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1. Mass exodus to Irish EWC jurisdiction

Brexit reveals a poor transposition of EWC Directive in Ireland



Prior to the Brexit, Ireland played only a minor role in the landscape of European works councils. A total of only eleven companies with headquarters in the Republic had so far established a European works council, along with another 36 non-Irish corporations which had established their EWC there long before Brexit. Now after Brexit, around 100 companies have followed suit, many from the USA, leaving the UK for e.g. the Dublin Docklands (photo). As a consequence Ireland has moved up from 13th to third place in the EU, after

Germany and France.

For Anglo-Saxon companies, it is not only the language and the legal culture that play a role in selecting their Dublin subsidiary to act as central management. Irish EWC law appears particularly attractive because it is considered deficient and does not meet the standards of the EU Directive, especially when it comes to taking legal action. Disputes concerning the interpretation of EWC agreements or on the regulations for a default EWC must be submitted to an independent arbitrator to whom both parties agree. If the parties cannot agree on a person, the Labour Court appoints one or more arbitrators. The decision of the arbitrator is final and can only be challenged in court on a point of law. The law gives no guidance as to what decisions the private conciliator is able to make and it is doubtful whether private arbitration proceedings whose role is not clearly defined can comply with the requirements of the EU Directive. To date there has never been an EWC arbitration in Ireland.

First EWC dispute in 25 years

On 20 November 2020, the industrial union SIPTU filed a complaint before the Irish Minister for Enterprise, Trade and

Employment against building materials manufacturer Kingspan. The former family-owned company, based in Kingscourt near the border with Northern Ireland, has grown in recent years to 15,500 employees in 70 countries, through acquisitions such as the takeover of seven factories from the ThyssenKrupp Construction Group in Germany, France, Belgium, Austria and Hungary.



On 21 March 2018, an application was submitted from Ireland and Belgium to establish a European works council for Kingspan. However, to date, central management has done nothing to convene a special negotiating body (SNB). While in other EU countries such a case can be referred to the courts (see [report in EWC News 3/2016](#)), in Ireland it is only possible in a roundabout way. The Department of Employment forwarded the complaint of SIPTU to the Labour Inspectorate. As the company did not respond to several of the requests, it can now apply to the Circuit Court for a fine of 1,500 €.

Ireland is the only EU country where the EWC have no right to legal recourse before courts

There is no way for a trade union or employee representative to take legal action for the establishment of an EWC in court. This gap in the legislation and the low penalties have led to Irish employers not taking the EWC law seriously, according to the SIPTU union. On 5 March 2021 it drew the attention of the European Commission to this situation and asked it to review the conformity of the transposition of EWC rules in the Republic of Ireland with the Directive. Should the European Commission share the criticism, it will demand a change in the law. The last resort would be a legal action by the European Commission against Ireland before the European Court of Justice.



SIPTU's criticism relates to the fact that the Workplace Relations Commission (WRC), which was established in 2015 and acts as a first instance in labour law (see [report in EWC News 2/2015](#)), has not been given any competence over European works councils. SIPTU is seeking to change this so that the WRC can take on a role with responsibilities similar to that of the Central Arbitration Committee (CAC) in the UK.

[Full text of the Irish EWC Act](#)
[The role of the Workplace Relations Commission](#)
[Open letter from SIPTU to the Minister of Employment](#)
[Background reports on Irish EWC law](#)

From British to Irish law: management can decide unilaterally

On 18 January 2021, the Central Arbitration Committee (CAC) in London dismissed a complaint by Verizon's European works council. The US telecommunications company had switched from British to Irish jurisdiction on 20 October 2020 following the expiry of the previous EWC agreement. As negotiations on a new agreement had previously failed to produce any result, the subsidiary requirements ("default EWC") have automatically come into force since that date. The employee representatives were of the opinion that a change of national jurisdiction must be agreed with the EWC and that management could not make this decision unilaterally (see [report in EWC News 4/2020](#)).



The CAC had once again to rule on the same issue on 15 February 2021 for a complaint that was filed by the European works council of the Swiss HR services provider, Adecco. It was seeking to prevent Irish law from applying instead of the British, starting from 1 January 2021. The central management of Adecco had decided this unilaterally. The CAC did not rule on either of the two complaints, but declared itself incompetent. Companies from the USA or Switzerland are free to choose the national law for the EWC, regardless of Brexit. There have already been several rulings in this sense, most recently in June 2019 in the case of Hewlett Packard Enterprise (see [report in EWC News 2/2019](#)). In Germany, the regional labour court of Hesse had ruled Ireland to be competent in July 2018 in the case of the US group, DXC Technology, as previously by the local labour court in Wiesbaden (see [report in EWC News 2/2018](#)).

[The CAC decision in the Verizon case](#)
[The CAC decision in the Adecco case](#)
[Commentary on the court ruling in the DXC Technology case](#)

2. Current developments at the European level

Obligation for constant availability in the home office to be prohibited



On 21 January 2021, the European Parliament demanded by a majority of 472 votes to 126 with 83 abstentions that employees should no longer have to be available around the clock. A new EU Directive is to set minimum requirements for teleworking, e.g. working hours and rest periods, as well as a right to disconnect, in order to prevent mental stress and burnout. In the working world, digital tools are being used more and more frequently and home office work has increased sharply during the Corona pandemic, fostering an obligation to be constantly available. As a result, the balance between personal and professional life is suffering, MEPs

said.

At the beginning of the Corona pandemic, Luxembourg, the Netherlands, Belgium and Sweden had a particularly high number of employees working from home, while Bulgaria and Romania had very few. Germany ranks in the middle. When it comes to the right to disconnect, France has been a pioneer. Since August 2016, employers have been legally obliged to establish procedures and to introduce training and other measures to raise awareness in order to foster an appropriate use of digital tools. The European social partners had taken up this issue in a framework agreement on digitalisation in June 2020 (see [report in EWC News 3/2020](#)). There are also exemplary company agreements on the subject, such as at Daimler and Orange (see [report in EWC News 4/2016](#)) or the European agreement concluded in October 2020 for the Italian bank UniCredit (see [report in EWC News 4/2020](#)).

[European Parliament press release](#)
[Full text of the resolution](#)
[Study on the spread of telework before the Corona pandemic](#)
[Study on remote work in Germany](#)
[Trade union guide on the right to disconnect](#)

New EU directive aims to reinforce equal pay

On 4 March 2021, the European Commission presented a proposal for a Pay Transparency Directive to ensure that women and men receive equal pay for equal work across the EU. It includes two key elements to reinforce equal pay: measures on pay transparency, so that e.g. female job seekers get a better insight into wage and salary structures, and better access to justice, so that victims of pay discrimination can claim compensation. All companies with 250 or more employees will have to publish reports on the gender pay gap and carry out a pay evaluation in cooperation with works councils or trade unions.



Following the adoption of the Directive, member states have two years to transpose it into national law. The European Commission already plans to evaluate the impact of the Directive after eight years. Currently, women in the EU earn 16% less than men, one of the reasons being the wage and salary differences based on gender discrimination. The gender pay gap is particularly high in Austria and Germany, where it amounts to over 20%, while it is only 1.4% in Luxembourg, 5.5% in Italy and 8.5% in Poland. Germany has had a Pay Transparency Act since July 2017, but it is little used.

[European Commission press release](#)
[Full text of the proposed Directive](#)
[Report on the Gender Pay Gap in EU countries](#)
[Study on the Pay Transparency Act in Germany](#)

Supply chain law is on its way



On 10 March 2021, 504 MEPs (with 79 votes against and 112 abstentions) called for EU legislation to make companies legally responsible if they violate or contribute to violations of human rights, environmental standards and good governance within their global supply chain. They should provide for due diligence and identify and remedy any negative impact on both human rights and environment. The new law is intended to cover all companies operating in the European Single Market, even if the headquarters are outside the EU. Products linked to forced or child labour are to be banned and tough sanctions are foreseen for any violations. The European Commission has announced that it will present a bill by the end of 2021.

[European Parliament press release](#)

[Full text of the resolution](#)

[Reports on exploitation in the supply chain](#)

[Report on the European Commission's plans](#)

[Analysis of the French supply chain law](#)

On 3 March 2021, after months of negotiations, the German government passed a draft supply chain law. From January 2023, companies with more than 3,000 employees must ensure that their suppliers respect human rights and prevent damage to the environment, and from 2024, companies with more than 1,000 employees must do likewise. The new law will initially affect 600 companies and in the second phase almost 2,900. Although there is no provision for civil liability, there is a threat of fines of up to 800,000 € and the exclusion from public tenders. A control authority can investigate reported violations of due diligence on site, and associations and trade unions can sue in German courts if they suspect human rights' violations. So far, there has only been a voluntary commitment by the business community, but only one fifth of all companies have adhered to it. Since September 2019, an alliance of 17 organisations, including unions, had been campaigning for such a law in the "Supply Chain Law Initiative" (see [report in EWC News 4/2019](#)). 71 companies had also spoken out in favour of legislation.

[The contents of the new law](#)

[Information from the Federal Government](#)

[The call for legislation from 71 companies](#)

[Report on the agreement in Germany](#)

[Research report from the Hans Böckler Foundation](#)

3. News from the Gig Economy

Federal Labour Court: Crowdworkers are considered to be employees in Germany

On 1 December 2020, for the first time, the highest courts classified a crowdworker who was micro-tasking on the platform "Roamler" as an employee. The plaintiff from Wesel, a city in North Rhine-Westphalia, was working in field marketing, controlling the presentation of goods and advertising posters in supermarkets and earned around 20,000 € per year working 20 hours a week. Roamler is a Dutch startup that offers crowd-sourcing solutions for business. The website's welcome message reads: "Strengthen your business with a flexible workforce." Roamler talks about "experts on demand" who are recruited, trained and assigned to tasks according to skills, experience and proximity.



The sentence by the judges in Erfurt is considered as an "earthquake" in German labour law with far-reaching consequences for the entire platform economy. A few days earlier, the Federal Ministry for Employment and Social Affairs had presented the key issues for fair work in the platform economy. Solo self-employed workers are to be given access to elementary labour law standards and social security. The burden of proof for the non-existence of an employment relationship is to be shifted to

the platform operator.

[Federal Labour Court press release](#)
[Report on the court ruling](#)
[Legal commentary on the court ruling](#)
[Federal Government key issues](#)

Revolutionary turning point for workers' rights in the digital world



These are the words used by the Italian trade union CGIL to describe a ruling by the Bologna labour court on 31 December 2020 against the delivery service Deliveroo. The British company, which uses self-employed bike couriers to deliver food orders, was declared to have violated workers' rights and to have discriminated against them. The bike couriers have to communicate the time they are available in advance via a booking system. Those who did not show up for work due to health reasons or due to their participation in strikes were penalised by an algorithm in the app in the same way as for unauthorised absences.

Deliveroo must now pay compensation of 50,000 € plus interest to each individual bike courier affected and cover the costs of the entire legal battle. Bologna is a stronghold of strikes by bicycle couriers (photo), who have formed their own union. Since November 2019, there is a new law in Italy that puts self-employed bicycle couriers on an equal footing with dependent employees. There have also been spectacular court cases in the home country of the delivery service. In London, an out-of-court settlement was reached in June 2018 (see [report in EWC News 3/2018](#)).

[Press report on the court ruling](#)
[Full text of the ruling](#)
[Website of the Bologna bicycle couriers' union](#)

Historic decision of the Supreme Court in London

On 19 February 2021, the UK Supreme Court ended a years-long dispute over the status of Uber drivers. The US passenger transport company considered drivers to be independent contractors and not employees. This had already been contradicted by three lower courts and now the last instance court decision has fallen. Uber drivers in the UK are entitled to statutory minimum wage, breaks, sick pay and paid holidays. The case now goes back to the Employment Tribunal, which must determine the level of compensation for more than 2,000 drivers. This could average 12,000 £ (13,900 €) per person. As a result of the ruling, Uber has changed its business model. Since 17 March 2021, all 70,000 drivers in the UK are considered employees.



[Press report on the decision](#)
[Commentary from a trade union perspective](#)
[Report on the new business model](#)

Further developments in the platform economy



On 30 January 2021, the Dutch delivery service, Just Eat Takeaway, announced plans to transform its business model in France. Over the course of 2021, 4,500 bicycle couriers in 30 cities across the country will be given permanent employment contracts with social security and an hourly wage of 10.30 €. While other delivery services continue to treat deliverers as self-employed (as long as courts do not prohibit this), Just Eat Takeaway is seeking to present itself as a



socially responsible company.

In Italy, on 24 February 2021, the public prosecutor in Milan asked four major food delivery service providers to hire around 60,000 bike couriers within the next three months. Otherwise, they face fines of up to 733 million €. In Spain, on 10 March 2021, the government and social partners agreed on a bill that will treat food couriers as employees in future. In Brussels, the European Commission launched a consultation of social partners on 24 February 2021 to improve working conditions in digital platforms. This is the first step towards an EU legislative initiative. As more and more contracts are awarded to craftsmen, freelancers or cleaners via such platforms, an army of digital day-labourers under the illusion of endless flexibility and entrepreneurial freedom is being created. Without any regulation, the labour market runs the risk of evolving like it did at the beginning of the Industrial Revolution.

[Report on Just Eat Takeaway in France](#)

[Report on developments in Italy](#)

[Report on developments in Spain](#)

[European Commission press release](#)

[Study on workforce representation in the platform economy](#)

4. Focus on fair minimum wages

Safeguarding workers' rights is a priority for the UK government

With this argument, the Department of Trade and Industry published on 31 December 2020 a list of 139 companies that violated their obligation to pay the statutory minimum wage between 2016 and 2018. In total, 95,000 workers were underpaid by the amount of 6.7 million £ (7.4 million €). This was mainly due to wage deductions for working clothes, training or parking fees. Such violations are investigated by the tax authorities. All 139 employers had to reimburse the difference in wages to their workers and were fined up to 200% of the arrears.



The supermarket chain Tesco, which withheld 5.1 million £ (5.7 million €) from 78,199 employees, allegedly due to a software error, accounts for the largest share. In second place is the Pizza Hut restaurant chain, which overcharged 10,980 employees for working clothes. There is also a German name on the list: the Theo Müller group produces yoghurt and desserts in central England. However, the Swabian family business, known for Müllermilch, Weihenstephan and Homann Feinkost, has had its official headquarters in Luxembourg since 2011. On 1 April 2021, the national minimum wage in the UK rose to £ 8.91 (€ 9.89) for workers aged 23 and over and to £ 4.30 (€ 4.77) for apprentices.

[Press release with the list of 139 companies](#)

[Press release on the increase of the minimum wage](#)

Fair minimum wage for the Czech Republic



Since 2016, there has been an informal discussion platform on a needs assessment for a fair minimum decent wage involving 22 academics and trade unionists in Prague. Among them is former Prime Minister and EU Commissioner for Social Affairs Vladimír Špidla (see [interview in EWC News 4/2007](#)). For the year 2020, the resulting figures to cover the costs of a decent living standard amount to 32,428 crowns (1,238 €) and for Prague to 37,987 crowns (1,450 €). However, more than half of all Czech workers do not reach this level. The calculation method is explained on a dedicated website supported by four organisations, including the Prague office of the Friedrich Ebert Foundation.

[Project website](#)

[Press report on the project](#)

The statutory minimum wage in the Czech Republic is considerably lower. It ranges over eight categories from 15,200 crowns (580 €) for the simplest support activities to 30,400 crowns (1,160 €) for company managers. Since 2015, the Bohemian-Moravian trade union confederation ČMKOS has been pushing with a campaign for "An end to cheap labour". The government coalition of the liberal populist ANO ("Action of Dissatisfied Citizens") and Social Democrats tolerated by Communists (see [report in EWC News 4/2018](#)), which has been in power since June 2018, has been able to enact a 25% increase in the minimum wage. The Czech Republic has the second lowest unemployment rate of all EU countries (after Poland) at 3.2% and the exchange rate has been largely stable since the financial market crisis of 2008 (26 crowns for one euro). Although the Czech Republic meets all the criteria and neighbouring Slovakia has already been part of the Eurozone since 2009, the government rejects any plans for a forthcoming introduction of the euro.

[Country study for the campaign "An End to Cheap Labour"](#)
[Overview of current minimum wages in Europe](#)

All suppliers to pay fair living wage

On 21 January 2021, Unilever became one of the first global corporations to announce that it will only work with suppliers who pay decent living wages according to the conditions in each country. By 2030, the Anglo-Dutch consumer goods company aims to implement the plan, which has the potential to change the lives of millions of people given Unilever's enormous size and global reach.



Wage should be sufficient to cover food, water, housing, education, healthcare, transport and clothing, and include a provision for unexpected events. To this end, precise rates of pay will be defined for 190 countries. Unilever already audits its suppliers for compliance with climate targets. The CEO sees the two biggest threats the world currently faces as climate change and social inequality. For consumers, price, suitability or product range are less and less decisive, as ecological and social aspects play an increasingly important role.

The plan also includes offers for further training and flexible employment models. Since January 2016, there has already been a worldwide declaration of commitment with trade unions to combat sexual harassment in the workplace (see [report in EWC News 1/2016](#)) and in March 2019, the European works council succeeded in pushing through a Europe-wide framework agreement on strategic human resources development (see [report in EWC News 1/2019](#)).

[Unilever press release](#)
[The current Human Rights Report 2020](#)
[Press report on the initiative](#)

5. Court rulings in Britain

Scottish Supreme Court bans Fire and Rehire tactics



same strategy in three distribution centres in England. On social media, USDAW launched the "HonourTheAgreement" campaign.

On 12 February 2021, the USDAW union won an injunction against the supermarket chain Tesco in the Court of Session in Edinburgh. The court prohibited the company from escaping a collective bargaining agreement at its Livingston distribution centre in central Scotland. The 290 workers employed there were to be dismissed and immediately re-employed on worse terms and conditions, resulting in annual income losses of 4,000 to 19,000 £ (4,600 to 21,700 €). Tesco is pursuing the

The practice of "fire and rehire", where an employer threatens to sack workers if they do not reapply for their job on substandard terms and conditions, has increased sharply during the Corona pandemic.

The British Trades Union Congress (TUC) published research in January 2021 showing that one in ten workers in the UK were affected, particularly lower-paid occupations, under-24s and ethnic minorities. Major companies such as British Airways also initially wanted to sack 12,000 workers due to the Corona pandemic and later re-hire them on worse terms and conditions, and could only be prevented by a nine-day strike over Christmas.

[USDAW union press release](#)
[The campaign on Twitter](#)
[Details of the TUC investigation](#)
[Report on the British Airways settlement](#)

Control of subsidiaries through financial budgets is an issue for the EWC

On 5 March 2021, the European works council of Adecco won a case before the Central Arbitration Committee (CAC) in London. The central management of the Swiss HR provider and temporary staffing firm had neither informed the EWC about planned mass redundancies nor disclosed any business figures for individual countries. It was operating under UK law at the time (mid-2020) with an EWC agreement that was last revised in May 2018 (see [report in EWC News 3/2018](#)). The group has 600,000 temporary workers worldwide who are assigned to other companies and 35,000 internal permanent employees.



In May 2020, the EWC steering committee discovered that there had been significant job cuts in several countries: 13% of the workforce in Hungary, 43% in the Netherlands, 25% in Sweden. Central management refused to inform and consult the EWC, claiming that all decisions were purely "national". Redundancies were not imposed by European or global management, but decided in each country under its own responsibility. The head office was only responsible for developing the group strategy and translating it into local operational targets and country budgets. Within the agreed budget, local management could act independently. The group management should only be obliged to involve the EWC if it made a decision itself.

The EWC rejected these arguments since as a result, collective redundancies would never fall within the scope of the EWC agreement. It demanded country-by-country figures on business development too, which it had been denied for years. The CAC upheld the EWC's claims on all counts. In the case of collective redundancies in more than one country, the EWC should always be involved, regardless of which level of management decides or coordinates this. It should furthermore not be denied the disclosure of country-specific financial data.

[Full text of The CAC ruling](#)
[Report on the EWC and social dialogue at Adecco](#)

Spanish EWC secretary allowed to inform Spanish workforce



On 25 March 2021, the Central Arbitration Committee (CAC) in London ruled that the exclusion of the employee representatives' spokesperson on the Alliance Healthcare EWC from meetings with management must end. He had used critical language to inform his country's workforce about an outsourcing project and was banned by management from attending meetings and had his salary deducted as a punishment (see [report in EWC News 3/2020](#)). The complaint was filed in October 2020, when the US pharmaceutical wholesaler was still under British jurisdiction. From 2021, Dutch law applies, but the EWC is still chaired by the employer.

There was also a legal dispute over the duty of confidentiality of EWC members in the US computer company IBM. The Spanish Supreme Court ruled in October 2020 that plans for staff reductions are never subject to secrecy (see [report in EWC News 4/2020](#)). The employee representatives on the Alliance Healthcare EWC have also had recurring problems in holding their internal pre- and post-

meetings over the past year. Therefore, the complaint also concerned the lack of interpreter support. The CAC ruled that there was a right to interpreters for all internal meetings of the employee representatives. The legal advice and representation before the CAC was provided by EWC Academy, which has already been advising the EWC since October 2019 (see [report in EWC News 3/2019](#)).

[Full text of the CAC decision](#)

6. New EWC agreements

Swiss Airport Service Company establishes EWC in Ireland

On 15 December 2020, after just over three years of negotiations, an EWC agreement was concluded for Swissport based on Irish law. With 45,600 employees at 300 airports, it is the largest ground handling service provider in the world, based near Zurich airport. The Corona crisis has hit the company hard. In June 2020, the Belgian subsidiary went bankrupt and the workforce in the UK and Ireland was more than halved by 4,600 job cuts. The financial problems led to its takeover by several US investment companies in December 2020.



The EWC agreement is largely based on the subsidiary requirements of the EU Directive. The UK is only represented on the EWC for two years and Switzerland has been excluded right from the beginning. The schedule for the annual plenary meeting has been precisely defined: at least eight weeks beforehand, the select committee and central management establish the points for the written report in a video conference, which is sent to the EWC four weeks beforehand. The select committee discusses this report with its expert in a video conference. Specific issues for consultation during the plenary session must be communicated by the EWC at least seven working days in advance. Six months later, the select committee shall be informed by the central management about the course of business in a three-day meeting. The venue for the meeting is chosen by central management.

Extraordinary meetings of the select committee - extended with delegates from countries concerned - are only held if a measure has an impact on at least 5% of the European workforce. A dedicated timetable is negotiated before such a consultation starts. If no agreement is reached, the extraordinary meeting takes place five weeks after the announcement by central management. The management responds to the opinion of the EWC within one week. Consultation procedures are therefore normally considered concluded after six weeks. Meetings are generally held face-to-face. They may be held as a video conference if the agreement explicitly provides for this or if physical meetings are exceptionally not considered reasonable.

US packaging company establishes EWC under French law



Shortly before the end of the three-year negotiation period, an EWC agreement for AptarGroup was signed electronically on 5 March 2021. The US company produces packaging for cosmetics, food and the pharmaceutical industry. The EWC represents 7,800 workers in six EU countries and the UK, including 4,700 in France and 2,000 in Germany. The Louveciennes site near Paris has been designated as the central management headquarters.

The 17 EWC members, including seven from France and four from Germany, meet once a year under the chairmanship of the employer. They elect a secretary (spokesperson) and three other members to the EWC select committee, which holds two annual meetings, one of which is a video conference. In the event of exceptional circumstances, a meeting of the select committee is convened during which a consultancy firm is commissioned to assess the restructuring. A plenary meeting is then held one month later, followed by a second one in the case of extensive projects. The final opinion of the EWC must be rendered eight days after the final meeting.

The agreement defines a very detailed catalogue of responsibilities for the EWC and the very extensive support of experts in line with French practice. Consultancy costs are, however, limited to

60,000 € per year. In exceptional circumstances an additional budget is negotiated. EWC members have an allowance of 64 hours' time-off work per year, the members of the select committee 96 hours and the secretary 128 hours. Meetings, training and site visits are not counted in these quotas. The EWC has three days of training in the four-year term of office and each delegate can book 30 hours of online English courses per year. A separate paragraph allows for the replacement of face-to-face meetings with video conferences in the event of a pandemic.

7. New SE conversions

Hessian family business avoids co-determination completely

Viessmann, a manufacturer of heating and cooling systems with 12,300 employees worldwide, converted important parts of the firm into a European Company (SE) in two stages. On 28 August 2020, an SE employee participation agreement was concluded at the company's headquarters in Allendorf (North Hesse) and Viessmann Climate Solutions SE was registered in the company register on 1 September 2020, initially with only 678 employees in Germany. The Heating Systems division with subsidiaries in 21 countries was then integrated into the SE on 2 November 2020.



The new SE works council represents 8,000 employees, 5,400 of them in Germany. Its 16 members, including seven from Germany, come from seven countries. 14 smaller countries only obtain a seat when they reach the threshold of 100 employees. A particularly positive feature is that both the steering committee and the SE works council hold a meeting with the central management every quarter. Video or telephone conferences are possible, but are not considered the norm. Otherwise, the agreement almost entirely quotes the standard rules of the SE Directive and - unlike some other family businesses - does not fall below this standard.

Co-determination on the supervisory board has been completely excluded, despite the large workforce in Germany. However, if the Viessmann family sells shares and co-determination already exists on the supervisory board of the acquiring company, it will also be introduced in the SE. A similar arrangement was made in March 2019 for the construction company Köster (see [report in EWC News 1/2019](#)).

Consultancy Company last minute escape from co-determination



On 22 October 2020, the umlaut SE was registered in the company register of Aachen. This owner-managed business with 4,500 staff worldwide provides technology and implementation advice for mobile phone networks, aviation, the automotive industry, energy supply and telemedicine. The number of 1,987 employees in Germany, was just below the 2,000 threshold to introduce a full-parity co-determination. The SE participation agreement, accepted in a conference call on 17 February 2020, permanently excludes the workforce from any co-determination on the supervisory board. The special negotiating body (SNB) had 14 members, nine of them from Germany.

The future SE works council, called the Employees Board, meets twice a year and represents 2,500 employees in Germany, France, Spain, Poland and the UK. Local works councils exist only in France and Spain, but not in Germany. It is planned to include non-European locations in the future. The SE works council has information and consultation rights as well as extensive initiative rights, e.g. on environmental and social responsibility. However it lacks any entitlement to training and the double consultation procedure typical of the SE.

Chemical trading group from the Ruhr region operating as an SE

Since 1 February 2021, Brenntag with 17,500 staff worldwide has been operating as an SE. After ten months of negotiations, an SE



participation agreement was signed on 20 November 2020 for almost 7,000 employees in 25 European countries. Until now, the Essen-based company had 1,800 employees in Germany without one-third participation on the supervisory board. The SE conversion made it possible to permanently exclude co-determination in good time before the 2,000 threshold was reached.



In the new SE works council, called the "European Employee Forum", each country (including the UK and Switzerland) has at least one seat. It consists of 29 delegates elected by employee representative bodies of each country - if these do not exist, direct electronic elections take place. The term of office is five years. Two meetings with central management are scheduled per year, one of which is a video conference. In exceptional circumstances, only video conferences and no face-to-face meetings take place. The SE works council elects a steering committee of five members, which can hold telephone and video conferences as well as face-to-face meetings as required. All other rules are in line with the standard rules of the SE Directive. Brenntag did not have a European works council previously.

[Press release on the SE conversion](#)

[Full text of the conversion report](#)

[Further information on the SE legal form](#)

[Current situation of SE developments](#)

8. Restructuring on the EWC agenda

Spanish clothing chain commits to socially responsible digitalisation



On 21 December 2020, the central management of Inditex published a joint declaration on digitalization together with its European works council. Inditex is one of the world's largest textile companies and operates fashion stores such as Zara, Bershka, Pull & Bear or Massimo Dutti. Sales have fallen sharply due to shop closures during the Corona lockdown, and only the increase in online retail has spared the group from heavy losses. As a result, it now wants to permanently close 1,200 of the smaller shops out of a total of 7,400 worldwide and massively expand sales via the internet.

In an EWC meeting held on 15 June 2020, central management had already announced that it would implement this reorganization preferably without forced redundancies. This principle has now become the centerpiece of the joint declaration. If jobs are lost due to the closure of shops, alternatives are to be created in the neighborhood and appropriate further training is to be offered. The details will be negotiated locally by employee representatives in each country. Inditex's EWC was only established in September 2018 (see [report in EWC News 4/2018](#)) and there has been a global union committee in place since November 2019 (see [report in EWC News 4/2019](#)).

[Report on the joint declaration](#)

[Full text of the joint declaration](#)

British insurance company facing break-up

On 12 January 2021, the European works council of the RSA Insurance Group rendered a positive opinion on its proposed takeover by a Canadian-Danish consortium. The UK's second largest insurer, with a long history dating back to 1710, has 13,500 employees mainly concentrated in Ireland, Scandinavia and Canada. RSA has been up for sale for some time.



On 18 November 2020, it was announced that Intact Financial Corporation from Canada, together with Tryg Forsikring from Denmark, would pay a total of 7.2 billion £ (8.4 billion €) for the acquisition. On the same day, this was officially communicated to the European works council. In an extraordinary meeting, the EWC select committee subsequently commissioned a consultancy firm to investigate the

consequences. The transaction, which is expected to be completed by mid-2021, will result in the break-up of RSA. Intact will take over the Canadian, UK and international businesses, and Tryg will take over the Swedish and Norwegian operations. The buyers intend to continue operating RSA's Danish business jointly. Intact has 16,000 employees worldwide and Tryg is one of the largest insurers in Scandinavia with 4,000 employees. Neither company has yet established an EWC.

In its opinion, the RSA European works council, which has existed since 1999, welcomes the planned takeover because the businesses fit strategically well together. However, it considers that there is significant uncertainty on the short, mid and long term consequences for the RSA workforce. In particular, the EWC demands more detailed information on the schedule for the joint venture in Denmark and a commitment to consultation at each stage. It is already foreseeable that 200 jobs will be lost in the UK and 435 jobs in Sweden and Norway. As neither of the acquiring companies has an EWC, it insists on being able to exercise its information and consultation rights on an ongoing basis, with the support of experts, during the transition to the new organisation, and to have concrete talks with the new owners on further cooperation.

[Press report on the acquisition](#)

9. The view beyond Europe

French construction group aims to reinforce environmental protection



On 6 November 2020, Vinci's CEO and the European works council secretary signed group-wide environmental guidelines for all 222,000 employees in 110 countries. The world's second largest construction group recently hit the headlines in March 2019 due to the pollution of the Seine river by a concrete plant. The environmental guidelines are aimed at the entire life cycle of projects in order to handle non-renewable resources in the most eco-friendly way possible. They include four steps for the 3,100 business units: risk analysis, environmental action plans and their monitoring, and awareness raising and training of workers on environmental issues. The results are to be measured by appropriate indicators (including greenhouse gas emissions), published in Vinci's annual report and regularly presented to the European works council. The European works council last revised its agreement in September 2018 (see [report in EWC News 4/2018](#)).

[Full text of the environmental guidelines](#)

First international framework agreement in the lift and escalator industry

On 25 November 2020, a global framework agreement on fundamental principles and labour and union rights was signed between the central management of the German Thyssenkrupp Elevator company and the Global Industrial Trade Union (industriALL) in Geneva, IG Metall and the German group works council. It provides for the establishment of health and safety committees at all sites around the world. The European works council is involved in monitoring the agreement for the 50,000 workers. In the former parent company, the Thyssenkrupp steel corporation, an international framework agreement was concluded in March 2015 (see [report in EWC News 1/2015](#)). As a consequence of the sale of its lift division in February 2020 to three investors, an independent arrangement became necessary. A pan-European agreement on occupational health and safety has already been in place for the lift division since November 2012 (see [report in EWC News 2/2012](#)).



[Report on the framework agreement](#)

[Full text of the framework agreement](#)

British fashion retailer seeks to minimise impact of Corona crisis



On 23 February 2021, ASOS management jointly reaffirmed with the Global Industrial Trade Union in Geneva (industriALL) its commitment to contribute to the recovery of the textile industry and the safety of workers in the supply chain. At the start of the Corona pandemic, ASOS had already committed to stable terms of payment to support their supplier's cash flow and thus provide stability and predictability for their workers. The London-based company works with suppliers, trade unions and governments in producing countries to promote freedom of association, collective bargaining and improved labour relations. Now, the negative consequences of the Corona crisis are also to be mitigated through socially responsible measures. In October 2017, ASOS had concluded an international framework agreement with trade unions, the first ever of its kind in online retail (see [report in EWC News 3/2017](#)). On 1 February 2021, ASOS bought the bankrupt British textile chain Topshop and since then has also been present in the over-the-counter retail sector.

[Press release on the joint declaration](#)
[Full text of joint declaration](#)

10. Interesting websites

European Works Council from France presents its work

The EWC of the cooperative banking group Crédit Agricole has its own website. It has existed since 2008 with 22 delegates from 14 countries, including twelve from France (see [report in EWC News 1/2008](#)). The French text on the website can be translated into various languages via a button at the very bottom of the homepage. Since 2014, a newsletter has been published once a year, which can be downloaded in seven languages. Every year, the eight members of the select committee visit a specific country or region to gather information from local management and works councils. A report on the respective visits is also made available in three languages. When the bank closed all branches in the Czech Republic and Slovakia in 2013, the EWC negotiated the severance payments (see [report in EWC News 3/2013](#)). Since July 2019, there has been a global framework agreement with a separate chapter on the Digital Transformation (see [report in EWC News 3/2019](#)).



[The EWC website](#)

Google workers form union



**Alphabet
Workers
Union**

On 4 January 2021, the formation of a trade union for Google's parent company Alphabet, with an initial membership of 800, was announced and a dedicated website launched. This is a result of the campaign to organise workers in the technology, gaming and digital industries in the US and Canada, launched a year earlier by the Communications Workers of America (CWA) union. The CWA has 700,000 members and works with the ver.di union in Germany

to represent T-Mobile workers in the US (see [report in EWC News 2/2011](#)).

Political demands against sexual harassment and racism had already led to the "Google Walkout", a sort of warning strike in 50 cities in November 2018 (see [report in EWC News 4/2019](#)). The "Alpha Global" alliance has existed since 25 January 2021 in order to coordinate such activities worldwide. Under the umbrella of the international federation of service unions UNI, it includes unions from ten countries, including the USA, the UK, Germany, Sweden and Switzerland.

[The website of the new union](#)
[The faces of the union](#)
[US press report on the formation of the union](#)
[Background report on the new union](#)
[The manifesto of the global alliance](#)

Cross-border cooperation on the posting of workers

The construction industry is particularly concerned by the posting of mostly Eastern European workers to Western Europe. The aim of the EU-sponsored ISA project is to promote cooperation and exchange of information between authorities and stakeholders in different countries in order to better monitor the posting of workers in the construction industry. The two-year project, which was running until December 2020, involved institutions from seven countries, namely Bulgaria, France, Germany, Italy, Poland, Portugal and Spain. The results are available on a dedicated website which also includes country profiles with a more detailed analysis of the issue of posting of workers. The EU Posting of Workers Directive provides a set of minimum standards (see [report in EWC News 4/2017](#)).



[The ISA project website](#)
[Country profiles for download](#)

Trade union website on the European Pillar of Social Rights



The European Trade Union Confederation (ETUC) in Brussels presents on a new website in 24 languages its positions on the implementation of the European Pillar of Social Rights, which was proclaimed at an EU Social Summit in November 2017 (see [report in EWC News 4/2017](#)). The Pillar contains twenty principles for fair, well-functioning labour markets and social systems and is intended to serve as a "compass for better working and living conditions in the EU Member States". The European Commission presented an action plan on the subject on 4 March 2021.

[The ETUC website on the European Pillar of Social Rights](#)
[European Commission Action Plan](#)

11. New publications

Protecting whistleblowers: practical guide to the EU Directive

On 3 December 2020, the European trade union federation for Professional and Managerial staff, Eurocadres, in cooperation with the UK-based Protect Foundation, launched a whistleblowing guide in six languages. An EU directive to protect people who report breaches of the law and misconduct was adopted in October 2019. It must be transposed into national law by 17 December 2021 and trade unions are hereby taking the opportunity to demand additional rights (see [report in EWC News 4/2019](#)). The guide explains what distinguishes good corporate policy and provides a template text. A separate chapter describes how to deal with whistleblowers using a flowchart and lists eleven practical recommendations for managers and employee representatives. The appendix includes two case studies on whistleblowing in pharmaceutical research and in an accounting department.

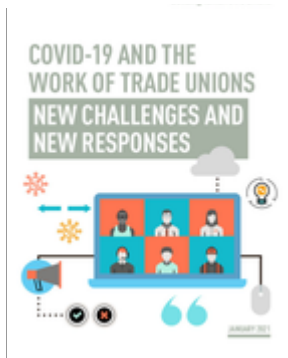


[Guide download](#)
[Overview of other language versions](#)
[British Protect Foundation website](#)
[Pan-European campaign website - Whistleblowerprotection](#)
[Trade union position paper on transposition in Germany](#)

Changing the way trade unions work in Corona times



On 12 January 2021, the London-based think tank, Unions21, published an

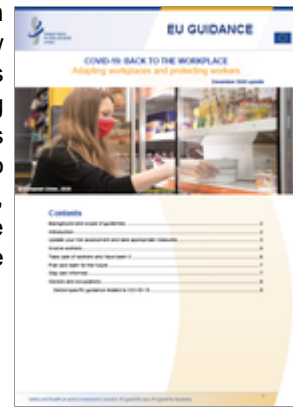


international study on trade unions in the Corona pandemic. Their role was predominantly to protect jobs, keep the economy viable and to ensure worker safety. The author from the University of Sheffield looks at how they reviewed all aspects of their work, introduced remote working, and developed new digital ways of campaigning, negotiating, lobbying, training and for representing employees. In the process, the involvement of members has increased and there is evidence that membership grew in 2020. 70% of full-time union officers interviewed from the UK, Ireland, the Netherlands and Sweden, among others, felt that their organisation was stronger now than before the pandemic began. It would not be possible to return to the previous "business as usual" way of working.

[Information about the study](#)
[Full text of the study](#)

Safe and healthy working environment in pandemic times

An updated Corona Guide from the European Agency for Safety and Health at Work was published on 25 January 2021. It provides guidance on how workers can stay safe and healthy in a pandemic work environment. This includes recommendations related to risk assessments, minimising exposure, returning to work, managing absences and managing workers who work from home. Care for workers who have been off sick is also addressed. In addition, there is information and links for numerous sectors, occupations and countries. The document is available in 25 languages. The Agency also provides an abridged version of the guide in its online encyclopaedia (OSHwiki) on occupational health and safety topics.



[Guide download](#)
[The other language versions](#)
[The guide on OSHwiki website](#)

China from the perspective of a German trade union official



This book was published at the end of January 2021. Its author seeks to challenge the half-truths, prejudices and one-sidedness about China. He was formerly a works council member in a US computer company, a full-time employee of IG Metall trade union and lived in Beijing for several years. The rise of the so-called "People's Republic" to the world's second largest economic power has been accompanied by an unleashing of capitalism, high social inequality ("class society between communism and plutocracy") and substantial digital mass surveillance. In competition with the USA and Europe, the key technologies of the future are at stake - China is already the world market leader for electric mobility. For communists, one of the most important questions has always been: "Who owns the means of production?" Are there different answers to this question when comparing China and the USA today? The difference is rather to be found in the state's industrial policy, which in the USA is limited only to the military sector.

[Further information on the book](#)
[Table of contents with sample extract](#)
[The final chapter of the book](#)
[Order the book](#)

12. The EWC Academy: examples of our work

SE negotiations in Hamburg Life Sciences Company

Eppendorf's special negotiating body (SNB) was constituted in a video



conference held on 20 January 2021. The world market leader in equipment and consumables for research laboratories with 1,983 workers in Germany, is on the verge of having to introduce full-parity co-determination on its supervisory board. Due to the Corona pandemic, demand from medical laboratories has increased strongly and the workforce is growing. The conversion to an SE has now been initiated in order to permanently maintain one-third participation. 23 SNB members from 16 countries, including eight from Germany, represent 2,500 European employees. Eppendorf does not yet have a European works council. Having previously trained the German group works council, the EWC Academy was commissioned by the SNB as expert for the ongoing negotiations.



Japanese automotive supplier cuts staff due to Corona pandemic



On 22 February 2021, the European works council of U-Shin commissioned the EWC Academy as consultancy firm for an imminent restructuring. Declining sales in the pandemic prompted the automotive supplier to stop manufacturing door locks in Europe altogether. By March 2022, the factory in Abrera near Barcelona (photo) will be closed and workforce at two French production sites will be reduced. U-Shin belongs to MinebeaMitsumi, a Japanese electrical engineering group, and has had a dedicated EWC under French law since June

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

[Press report on the social plan in Spain](#)

US cinema operator relocates EWC to Spain

As a consequence of Brexit, the European Works Council of the Odeon Cinemas Group is no longer subject to UK law. Spain has the largest workforce within the EU. With the support of the EWC Academy, negotiations to adapt the EWC agreement have been ongoing since 26 March 2021. In 2016, Odeon was acquired by AMC Theaters from the USA, the largest cinema group in the world. Odeon currently operates 360 cinemas in 13 European countries, including 120 in the UK, where it has its headquarters. The EWC has 18 members, including three from the UK, and represents 9,000 employees.



13. Current seminar schedule

The EWC Academy and its forerunner organisation has been organising conferences and seminars for members of European Works Councils, SE Works Councils and Special Negotiating Bodies since January 2009. To date, 844 employee representatives from 292 companies have taken part, many of them on several 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 organizations.

[Overview of the forthcoming seminar dates](#)

Works council bodies between Home Office, Cloud Computing and New Media



A data protection seminar will be held in Mainz from 5 to 7 July 2021, which is being extended to cover other current topics. The focus will be on the EU General Data Protection Regulation. In addition, topics that have gained greater importance during the Corona pandemic will be covered: Home Office, Cloud Computing and New Media. During the seminar, a risk assessment will be carried out taking into account the respective company



structures; issues around outsourced data processing and possible template regulations for company agreements will also be presented. The social side-events of the seminar include a visit to the historic Kupferberg Terrace, the deepest champagne cellar in the world (photo from a previous seminar).

[Data protection seminar program](#)

EWC and SE seminar at Montabaur Castle *(new date)*

From 31 August to 3 September 2021, our annual introductory seminar for members (including future members) of European Works Councils, SE Works Councils and Special Negotiating Bodies will take place in Montabaur. The castle is located near the high-speed railway station halfway between Frankfurt and Cologne. Several seminar modules will be offered for beginners and advanced participants.



[Introductory seminar program](#)

[Report from a previous introductory seminar in Montabaur](#)

13th Hamburg conference for European and SE works councils *(new date)*



As every year, our annual conference will be held in 2021, but due to the Coronavirus pandemic not on the usual date in January, but on 13 and 14 September 2021. To start with, the latest developments in the EWC and SE landscape and the legal consequences of Brexit will be presented, followed by case studies from two companies. One of the focal points will be the proper handling of confidential information (see [report in EWC News 2/2020](#)), that the EWC receives - or does not receive. The exact program will be available soon.

[Flashback: Report on the last Hamburg conference](#)

In-house events

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

[Examples for in-house seminars](#)

14. Imprint

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