in Dublin

An EWC agreement for Google was signed at the end of March 2023 after nearly three years of negotiations. The European headquarters are located in the Dublin docks. Worldwide, Google has 100,000 employees and 35 offices in 17 European countries, including 5,500 in Ireland, 4,000 in Switzerland (Zurich is home to the largest development centre in Europe) and 2,500 in Germany. 153 Google employees from eleven sites had requested the establishment of an EWC in March 2020.

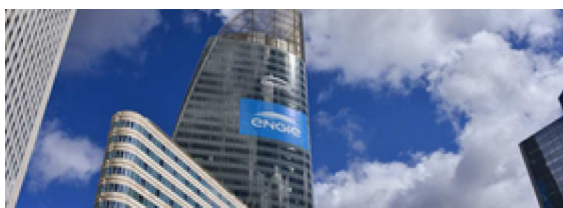


While Switzerland was not involved in the negotiations, the British delegates had to leave the special negotiating body after Brexit. However, both of these countries are represented in the future EWC. On a global level, there is already a trade union alliance for the parent company Alphabet (“Alpha Global”). In the USA, Google tried to obstruct the establishment of an employee representation after mass protests at the “Google Walkout” in November 2018 (see [report in EWC News 4/2019](#)). A trade union was established for Alphabet in the USA in January 2021 (see [report in EWC News 1/2021](#)).

[Report on the establishment of the EWC](#)
[Report on the technology sector in Ireland](#)

7. Revised EWC agreements

French energy group loses half of its workforce



A new EWC agreement was signed for Engie in Paris on 14 June 2023. The revision came as the group lost 74,000 employees, around half of its workforce through the sale of its technical services division (Equans) in October 2022. Prior to this, in April 2022, the EWC had succeeded in negotiating a grandfathering agreement for the transfer of operations in all EU countries (see [report in EWC News 2/2022](#)).

The EWC agreement for GdF Suez (the former company name), first concluded in May 2009, was considered one of the best in France. The exceptional far-reaching EWC rights can only be explained by the previous history. The European works council of Gaz de France had succeeded in blocking the

planned merger with Suez for a year and a half by means of legal proceedings, thereby achieving a reconciliation of interests throughout Europe (see [report in EWC News 1/2008](#)). The last update of the EWC agreement took place in July 2013 (see [report in EWC News 4/2013](#)).

Two permanent working groups within the EWC

Although Engie's workforce is now only half the size, the EWC's resources remain largely intact. The number of members has even increased from 27 to 31. The EWC Board has twelve members from eight countries, as previously. Two of the four permanent working groups will remain in place, namely on due diligence in the supply chain and on occupational health and safety. Further working groups with up to ten members can be established on an ad hoc basis. In the future, the EWC will also be consulted on the Group's social and environmental responsibility, including climate policy and the energy transition. There is no specific time limit for consultation procedures; the timeframe is discussed in each individual case between central management and the EWC Board, "with regard to the importance of the matter, the required and appropriate time to enable exchange and dialog, and the planned timing of implementation". The EWC's annual budget remains unchanged at €62,000.

IT service provider from the USA amends EWC agreement

On 20 June 2023, an updated EWC agreement under French law was signed for Automatic Data Processing (ADP) at its European headquarters in Nanterre (near Paris). ADP has 60,000 employees in 140 countries and is the world's largest IT service provider for payroll, time tracking and travel expense management. The European works council, established in 2015, represents 8,000 employees in 17 countries, including the United Kingdom and Switzerland. This will not change despite Brexit. The largest countries after France with 2,000 employees are Spain with 1,000 and the United Kingdom with 900.



The EWC will continue to be chaired by the employer, with the 24 employee representatives electing their spokesperson ("secretary"). The minutes of meetings with central management are taken by the secretary, not by management. On these grounds stricter confidentiality rules have been defined. The issue of videoconferencing was explicitly included in the agreement. The annual plenary meeting is always held in person. Only in exceptional cases can individual delegates participate by videoconference if the secretary has explicitly given his prior consent.

British chemical company relocates EWC to Poland



An EWC agreement was signed for Vesuvius on 10 August 2023. The last round of negotiations had taken place in Düsseldorf on 1 June 2023 (photo with employee representatives on site, others were online). Negotiations lasted a full three years in total (see [report in EWC News 3/2022](#)). As a result of Brexit, the EWC is based in Poland, the country with the largest workforce within the EU. Vesuvius has 11,200 employees worldwide and produces refractory materials for the steel industry.

The new agreement largely follows the model of the original agreement from 2012 (see [report in EWC News 1/2013](#)), but also contains improvements. For example, once the consultation process has been completed, central management will keep the EWC regularly informed about projects that extend over a longer period or several phases. This applies regardless of whether further formal consultation is required or not. On the other hand, in the case of restructuring, the EWC must render its opinion after two weeks at the latest. Prior to planned mass redundancies, the total costs of the project and the total amount of provisions for the possible redundancy costs must be disclosed, but not broken down by country. This wording is based on a decision by the Central Arbitration Committee (CAC) in London in December 2019 (see [report in EWC News 1/2020](#)).

As in the old agreement, the EWC is competent for transnational matters if at least 20 employees in each of two countries are affected and the decision was made at European level. The agreement provides for one annual EWC plenary meeting, two meetings of the select committee, a right of access to all sites and two days training per year, which can be used as in-house training or individually. The representatives were advised by the EWC Academy.

8. New SE conversions

Japanese IT company establishes full-parity supervisory board for German subsidiary

NTT DATA Deutschland in Munich has been a European Company (SE) since 12 July 2023. The Tokyo-based IT consulting company is part of the former state-owned telephone company Nippon Telegraph and Telephone (NTT) and has grown through acquisitions to 150,000 employees in 50 countries. The German subsidiary was formerly an IT division of BMW.



The new SE works council covers Germany, Austria and Switzerland. Initially, Germany will have seven seats, Austria and Switzerland one each. An executive committee will not be established until at least six countries are involved. Therefore, day-to-day business is carried out by the chairman and his deputy. The SE works council holds two annual plenary meetings, one of which is physical, as well as two internal meetings without management, which are only held face-to-face in exceptional circumstances. If resolutions have to be passed, the chairman may convene a meeting with physical attendance. Resolutions may also be passed in hybrid meetings or by circulation.

The SE participation agreement, which was signed in Munich on 24 November 2022, contains a catalogue of information topics that goes far beyond the statutory minimum requirements, e.g. environmental protection, socially responsible corporate governance and the promotion of equal opportunities. The SE works council has initiative rights in training and further education, equal opportunities, data protection, and occupational health and safety. The timeframe for information and consultation is approximately one month. If the central management does not take into consideration the opinion of the SE works council, a further meeting is then held with a view to reaching agreement (the “double consultation procedure” typical of SEs). An arbitration procedure is provided to resolve any disputes: three representatives from each party must agree on a neutral chairman.

From one-third to full-parity supervisory board codetermination

NTT DATA Deutschland is one of the few examples where SE conversion is not being used to freeze or escape co-determination. Previously, there were two employee representatives on the supervisory board; in the SE, there are four (three from Germany, one from Austria). The number of shareholder representatives remains unchanged at four. The company has around 2,200 employees.

[Press release on SE conversion](#)

Swabian family business escapes co-determination



Pfisterer has been operating as a European Company (SE) since 28 July 2023. With 1,200 employees (including 950 in Germany and 180 in Czechia), the group headquartered in Winterbach (near Stuttgart) manufactures products for energy infrastructure. By means of the SE conversion, it was able to ensure that the supervisory board would remain free of employee representatives in the event of future growth. The SE agreement was signed on 26 May 2023.

Initially, an SE works council consisting of 13 members will be established (same number of mandates as in the special negotiating body). In the second, four-year term of office, it will be reduced to eight members, leaving only three seats for Germany instead of eight. One meeting of the SE works council is held every quarter; additional meetings without the central management are possible. Two meetings are held in person, all others by video conference. The executive committee has three members. In case of exceptional circumstances, there is always a plenary meeting, which is typical for SE law (in the EWC, on the other hand, the steering committee is larger and only affected countries are invited to such meetings). In Pfisterer’s case, the information and consultation procedure is broken down into several stages and lasts a maximum of six to seven weeks. Sample formats are available as an appendix to the SE agreement. If central management follows the template procedures, the information and consultation requirements are considered to be completely, comprehensively and correctly fulfilled.

[Press release on SE conversion](#)

Berlin-based software company establishes one-third participation on Supervisory Board

On 3 August 2023, PSI Software was recorded in the commercial register as a European Company (SE). The company has 2,300 employees worldwide, including 1,600 in Germany and 300 in Poland. The software provider for energy, production and transport management was a production cooperative pioneer in the 1970s, and to this day the workforce holds a 15% share in the company capital. As

before the SE conversion, one-third of the seats on the supervisory board are allocated to the workforce; in the future, they will be nominated by the SE works council (two seats, soon to be three).

The new SE works council consists of twelve members, including five from Germany and one seat each for the United Kingdom and Switzerland. It holds three meetings a year, at least one of which is held in person and at least one by video conference. The three-member executive committee conducts day-to-day business and meets as required. Resolutions may be passed by e-mail, by circulation, by video conference or by telephone. The information and consultation procedure is described in detail in accordance with a three-stage dialog procedure and lasts approximately two months, or one month in the event of exceptional circumstances. The SE works council may conduct site visits at any time.



[Full text of conversion plan](#)
[Full text of the SE Agreement](#)

9. The view beyond Europe

French bank reinforces employees' social rights around the globe



On 27 June 2023, a new global agreement on workers' rights was signed in Paris between Société Générale and the international federation of service unions (UNI). It grants 117,000 employees in 66 countries 14 weeks maternity leave and one week paternity leave with full pay and a death benefit of up to two years' salary. The agreement also covers many other issues such as occupational health and safety, prevention of discrimination, promotion of gender equality and teleworking initiatives. Société Générale is one of the largest commercial banks in France and was a pioneer in the industry in June 2015 when it concluded an international agreement with the trade unions for the first time (see [report in EWC News 2/2015](#)). The second largest country after France is India with 11,200 employees.

[Report on the signing](#)

Luxembourg real estate company commits to global social standards

On 18 July 2023, AccorInvest signed a Memorandum of Understanding in Luxembourg with the International Union of Food and Hotel Workers' Unions (IUF) in Geneva on global workers' rights. The real estate division of the French Accor hotel group has 25,000 employees in 758 hotels in 26 countries and has been majority-owned by financial investors since 2018. AccorInvest is committed to the right to collective bargaining and the recognition of trade unions. Local social dialogue protocols are to be elaborated with local employee representatives. The contracting parties meet annually to monitor compliance with the agreement. If there are exceptional circumstances, ad hoc video conferences are held. The company bears the travel and interpretation costs of the trade union delegation.



[Full text of Memorandum of Understanding](#)

Norwegian conglomerate extends framework agreement to supply chain



On 24 August 2023, the international framework agreement between Aker management and the Global Federation of Industrial Trade Unions (industriALL) was renewed in Bærum (near Oslo). It was first concluded in 2008 and extended in 2012 to include additional topics (see [report in EWC News 1/2013](#)). It applies to 35,000 workers in the offshore, fishing, shipyard and construction sectors worldwide and, in addition to principles on freedom of association, also contains regulations on equal treatment, occupational health and safety, living wages, fair working conditions, the environment, digitalisation and further training. Local

employee representatives are trained to promote compliance with the principles and Aker's World works council monitors compliance once a year. A new feature is the inclusion of the supply chain.

[Report on the signing](#)

[Full text of the framework agreement](#)

10. Interesting websites

Campaign for due diligence in supply chain

A number of civil society organizations from across Europe and beyond are running the "Justice is Everybody's Business" campaign to influence legislation on supply chain due diligence. Unions, such as the European Trade Union Confederation (ETUC), are also involved. To this end, ten key demands have been set out to ensure that the EU implements ambitious climate and human rights due diligence and that companies can be held liable for the impacts of their business. In June 2023, the European Parliament had adopted its position on the subject (see [report in EWC News 2/2023](#)).

**JUSTICE IS
EVERYBODY'S
BUSINESS.**

[Description of the campaign](#)

[Call for participation in the campaign](#)

[The ten core demands](#)

Opinions on European politics from Austria



The A&W blog is an online publication jointly run by the Austrian Chamber of Labour and the Trade Union Confederation (ÖGB), complementing the print magazine Arbeit&Wirtschaft. It covers economic, social and socio-political topics from an employee's point of view. Every day there is a blog contribution from experts from the Chamber of Labour, ÖGB, trade unions, other institutions or research institutes. Over the past five years, the A&W blog has become one of the most important political blogs in Austria. A separate section deals with European politics.

[The blog on European politics](#)

[The print magazine for download](#)

Treasure trove of up-to-date statistics

The German online platform Statista gives access to information from market and opinion polling organisations as well as to economic and official statistics. The private company based in Hamburg provides a wide range of information, much of which is free of charge. The figures for Europe can be selected by country, but there are also thematic focuses, such as "How significant is Catalonia for Spain?" or on Romanian migration to Italy. Current unemployment rates are available: Spain leads the EU with 11.6%, while Malta has the lowest rate at 2.5%. There is an interesting forecast of demographics until 2100, according to which the population in Poland and Romania, but also in Greece, will decrease by almost one third. Luxembourg, Malta, Iceland, Norway and Sweden will experience a strong increase. Germany and France will remain relatively stable, although the EU population will decline by 32 million (7%).

statista 

[The statistics on the EU and the euro zone](#)

[Unemployment statistics](#)

[Population growth statistics](#)

Fair hotels for responsible travellers



The International Union of Food and Hotel Workers (IUF) in Geneva runs its own website listing hotels that treat their employees fairly. Workplaces are free from discrimination and harassment, guarantee decent working conditions, a living wage and the right to establish and join unions. There are hotel listings for Croatia, Denmark, Norway, Ireland and North America.

11. New publications provide country comparisons

Industrial policy challenges in eleven Central and Eastern European countries

The regional project “European Economies of the East”, run by the German Friedrich Ebert Foundation in Budapest, published in May 2023 a toolkit for the future design of industrial policy in Central and Eastern Europe. In the last twenty years, the countries have developed into important pillars of the European economy, but neither living conditions nor productivity are aligned with Western Europe. The study by the Vienna Institute for International Economic Studies includes eleven country profiles analysing the strengths and weaknesses of economic and industrial structures and identify possible courses of action for an active industrial policy. Up to now, these countries are lacking a systematic approach. The researchers argue that huge public investments in green technologies, digitalization, education and infrastructure are needed to avoid them getting stuck in the middle-income impasse.



[The toolbox for Central and Eastern Europe](#)

[Download the eleven country profiles](#)

[Regional project website](#)



Employee representation in digital platforms in twelve countries

In mid-May 2023, the European Trade Union Confederation (ETUC) published the results of an EU-funded project on the legal situation of employees in the platform economy. Twelve country reports examine the framework conditions for union organizing and collective bargaining, individual employee rights and the respective national legislation. A position paper with recommendations for all EU countries summarizes the challenges identified in the project for better protection of platform workers and concrete proposals for effective legislation at national level. In December 2021, the European Commission had presented a draft directive to improve working conditions for platform workers through minimum standards (see [report in EWC News 4/2021](#)).

[The policy recommendations for all EU countries](#)

[Country report Netherlands](#)

[Country report Sweden](#)

[Download further country reports and language versions](#)

Internationalization of Supervisory Board Co-determination in seven countries

This study, published in June 2023, examines to what extent workforce representation on supervisory boards includes representatives from other countries. While the supervisory boards of companies with the legal form of a European Company (SE) usually include employee representatives from several countries, this is rarely the case for national legal forms. In practice, however, the author from the European Trade Union Institute (ETUI) has identified examples of internationalization. In Germany, the law allocates a certain number of seats on the supervisory board to the works council and trade unions. Some German unions share their mandates with foreign unions. In Scandinavia, collective bargaining rules apply to co-determination, and some companies in Denmark, Sweden and Norway provide for the inclusion of foreign representatives. The internationalization of supervisory boards is most advanced in France, as the law stipulates that at least one mandate is filled by the European works council (see [report in EWC News 4/2022](#)). In the Netherlands and Austria, on the other hand, all employee representatives are from the respective country only.



[Download the book](#)



At the end of June 2023, the European Trade Union Institute (ETUI) in Brussels published a volume on trade unions in the EU in view of the neoliberal challenge they are facing. In nearly 1,200 pages, the book provides a comprehensive comparative overview of the development, structure and policies of trade unions in all EU member states from 2000 to 2020, including an in-depth analysis of the challenges they face, their strategic objectives and policy responses. The 27 country chapters that form the core of the book cover: the historical background and characteristics of the industrial relations system; the structure of trade unions and their resources; collective bargaining and industrial action; workplace representation; political relations; and trade union policy toward the EU. A large number of statistics round off this reference work, which has not been available in such a compact form for a long time.

[Download the book](#)
[Download individual chapters](#)

12. The EWC Academy: examples of our work

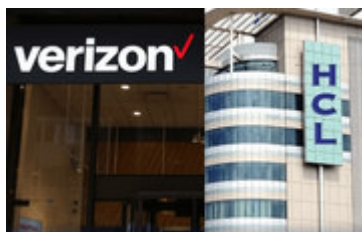
European Works Council for Saarstahl in the planning stage

Preliminary talks on the establishment of an EWC were held in Völklingen and Dillingen (Germany) on 31 July 2023. Two plants in Lorraine and northern France have belonged to Saarstahl since 2021, and another site in the Franche-Comté region has been part of the group for some time. The new sites were previously part of British Steel, where an EWC was established in November 2017 (see [report in EWC News 1/2018](#)). As a result, Saarstahl now has 950 employees in France.



Under the umbrella of Stahl-Holding-Saar, there is a mutual link between Saarstahl in Völklingen and Dillinger Hütte. Dillinger Hütte, one third of which is still owned by the former owner ArcelorMittal, has had a Franco-German EWC with representatives from Dunkirk since 1996. In the coming months with the support of the EWC Academy, there will be discussions on whether there should be a joint EWC for the 13,000 employees of Stahl-Holding-Saar in the future.

One-third of European workforce moves to Indian IT group



On 10 August 2023, US-based Verizon Communications and Indian IT and outsourcing company HCLTech (formerly Hindustan Computers) announced a mega deal to outsource managed network services for business customers. In Europe alone, 1,200 Verizon employees in 17 countries will transfer to HCLTech in November 2023. These include the support functions as well as highly qualified engineers with 15 years of service. The transferred employees will be guaranteed their current salary and working conditions for twelve months. However, the EWC fears that many of those affected will subsequently lose their jobs. For India's third largest software company, based in a suburb of Delhi (223,000 employees in 60 countries), it is one of the biggest transactions in the company's history.

An initial briefing of Verizon's European works council took place on 26 July 2023, but the consultation could not be completed in the short time available. Management refuses to discuss alternative solutions for the future of the European business. In the last major transaction, the sale of Verizon Media in September 2021, the EWC had not been involved at all (see [report in EWC News 4/2021](#)). It operates under Irish law and is advised by the EWC Academy. HCLTech does not yet have a European works council. The Indian competitor Wipru, which is also on a buying spree in Europe, established an EWC under Irish law in March 2023 (see [report in EWC News 2/2023](#)).

[Press release on the transaction](#)

Regulation on video conferencing for Swiss insurance company

On 12 September 2023, the steering committee of the Zurich European Forum (ZEF), which is the name of their European works council, discussed a permanent regulation on video conferencing. In a

workshop organized by the EWC Academy, EWC members had formulated their wishes during the last plenary meeting in Zürich on 24 and 25 November 2022. The steering committee, which includes representatives from the eight largest countries, is working on a draft text for the next plenary session. The EWC agreement of Zurich Insurance Group was revised in February 2016 and has since been under German jurisdiction (see [report in EWC News 1/2016](#)). The EWC Academy has been advising ZEF for many years.



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, 906 employee representatives from 308 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](#)

Legal issues of EWC and SE work



From 14 to 17 November 2023 our legal seminar on EWC law will take place for the first time since the Corona pandemic, this time in Bremerhaven. It will cover the legal intricacies of an EWC agreement, current case law and the application of EU standards in cases of legal doubt. One of the speakers is Ralf-Peter Hayen, former head of legal department at the DGB trade union confederation head office and author of a legal commentary on the German EWC law (see [report in EWC News 2/2019](#)). A module on SE law and the implementation of the Supply Chain Act is also planned.

[Seminar programme](#)

Seminar on data protection and the Supply Chain Act

A data protection seminar will be held in Bremerhaven from 14 to 17 November 2023. The focus will be on the EU's General Data Protection Regulation, which has been in force since 2018. Since then, the rules for processing personal data have been fixed at a uniform level throughout all EU countries. In addition to data protection, this seminar will also cover the implementation of the Supply Chain Act.



[Seminar programme](#)

16th Hamburg Conference for European and SE Works Councils



The next Hamburg conference will take place on 29 and 30 January 2024. As always, the latest developments in the EWC and SE landscape, a case study ("best practice") from a company and current court decisions will be presented. This time the focus of the conference will be on the ongoing developments for the revision of the EWC Directive. The European Commission announced on 1 March 2023 that it would start a legislative process for a new EWC Directive at the end of 2023. The conference will provide an initial legal assessment of the draft legislation.

[Conference programme](#)

EWC and SE seminar in Paris

From 25 to 28 March 2024, a seminar for German speaking participants 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 important for employee representatives at European level in particular 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.



[Seminar programme](#)

EWC and SE seminar at Montabaur Castle



From 2 to 5 April 2024 the annual introductory seminar for members of European works councils, SE works councils and special negotiating bodies will 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.

[Seminar programme](#)

[Report from the last seminar in Montabaur](#)

In-house events

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

[Examples of in-house seminars](#)

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