No. 4/2024 **20 December 2024** EWC Academy - Academy for European Works Councils and SE Works Councils Download pdf file Newsletter archives Dieser Newsletter auf Deutsch Cette newsletter en français

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1. Current developments in Brussels

26 new commissioners in office

The newly elected European Commission has been in office since 1 December 2024. The support in the European Parliament (almost 54%) was significantly lower than in 2019. On 27 November 2024, 370 MEPs approved the candidates, 282 rejected them and 36 abstained. This also means that the Romanian Social Democrat Roxana Mînzatu is now in office. She is responsible for all labour and social security law, including the EWC Directive (see report in EWC-News 3/2024).



At her hearing before the parliamentary committees, she announced that she would launch the second phase of the social partners' consultation on the fair teleworking directive and the right to disconnect. In June 2024, the social partners submitted their opinions on the first round of consultations (see report in EWC-News 3/2024). She also wants to monitor the implementation of EU legislation in the member states, in particular the directives on minimum wages and on improving working conditions in the digital platform economy. She wants to discuss the directive on supervisory board participation which the Parliament has called for (see report in EWC-News 4/2021) with the social partners as part of the "Quality Jobs Roadmap". The aim is to ensure fair wages, good working conditions, training and fair job transitions as the economy undergoes restructuring. The EWC directive was not explicitly mentioned.

Report on the vote in the European Parliament The tasks of the new Social Commissioner Trade union assessment of the new Social Commissioner

EWC directive on the home run



On 3 December 2024, European Parliament's Committee on Employment and Social Affairs confirmed its position on improving the EWC directive. The vote had already taken place in April 2024 (see report in EWC-News 2/2024), but had to be repeated after the European Parliament elections. It was a mere formality without debate, which took place electronically in just under two minutes. 36 MEPs voted in favour, three abstained. There were 11 votes against, including all MEPs from the national-conservative and farright parties. The only negative vote from the Christian Democrats came from German MEP Andrea Wechsler from Baden-Württemberg, who used to be a management consultant at McKinsey.

Narrow majority in the plenary session of the European Parliament

At request of the national-conservative and far-right parties, a new vote had to be held in the plenary session in Strasbourg on 19 December 2024. They were trying to derail the entire project in the final stretch. In the days before, there was intensive lobbying, for example, by the employers' confederation BusinessEurope, which is seeking to restrict legal action for European works councils as much as possible (see <u>report in EWC-News 2/2024</u>). In the vote (without debate), 300 MEPs voted in favour of the committee's position, 254 against and 21 abstained, a narrow majority of 52%. In February 2023, when the issue was last discussed in plenary, approval was as high as 64% (see <u>report in EWC-News 1/2023</u>).

The European Commission had already presented the draft revision of the EWC Directive in January 2024 (see report in EWC-News 1/2024) and in June 2024 the Council of Ministers adopted its position (see report in EWC-News 2/2024). This means that negotiations in the trilogue, the "conciliation committee" between the three institutions (European Commission, European Parliament and Council of Ministers), can begin in January 2025. Many of the proposed points are already undisputed and will be included in the new directive. However, the question of sanctions against companies that violate EWC law remains open: the level of fines and the right to interim injunctions to temporarily suspend restructuring.

Parliament's position paper
The European Commission's draft law
The Council of Ministers' proposed amendments
Report from the Hans Böckler Foundation
Analysis of the draft legislation by the Hans Böckler Foundation

Forthcoming event

The current state of the legislative process will be discussed at the EWC conference in Hamburg on 27 and 28 January 2025.



Programme of the conference

2. Transposition of EU legislation

Inadequate access to justice in Ireland

On 24 October 2024, MEPs Gabriele Bischoff (Social Democrats) and Dennis Radtke (Christian Democrats) submitted a parliamentary question to the European Commission regarding the problems of EWC law in Ireland. The two Germans are the driving force behind a revision of the EWC directive. The current reason for the enquiry is the decision of the Labour Court in Dublin from August 2024 in the legal dispute at the US telecommunications company Verizon. The EWC's lawsuit was rejected on the grounds that Irish EWC law only provides for legal recourse for individual claims, but not for collective



disputes. This means that European works councils are excluded from the rule of law (see <u>report in EWC-News 3/2024</u>).

Such a situation was foreseeable and led to infringement proceedings by the European Commission against the Republic of Ireland in May 2022, which are still ongoing (see report in EWC-News 2/2022). The two MEPs want to know if and when the European Commission intends to take the next step in these proceedings. Since Brexit, the country has been the third most popular location for European Works Councils, just behind Germany and France (see report in EWC-News 1/2021).

The Parliamentary Question

Forthcoming event

The hearing in the Verizon case before the High Court is expected to take place at the end of June 2025. We are planning a seminar in Dublin on this date, which will include a visit to the High Court hearing.



Non-binding pre-registration for the seminar in Dublin

Inadequate transposition of the minimum wage directive



By 15 November 2024, the minimum wage directive should have been transposed into national law in all EU countries. However, most governments did not meet the deadline – and some have been actively working against the directive's objectives. This was pointed out by the European Trade Union Confederation in a press release. More than 20 million people would receive a wage increase if the directive were properly transposed by all member states. Many countries are lagging behind and have not met the deadline. In those countries where transposition has taken place, it has been very minimalist. The directive consists of two parts: as the name suggests, it is about introducing a statutory or collectively agreed (universally applicable) minimum wage; but it also aims to strengthen collective bargaining coverage.

The directive includes a legal requirement for all member states to draw up an action plan to reinforce collective bargaining coverage if it is below 80% by November 2025. Trade unions and employers' organisations must be involved in this process. Currently, only eight countries have such coverage, while 19 countries, including Germany, need to take action. Member states must set out a clear timetable and specific measures, update the plans at least every five years, make them public and communicate them to the European Commission. The European Court of Justice is currently hearing a case brought by Denmark and Sweden against the minimum wage directive (see <u>report in EWC-News</u> 2/2023).

Press release from the European Trade Union Confederation
Overview of the transposition of the minimum wage directive
The practical impact of the minimum wage directive
European Commission press release
Study on the development of minimum wages in 2024
Interactive map of minimum wages in different countries
The (inadequate) transposition in Germany

More rights for platform workers

On 1 December 2024, the new directive to improve working conditions in the digital platform economy came into force. Member states now have two years to transpose its provisions into national law. The directive aims to improve the protection of people who provide services on a contract basis via digital platforms (taxi drivers, bicycle couriers, domestic helpers, translators, graphic designers, etc.). Until now, they have been without protection as regards labour and social law.



To rule out bogus self-employment, in future the platform operator must prove that a fully-fledged employment relationship has not arisen ("reversal of the burden of proof"). As soon as there are indications that the employee is being controlled and managed by the online platform, an employment relationship is deemed to exist. Furthermore, self-employed and employed platform workers will receive a range of "digital rights" with regard to algorithmic management. The individual EU countries are to take appropriate measures to promote collective bargaining in the platform economy. The directive had been controversial for a long time; it was only in March 2024 that an agreement was reached in the Council of Ministers (see report in EWC-News 2/2024).

Full text of the directive

Explanations by the European Trade Union Institute

Critical analysis of the legislative process

Impact of platform work on occupational health and safety

Report on a trade union conference on platform work

3. Individual country reports

Supreme Court puts a halt to collective bargaining evasion

On 12 September 2024, British trade union USDAW won its case in the last instance to ensure that collective bargaining rights are respected. Tesco, the largest British supermarket chain, wanted to



dismiss warehouse workers in logistics centres if they did not accept a new employment contract with poorer conditions and waive collectively agreed wage components. This method of "fire and rehire" is widespread (see report in EWC-News 2/2021).

The ruling is of great significance because collective agreements in the UK have less legal protection than in continental Europe (see report in EWC-News 4/2021). Consequently, pro-employer lawyers

fear "disastrous consequences" as a result of the ruling. Two comments:

- "It acts as a significant warning to employers and very much shows that the pendulum of rights in the UK is swinging in favour of employees over employers, with new legislation and proposals from the Labour Party imminent that will expand the rights and protections for workers."
- "Employers will need to reconsider their strategies for implementing contractual changes. Moving forward, more collaborative approaches with employees and unions may be necessary to navigate significant alterations to employment terms."

The Labour Party, which has been in power since July 2024, has recently introduced a bill that aims to ban "fire and rehire" tactics (see <u>report in EWC-News 3/2024</u>).

The court's press release
The court ruling
Report on the ruling
Comments from pro-employer lawyers
Current example of "Fire and Rehire"

Collective bargaining system in Luxembourg under threat of being dismantled

On 8 October 2024, Luxembourg's Minister of Labour presented a proposal to reform the collective bargaining system that would reduce standards. The binding content of collective agreements should be limited to an absolute minimum, and collective agreements could be used to undercut labour laws. The government would also welcome company-level agreements negotiated between management and neutral, non-union representatives. A Christian-liberal coalition has been in power in Luxembourg since November 2023. Similar proposals were put forward by the Finnish government in September 2024 (see report in EWC-News 3/2024).



The first protest action took place on 3 December 2024. The two major trade union confederations, the independent OGB-L (70,000 members) and the Christian LCGB (40,000 members), are already threatening a general strike. Other points of contention with the government include a pension reform and the extension of legally permissible Sunday work. In the Grand Duchy, 55% of employees in the private sector are covered by a collective bargaining agreement, which does not meet the requirements of the new EU directive, which defines 80% as the target (see report above). Since 2013, Luxembourg has had a works council system based on the German model (see report in EWC-News 1/2013).

<u>Information from OGB-L</u> <u>Press report on the protests</u>

Schengen area to expand



On 1 January 2025, Romania and Bulgaria will be fully integrated into the Schengen area. After the Netherlands and Austria lifted their veto, the Council of Ministers unanimously approved the decision on 12 December 2024. The Schengen area is an area without internal border controls for 420 million people. It includes all EU member states (except Ireland and southern Cyprus) as well as Norway, Iceland, Liechtenstein and Switzerland. The Schengen area has existed since 1995, initially with seven countries. Others joined later, most recently Croatia on 1 January 2023 (see report in EWC-News 4/2022). Bulgaria is currently preparing to adopt the euro on 1 January 2026. In July 2020, Bulgaria joined the EU Exchange Rate Mechanism II. The Bulgarian lev can only fluctuate within

a range of ±15% around the central rate, but it has been pegged to the German mark and the euro since 1997.

Report on joining the Schengen Area

4. Downsizing in the European economy

Twice as many jobs lost as jobs created

In the second half of 2024, 103,000 jobs were lost in the EU, but only 53,000 new jobs were created. This ratio has thus been reversed compared to the first half of 2024, when 95,000 new jobs offset the loss of 87,000 (see <u>report in EWC-News 2/2024</u>). If the figures for all EU countries since 1 July 2024 are calculated, France will have to cope with the largest decline, with a negative balance of 11,000 jobs. Germany is in second place with a negative balance of 6,600 jobs,



followed by Poland in third place with 3,300. The largest increases were recorded in Ireland (3,000 jobs) and Spain (2,000 jobs). Most of the former boom countries in Central and Eastern Europe showed no net change. The majority of the lost jobs (51,000) were in the manufacturing industry, where only 12,000 new jobs were created. Germany is at the top of the list with a negative balance of 13,400, followed by France (5,700) and Belgium (4,800). Hungary has a positive balance of 1,100 and Spain of 800, which is only a slight increase compared to previous periods. All figures come from the European Restructuring Monitor (see report in EWC-News 2/2020).

The Restructuring Monitor database

Restructuring in the retail sector

Polish supermarket chain Dino is hiring 2,000 new employees, and German supermarket chain Lidl is hiring 1,000 new employees to drive the rapid growth of its store network in Poland. The largest job losses in the industry are due to the insolvency of Dutch household goods chain Blokker, which will result in the loss of 3,500 jobs in 400 stores. The French chains Auchan and Casino are cutting 2,400 and 3,000 jobs respectively in France due to a decline in sales. The clothing chain Esprit is closing all its stores in Germany and laying off 1,300 employees. By contrast, in e-commerce workforces are expanding. Amazon is creating 2,000 jobs at its new Horn-Bad Meinberg logistics centre in eastern Westphalia. The Otto Group is looking for 1,000 employees for a new logistics centre in Konin Żagański (Poland) near the German border, to supply German customers. McDonald's wants to create more than 10,000 new jobs in Germany to open 500 new fast-food restaurants. There are currently 1,400 restaurants with over 65,000 employees.

Changes in other sectors

The Polish postal service is offering voluntary redundancy to 9,300 employees (15% of the workforce). The Swedish telecommunications company Telia is cutting 3,000 jobs in Northern Europe. The Italian fibre-optic network operator Fibercop is reducing its workforce by up to 1,800 jobs. The Turkish household appliance manufacturer Beko is closing factories in Italy and Poland (3,800 jobs). Airbus is cutting 2,500 jobs in the defence and space division in France, Germany, Spain and the UK. The semiconductor manufacturer Intel will cut 4,000 of its 5,000 jobs in Ireland. By contrast, the Japanese heat pump manufacturer Daikin is opening a new factory in Poland and hiring 1,000 workers, with a later target of 3,000. In Spain, the French consultancy Capgemini is looking for 1,500 engineers.

Automotive industry in transformation crisis



Already in the first half of 2024, the automotive industry in Europe was particularly affected by job cuts (see <u>report in EWC-News 2/2024</u>). This accelerated in the second half of the year, especially in Germany. Volkswagen, for example, announced the closure of three of its ten factories. Ford plans to cut 4,000 jobs in Europe (14% of the workforce), including 2,900 in Germany and 800 in England. The German supplier Schaeffler plans to close two sites and cut 4,700 jobs in Europe, including 2,800 in Germany. In Brussels, the Audi plant will close definitively in February 2025,

with the loss of 2,900 jobs.

The German automotive supplier IAV is cutting 2,000 jobs in Germany. Leoni, which manufactures cables for the automotive industry, is closing its plant in Bulgaria, which employs 1,300 people. The French tyre manufacturer Michelin is closing two factories in France, where 1,200 jobs will be lost. Adient, a US-based manufacturer of vehicle seats, is closing two plants in the Czech Republic, with

1,100 jobs. The Japanese company Sumitomo Electric Bordnetze is closing two sites in Bulgaria, with 1,050 employees. The reasons for the withdrawal are the high production costs and the sharp increase in wages. Production is being relocated to Moldova and Romania. The situation is different for the Chinese battery manufacturer Eve Energy, which is building a new battery plant in Debrecen (Hungary) creating 1,000 new jobs.

Report on job cuts in Germany
Report on job cuts in France
Position paper of the European Federation of Industrial Trade Unions

5. Landmark court rulings in SE law

Court of Appeal in Luxembourg approves co-determination evasion

On 23 May 2024, the Luxembourg Court of Appeal dismissed a lawsuit regarding the improper composition of the supervisory board at automotive supplier Stabilus. The holding company in Luxembourg has been operating as a European Company (SE) since April 2022. Shortly after that, the registered office was relocated to the traditional main plant in Koblenz (Germany).



For the German works council and the IG Metall trade union, the entire conversion process into an SE in Luxembourg served only to circumvent the German co-determination laws. Stabilus has more than 2,000 employees in Germany. This means that the supervisory board should be composed on a parity basis, with half of the seats held by shareholder representatives and half by employee representatives. In Luxembourg, the holding company had only five employees and there was no co-determination. The Court of Appeal strictly adhered to the "before and after" principle. If there was no co-determination before the SE conversion, it does not have to be introduced in the SE. The court rejected the claim for an appeal to the European Court of Justice. Since the negotiations in the special negotiating body had failed on this issue, the standard rules of the SE Directive now apply, i.e. there is an SE works council for the 3,700 employees in Europe, but no employee representatives on the supervisory board.

Who can file a lawsuit in Luxembourg?

In addition to the SE law, the question of whether the special negotiating body (SNB) as a collective body, the trade union IG Metall and the chair of the SNB as an individual (who is also the chair of the works council at the main plant in Koblenz) are entitled to file a lawsuit at all, also played a role in the first instance before the Luxembourg Labour Court. The Labour Court rejected the claim on 12 January 2022 on the grounds that only the five employees of the holding company were entitled to file a lawsuit. In the second instance, the Court of Appeal accepted the legal capacity of IG Metall and the SNB chairman, but not that of the SNB as a collective body. Although the SNB is entitled to sign an SE agreement, it cannot go to court in Luxembourg. The same presumably applies to European works councils, which raises a similar problem like in Ireland (see report in EWC-News 3/2024).

Luxembourg Labour Court ruling
Court of Appeal ruling
Report on the SNB constituent meeting
Report on the unsuccessful negotiations

Federal Labour Court in Germany approves co-determination evasion



On 26 November 2024, the Federal Labour Court dismissed two claims by works councils to establish a special negotiating body (SNB) in the course of a conversion to a European Company (SE). The decision thereby enacts the European Court of Justice ruling from May 2024 that a "letterbox" company without employees in the legal form of an SE does not have to retrospectively negotiate employee participation when it comes to life and is used as a holding company with a large workforce (see report in EWC

News 2/2024).

The German group works council of the Japanese optics group Olympus has consequently failed in the last instance to establish an SE works council and employee participation in the supervisory board. The establishment of a European works council is also out of the question because a company in the legal form of an SE is not subject to the EWC directive. This court ruling means that, for the first time,

companies can opt out of all cross-border forms of employee participation. A similar situation exists at the family-owned company Brose Fahrzeugteile in Coburg (Bavaria). This works council's lawsuit was dismissed on the same day (see report in EWC-News 3/2022). The Hans Böckler Foundation has long been calling for legal changes to counteract the exodus from co-determination, which was explicitly included in the German government's coalition agreement in December 2021 (see report in EWC-News 4/2021). However, this legislative initiative had not yet been implemented when the coalition broke up on 6 November 2024.

<u>Detailed explanation of the European Court of Justice ruling</u> (see page 4)

Podcast of the Hans Böckler Foundation on the judgement

Legal assessment from an employer perspective

German Trade Union Confederation demands

Hans Böckler Foundation press release

Recent study on co-determination evasion

6. Improved EWC agreement after long legal dispute

Swiss HR services provider relocates EWC to Ireland

On 22 October 2024, an EWC agreement for Adecco was signed in Zurich. It sets a standard under Irish law that did not previously exist. The EWC was previously regulated by British law and had filed lawsuits against central management before Brexit that went all the way up to the Supreme Court (see report in EWC-News 1/2024). All proceedings have been resolved with the signing of the new EWC agreement.



The employee representatives wanted an EWC under German law, but central management rejected this. However, on many other points, the new EWC agreement is a significant step forward compared to the previous one from May 2018 (see report in EWC-News 3/2018). It not only refers to the EWC Directive, but also to the Charter of Fundamental Rights of the European Union. The EWC represents 16,000 employees in 24 countries, including Switzerland, the United Kingdom and Serbia. The rules for democratic election procedures, their verification and the protection of the 36 delegates have been reinforced. The steering group has been increased from five to six members, with each geographical zone in Europe allocated one seat. In addition, working groups can be established.

The number of plenary meetings will be increased from one to two, one of which will systematically combined with one day of training. All meetings will be held in person, with the exception of the regular bi-annual steering group meetings with central management, which will be held via video conference. The EWC members have the right of access to all sites in Europe and six to 18 days' time-off work per year, depending on their function, in addition to official meetings. These days can also be used to attend seminars and conferences.

The procedure for consultations is precisely described and takes a maximum of 100 days. During this time, management is not allowed to implement any irreversible measures. Extraordinary EWC consultation procedures always take place when at least 30 employees in two countries are affected by restructuring. Mass redundancies in a single country, which are based on the allocation of country budgets by the headquarters in Switzerland, fall within the responsibility of the EWC. This question was one of the points of contention in the court proceedings (see report in EWC-News 1/2021). In the event of future disputes, arbitration under Irish law is provided for, with the costs being borne by central management.

SE works council dissolved

In 2021, Adecco took over the French consulting company Akka Technologies, which had established an SE works council in 2015 (see <u>report in EWC-News 3/2015</u>). Adecco's new EWC agreement now also applies to Akka's workforce and the SE works council has been dissolved.

Report on the content of the agreement

Download the agreement

7. European Works Councils reorganised

Japanese glassmaker establishes EWC under Belgian law

On 3 June 2024, an EWC agreement was concluded between the special negotiating body (SNB) and central management of the world's largest glassmaker, AGC Glass Europe, at the headquarters in



Ottignies-Louvain-la-Neuve (near Brussels). AGC supplies the automotive industry. The new EWC agreement came into force on 1 July 2024, replacing the "Euroforum" that had existed since 2005 and was terminated by the employee representatives in September 2022.

The new EWC represents 14,000 employees in 13 countries, with the Czech Republic having the largest workforce of 3,500. Modelled on the Belgian (local) works council, the EWC is made up of both

employer and employee representatives. The chair is held by the employer, the employee representatives elect a secretary, who always comes from Belgium, and six additional members from the largest countries to form the select committee. The select committee meets three times a year, twice via video conference. EWC plenary sessions take place once a year over three days, including training, a site visit, preparatory and follow-up meetings for employee representatives, and a meeting with central management. In all meetings, the EWC is supported by a trade union coordinator from the European Federation of Industrial Trade Unions (industriALL) and, if necessary, by other experts.

If more than 100 employees are affected by downsizing, this triggers a consultation with the EWC, even if it is only in a single country. In such cases, the select committee is informed in a video conference. If the EWC agreement is terminated, negotiations on a new agreement begin. If no result is reached within a year, an application can be made to set up a SNB. This would mean the EWC would be dissolved and there would be a period of more than three years during which there would be no EWC at all. Such clauses can be found in some corporations with an Anglo-Saxon orientation, and are used to deter the employee representatives from demanding better EWC rights.

Swedish spin-off formalises its EWC regulations

On 26 August 2024, the ten members of Alleima's EWC signed an EWC agreement with central management. The Swedish company, based in Sandviken, an industrial town north of Stockholm, produces stainless steels and special alloys for industrial applications. Until August 2022, Alleima with 6,500 employees in 80 countries was part of the engineering group Sandvik, where it has had a EWC since 1995. After the IPO, an EWC was set up immediately, rather than a special negotiating body.



The agreement adopts large parts of the directive and the subsidiary requirements verbatim, without substantiating them. While in other countries this would lead to disputes over the correct interpretation of a legal text, there is little fear in Sweden, given the country's tradition of pragmatic co-operation. The EWC agreement also covers Switzerland, the United Kingdom and all EU candidate countries. The EWC meets annually and elects a select committee of four members, who meet as needed, including once a year with management.

World's fifth largest carmaker establishes EWC in the Netherlands



On 18 September 2024, an EWC agreement was concluded in Amsterdam between the special negotiating body and the central management of Stellantis. The group was founded in January 2021 by the merger of the automotive groups Fiat Chrysler Automobiles (FCA) and Groupe PSA, with the Peugeot, Citroën, Opel, Fiat, Jeep and Chrysler brands. The EWC has 37 members from 13 countries, including eight from France and Italy respectively, as well as two British representatives in an advisory capacity.

The EWC's agenda goes well beyond the minimum requirements of the EU directive and also includes general trends in the automotive industry, environmental concerns and decarbonisation, occupational health and safety, digitalisation and occupational training. The EWC is responsible for restructuring when at least 5% of the European workforce in two countries is affected. There is a strict timetable for consultations, with opinions having to be rendered within two weeks at the latest. However, the EWC then receives constant updates on the implementation of the measures.

The select committee has twelve members from the ten largest countries. The two annual EWC meetings and two annual meetings of the select committee take place at different group sites, with all members present. In addition to the time spent at the meetings, EWC members are allocated four to 16 days of time-off work per year, depending on their role. There are also six days of collective training and the opportunity to attend up to two external seminars or conferences during the four-year term of office. The EWC will be supported by a coordinator from the European Industrial Trade Union Confederation (industriALL) and a chartered accountant appointed for the entire term of office, as well

as further experts as required. If no new EWC agreement is reached following its termination, the EWC can continue its work on the basis of the subsidiary requirements of the Dutch EWC law.

The three European works councils that have existed since 1996 will be dissolved. At FCA, there was an EWC under Italian law (see <u>report in EWC-News 3/2016</u>), at PSA under French law and at Opel/Vauxhall under German law (see <u>report in EWC-News 1/2017</u>). On 13 October 2024, a few days after the EWC agreement was concluded, the CEO of Stellantis announced that he no longer ruled out plant closures in the face of the sales crisis in the automotive industry and competition from China. As a result, the six Italian factories saw the biggest strike in 30 years on 18 October 2024.

Report from the signing of the agreement Download the agreement

8. Focus on working conditions

Health and safety in waste and water management company

On 3 October 2025, a pan-European company agreement on health and safety was concluded for Suez in the Parisian office suburb of La Défense. The European works council had set up a special negotiating body for this purpose in November 2023, with involvement of two European trade union federations. Including the annexes, the agreement has 112 pages and replaces an earlier one from June 2014 (see <u>report in EWC News 3/2014</u>).



The company agreement contains specific provisions on working with heavy machinery, mental health, the right to disconnect and combating harassment and violence. The EWC will set up its own occupational safety committee for monitoring purposes. The new agreement is a model for the trade unions at the European level, well beyond the waste and water management sector. Suez has also had a new EWC agreement since November 2022 (see report in EWC-News 1/2023).

Report from the signing Download the agreement

Review of working conditions in Amazon warehouses



On 21 November 2024, Amazon management agreed with the European Parliament to a review of working conditions in the warehouses that satisfies the demands of the trade unions. Amazon lobbyists had been banned from entering the Parliament since February 2024 after they refused an invitation to the hearing of the Committee on Employment and Social Affairs on working conditions in the

warehouses. The agreement now provides for Amazon to participate in the hearing and for a subsequent fact-finding mission by MEPs to warehouses, with the involvement of employee representatives. In July 2021, the trade unions presented a report on digital workplace surveillance at Amazon (see report in EWC-News 4/2021).

Amazon alone employs 14 lobbyists accredited to the European Parliament and has spent €18.8 million on lobbying European institutions since 2013, showing its commitment to influencing political decisions. As recently as August 2024, spending on lobbying was increased to over €5 million, and Amazon also funds two think tanks. In the EU, Amazon has 150,000 employees and refuses collective bargaining in many countries. In September 2020, the US headquarters advertised two permanent positions for union busters to prevent the establishment of employee representation around the world (see report in EWC-News 3/2020). In more than 20 countries, days of action and token strikes took place again during the peak season before Christmas.

Report on the revocation of access badges

Amazon's position

Report on the agreement with parliament

Report on the union actions in the pre-Christmas period

Report on the Kaiserslautern warehouse

9. The view beyond Europe

Italian energy company strengthens social rights worldwide

On 16 July 2024, a new international framework agreement was signed with the trade unions at Enel's headquarters in Rome. In addition to core labour standards such as freedom of association, occupational health and safety and gender equality, the agreement places a particular focus on social dialogue in the 28 countries around the world where Enel is present. The aim is to reach a consensus with local employee representatives on the consequences of the energy transition. Other topics include work-life



balance, the right to disconnect, parental protection, and training and skills development. The framework agreement is considered a model example and replaces the agreement first concluded in June 2013. Since then, a World works council has also been established, with working groups (see report in EWC-News 2/2013).

Report on the signing

Download the framework agreement

Fashion chains enhance responsibility in the supply chain



On 28 August 2024, the New Look group management and the International Transport Workers' Federation (ITF) in London agreed on a joint memorandum of understanding. The English fashion chain has 10,000 employees and operates 400 stores in the UK and Ireland. The aim of the memorandum of understanding is to promote decent work in the supply chain, to grant trade unions access to logistics service providers for the purpose of recruiting members, and to monitor compliance with labour law.

Press release on the signing

Two other fashion chains updated their existing framework agreements. On 26 August 2024, the Swedish fashion chain **Hennes & Mauritz** signed an update to the 2015 international framework agreement with the International federation of industrial unions (industriALL). This will reinforce the fundamental rights of one million textile workers throughout the 1,000 factories that manufacture their products. The group is investing \$100,000 in communication and training and is introducing a process to resolve possible conflicts in the interpretation of the agreement. Prior to this, the national monitoring committees had met in Cambodia in June 2024.

Report on the signing

Download the new framework agreement

Report on the monitoring committee meeting

On 10 October 2024, the management of the Spanish textile group **Inditex** and the umbrella organisation of the services trade unions (UNI) renewed their international framework agreement of 2009 (see <u>report in EWC-News 3/2009</u>). Newly included were rules on a fair digital transformation, combating gender-based violence, better integration of disabled workers and the extended coverage of franchise companies. During the two days prior to the signing, the Global union committee met with the management and the European works council.

Report on the signing Report from the meeting of the Global union committee

Al for skills development and work-life balance

On 4 November 2024, in Paris, the HR Director of BNP Paribas, one of Europe's largest banks with 180,000 employees worldwide, signed an international framework agreement with UNI Global, the umbrella organisation of service sector trade unions. It enhances the existing agreement from September 2018 (see report in EWC-News 4/2018). New elements include provisions on teleworking and the right to disconnect for all 63 countries in which the French bank has operations. It is one of the first international framework agreements to address the use of generative AI to support employees in developing their skills, while also defining ethical



standards. Another section of the agreement deals with work-life balance. All employees receive five unpaid "flexible days" per year, which they can take on a full- or half-day basis, to fulfil private

obligations. A European Social Charter has been in place since July 2012, negotiated by the European works council (see <u>report in EWC-News 3/2012</u>).

Report on the signing

Explanation of the contents of the agreement

Download the framework agreement

10. Interesting websites

Guidance on digital transformation



At the beginning of September 2024, the European employers' federations and trade unions presented a joint website on digitalisation. The aim is to support the social partners in the individual EU member states in implementing the European framework agreement on digitalisation of June 2020 (see report in EWC-News 3/2020). The website explains details of the framework agreement and supports its implementation. Countries can be selected on a map, where the respective national initiatives are presented.

Digitalisation agreement website

Interactive online tool for restructuring

In September 2020, the European trade union federations launched the "Transnational Restructuring Navigator", an online tool for members of European and SE works councils. This is to help them to better perform their tasks in dealing with restructuring and to prevent employees at different locations in Europe from



being played off against each other. The new Navigator is available in English, with other languages machine-translated.

<u>The Navigator website</u> <u>Press release on the launch of the Navigator</u>

Support for the development of collective bargaining



The European federation of service sector unions UNI has set up three regional centres to help trade unions build their capacity to recruit members, organise campaigns and develop skills for collective bargaining. There is a Centre for Northern and Western Europe based in Brussels, a Centre for Central Europe based in Warsaw and a Centre for South Eastern Europe based in Timişoara (Romania). This support is also linked to the Minimum Wage Directive, which includes

the promotion of collective bargaining in all EU countries (see report in EWC News 4/2022).

The UNI website on organising

International trade union work in Austria

The Austrian Trade Union Confederation (ÖGB) runs a participatory project for union members who are interested in international issues. It deals with topics relating to development policy, sustainability, labour and trade union rights and exploitation. It offers fireside chats with international guests, educational trips and network meetings.

The network website

11. New publications

Country comparison on handling confidential information



On 18 September 2024, the European Trade Union Institute (ETUI) presented a handbook outlining the most important rules for employee representatives when handling confidential information in seven EU countries (Belgium, Finland, Hungary, Italy, Poland, Slovenia, Sweden) and the United Kingdom. In order to fulfil their role as employee representatives, they must be able to assess which specific information is confidential, for how long, for whom and why. They can be held personally liable for any breaches of confidentiality. Corporate law, data protection and labour law all play a role here. A frequent point of contention is communication with staff in the run-up to planned restructuring. In this regard, the Spanish Supreme Court, for example, has ruled that redundancies are in principle not subject to confidentiality for EWC members (see report in EWC-News 4/2020).

Download the handbook

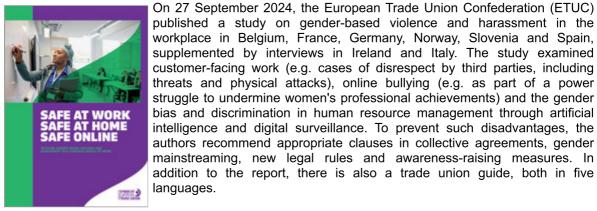
Protection of human rights, democracy and the rule of law

On 18 September 2024, the Brussels office of the Friedrich Ebert Foundation published a new brochure about the tasks and responsibilities of the Council of Europe, an international human rights organisation based in Strasbourg. It was established in 1949 and is not an EU institution. It has 46 member states, which include all European continental states except Kosovo, Belarus and Russia. The Council of Europe has agreed a binding legal framework with its member states on human rights, democracy and the rule of law. There are more than 200 conventions and protocols for this purpose, such as an anti-torture convention and the European Social Charter. Anyone who feels that their rights have been violated can initiate proceedings before the European Court of Human Rights. The member states are bound by its court rulings. About one third of all proceedings concern Turkey alone. There is also a Parliamentary Assembly consisting of 318 members from the national parliaments of the member states.



Download the brochure The Council of Europe website

Country study on gender-based violence and harassment



published a study on gender-based violence and harassment in the workplace in Belgium, France, Germany, Norway, Slovenia and Spain, supplemented by interviews in Ireland and Italy. The study examined customer-facing work (e.g. cases of disrespect by third parties, including threats and physical attacks), online bullying (e.g. as part of a power struggle to undermine women's professional achievements) and the gender bias and discrimination in human resource management through artificial intelligence and digital surveillance. To prevent such disadvantages, the authors recommend appropriate clauses in collective agreements, gender mainstreaming, new legal rules and awareness-raising measures. In addition to the report, there is also a trade union guide, both in five languages.

Download the report Download the guide Overview of all language versions

Handbook for works councils on digitalisation and Al

On 22 November 2024, the second edition of the "Gute Arbeit" Reader (Good Work Reader) was published by the trade union ver.di, which aims to provide impulses for humane technology and work design. The EU regulation on artificial intelligence (AI) has been in force since August 2024 (see report in EWC-News 3/2024). The Reader highlights the legal framework, opportunities for participation, research findings and practical examples, such as the IT framework agreement at Deutsche Telekom or the digitalisation collective bargaining agreement at the clothing retailer H&M. According to surveys conducted by the German Confederation of Trade Unions (DGB), work intensity in the service sectors rose significantly between 2016 and 2022. Since the coronavirus pandemic, video conferences have been taking place non-stop and new software is constantly being used, including Al-supported chatbots in customer service. The authors provide approaches to avoiding discriminatory effects when using AI.

Download the Reader

Explanation of the AI regulation for works councils

Evaluation of the EU's new digital law

European study on the application of AI in the workplace

Recommendations for European Works Councils

Forthcoming event

The contents of the new Al Regulation and its significance for works councils will be discussed at our Hamburg conference on 28 January 2025.

Programme for the conference





12. The EWC Academy: Examples of our work

EWC training for French automotive supplier



The annual meeting of the A Raymond European works council took place in Freiburg im Breisgau (Germany) from 14 to 18 October 2020. It has been in existence since 2017 and represents 1,900 employees of the family-owned company based in Grenoble in France, Spain, Italy, Germany and the Czech Republic. The EWC agreement bears a typically French hallmark. The chair is held by the employer, there is an extensive catalogue of topics and precise rules on the course of consultation procedures, a

budget for experts and precisely defined time-off work allowances. The representatives received training from the EWC Academy in a hybrid session (some participants were connected via video) on their rights under the EWC agreement and on improving their internal work. The impact of the forthcoming revision of the EWC Directive on A Raymond was also discussed.

Seminar on the renegotiation of EWC agreements

From 12 to 15 November 2024, EWC members from seven companies attended the EWC Academy's legal seminar at Steinburg castle, high above the city of Würzburg. The seminar covered the legal status of EWC agreements, the definition of transnational matters, information and consultation, confidentiality and the legal basis for video conferencing. Working groups analysed good and bad EWC agreements from recent months.



The legislative process for the revision of the EWC Directive was also on the agenda. The next legal seminar will take place from 7 to 10 October 2025 at the same location.

The programme of the legal seminar

Restructuring in US market research company



The EWC Academy is currently supporting the European works council of Nielsen Media Research in a consultation procedure on the planned outsourcing and relocation to non-European locations. To this end, an EWC workshop with central management took place in Lugano (Switzerland) on 11 and 12 December 2024. The EWC Academy was commissioned to conduct a detailed business analysis of the possible impact. In July 2013, the EWC and Nielsen's central management had agreed on a flowchart and

guidelines for correct implementation of consultation procedures (see <u>report in EWC-News 3/2013</u>). The EWC has existed since 1996 and operates under Dutch law.

13. Current seminar schedule

The EWC Academy and its forerunner organisation have been conducting conferences and seminars for members of European Works Councils, SE Works Councils and Special Negotiating Bodies since January 2009. So far, 941 employee representatives from 319 companies have taken part, many of them multiple occasions. This represents 25% of all transnational works council bodies in Europe. In addition, there are numerous in-house events and guest lectures given to other organisations.

Overview of the forthcoming seminar schedule

17th Hamburg Conference for European and SE Works Councils

The next Hamburg Conference will take place on 27 and 28 January 2025. As always, the latest developments in EWC and SE landscape, case studies ("best practice") from some companies and recent court rulings will be presented. The focus of the conference is the ongoing progress of the revision of the EWC Directive. The European Commission began the legislative process on 24 January 2024.





Works council seminar in Gdańsk



From 2 to 4 April 2025, another seminar will take place in Gdańsk. In addition to an introduction to the Polish system of employee representation, there will be an opportunity to catch up on current developments following the change of government. Poland is the most important EU country in Eastern Europe and its economy is strongly interconnected 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).

The programme of the seminar

Introductory seminar at Montabaur Castle

From 22 to 25 April 2025, the annual introductory seminar for members of European works councils, SE works councils and special negotiating bodies will take place in Montabaur. The castle is located at the high-speed train station, halfway between Frankfurt and Cologne. Several seminar modules for beginners and advanced participants will be offered.



The programme of the seminar Report from a previous seminar in Montabaur

Legal EWC seminar in Dublin



In recent years, there has been an increase in legal disputes surrounding the EWC, many of which have involved groups based in the US, other English-speaking countries and Switzerland. But companies in France, Germany, Austria, Finland and Norway have also been affected. This seminar will cover court cases from recent years. A particular focus will be on the situation in Ireland, where a case is currently pending in the High Court that could potentially end up at the European Court of Justice (see report in EWC News 3/2024). The Dublin seminar includes a visit to the oral hearing at the High Court, which is expected to take place at the end of June 2025.

Non-binding pre-registration for the seminar in Dublin

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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