

News Bulletin

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This Newsletter reports on developments at European level in the field of worker participation and related topics.

Issue 1/2014

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Editorial

It's time to rebuild workers' participation rights

With a view to the upcoming European elections and the prospect of a new Commission, the ETUC's and ETUI's newly published annual Benchmarking Working Europe takes stock of Social Europe – and concludes that we are halfway through a lost decade. With respect to workers' participation, the assessment is mixed: on the one hand, many promising and innovative developments can be seen in practice. On the other hand, European legislative initiatives have failed to keep pace with – let alone drive – this process. [Read more...](#)

By Aline Hoffmann, ETUI – Head of Unit 'Europeanisation of Industrial Relations' and Coordinator of the EWPC

Worker Participation – Transversal issues

European Commission publishes 'Quality Framework for anticipation of Change and Restructuring' (QFR)

According to the European Monitoring Centre on Change (EMCC) more than 16,000 restructuring operations have been registered since 2002, resulting in a net job loss of over 2 million. A new communication from the Commission ([COM/2013/0882 final](#)) – published on 13 December 2013 – lists best practices for anticipating company restructuring and minimising their impact on workers and social conditions. The Commission attributes a crucial role here to the various EU Directives on information and consultation of workers. In a [press release](#) the Commission now calls on the 'Member States to support, disseminate and promote the wide application of the QFR and urges all stakeholders to cooperate on the basis of the principles and good practices outlined'. The application of the QFR will be monitored by the Commission, which will report by 2014 on whether it sees the need for further action in this field.

ETUC urges Commission to 'Rethink Refit'

As mentioned in the [previous WP News bulletin](#), the Commission has launched a fairly comprehensive deregulatory agenda called REFIT that touches on, among other things, the information and consultation directives. In the meantime, the ETUC Executive Committee at its meeting of 3–4 December 2013 adopted a resolution asking the Commission to stop the deregulation of Europe and to 'Rethink REFIT'. In the eyes of the ETUC, REFIT is not only 'used as an excuse to get rid of various pieces of legislation, but it is also a serious attempt to destroy the social dialogue and the whole social *acquis*'. The resolution is available on the [ETUC website](#).

Further down the deregulatory road? – Strong criticisms of the new public consultation launched by the European Commission

The European Commission has initiated an **open consultation** on the regulatory and administrative framework for tourism businesses, public administrations and other tourism stakeholders in the EU. Once more participants are being invited to tick boxes concerning the most burdensome regulations in terms of being too costly, unnecessary, too restrictive, too complex, lacking transparency or lacking protection. The ETUC has expressed strong concerns concerning the consultation and has serious doubts about its methodology (participants are, for example, not obliged to explain their point of view). Moreover, according to the ETUC the approach focuses one-sidedly on the burdens of legislation without looking at their benefits to society.

Strikes in times of crisis: no increase or no data?

A new ETUI visual map comparing the days not worked due to industrial action in the past two decades in different countries shows that the strike volume in most countries has not increased. Also, the yearly development of the strike volume shows the volatility of strike activity with remarkable one-off peaks. But another finding from the infographic also confirms that several national authorities seem to have lost interest in collecting data on industrial action. **Read more...**

European Works Councils (EWC) / Transnational Company Agreements

EWC and SE Works Council agreements – Different, but similar

A preliminary attempt to measure and compare the quality of EWC and SE-WC agreements was undertaken by ETUI within the framework of contributing to the ETUI annual flagship report 'Benchmarking Working Europe 2014'. Aware of the difficulty of quantifying the quality of EWC and SEWC agreements the ETUI launched an attempt to score agreements for the presence of certain provisions and to compare the totals of the two categories. Essentially, despite some differences both categories of agreements render similar evolutionary patterns in time and corresponding quality. More insight can be found in chapter 7 of the Benchmarking report, available on the **ETUI website**.

Sanctions for breaches of EWC rights – sharp variation across the EU

The forthcoming ETUI study on EWCs' access to justice provides an insightful overview of the level of sanctions across the EU. Suffice to say that sanctions for breaching EWC rights are sometimes included in the transposition acts implementing the directive, but on many occasions also scattered across external acts, which does not help legal transparency and ease of reference (especially for employee representatives from abroad). Moreover, the levels of sanctions differ significantly across the EU, leading to excessive variation in the protection of those rights. More information can be found in the **Benchmarking report** (chapter 7).

EU Call for proposals: Information, consultation and participation of representatives of undertakings

The European Commission has now published its annual call for proposals on "information, consultation and participation of representatives of undertakings" (Budget Heading 04.03.01.06). Projects can be funded which, for example, promote actions to set up transnational information, consultation and participation bodies or aim at creating favourable conditions for the setting up of national information, consultation and participation bodies. They can include a large variety of activities such as conferences, training courses, manuals, seminars, analysis papers, websites and publications. The deadline for the submission of applications is 4 June 2014 for actions commencing no later than 31 December 2014. More information can be found on the **Commission website**.

Your feedback on ETUI's Online EWC Database – Thank you!

The EWC team at ETUI would like to thank the readers of this Newsletter for providing valuable feedback concerning the expert website www.ewcdb.eu that was provided to us following the last issue of the worker-participation News Bulletin. Remarks, suggestions and ideas following users' responses to the electronic feedback on the website helped us to prepare a call for tender to rebuild the database. We will keep you informed on further developments.

Negotiating flexibility and security in multinationals in Europe: the case for extending European Framework Agreements

ETUI policy brief 1/2014 presents lessons from comparative research on collective bargaining on flexibility and security. It takes as its starting point field work undertaken in two EU- and two US-based manufacturing subsidiaries in Germany, Belgium, Italy and the United Kingdom. The research shows that the outcomes of local bargaining of trade unions with regard to flexibility and security in these companies are influenced 'by the interplay of market competition, the nature of the product and the type of international integration characterizing the multinational in question'. It also demonstrates the importance of European Framework Agreements on security (for example, on training, requalification and career progression) as a tool to enhance unions' capacity to negotiate employment security in difficult economic times. [Read more...](#)

Towards a legal framework for Transnational Company Agreements (TCA)

A new study carried out by Silvana Sciarra, Maximilian Fuchs and André Sobczak for the ETUC was presented at an ETUC seminar in Frankfurt at the end of January 2014. In a nutshell, the authors of the report suggest that TCAs be included in the European social dialogue legal framework of the chapter on social policy in the Treaty on the Functioning of the EU. On this basis, ETUC adopted a resolution at its Executive committee meeting of 11–12 March 2014 on the issue. [Read more...](#)

European Company (Societas Europaea, SE)

News on European Companies: Slowdown or new dynamics?

The April 2014 edition of the SE News provides the latest SE data available from the ETUI's European Company (SE) Database. As of 21 March, a total of 2,125 SEs were registered in 25 countries of the European Economic Area (EEA), an increase of 159 SEs in the past five months. The current dynamics may look contradictory: on one hand, the number of new SE registrations in the Czech Republic – the country with by far the highest number of SEs – slowed down significantly. On the other hand, there have never before been so many firms on our 'planned SE' list. Among others, such famous names as Airbus Group N.V. in the Netherlands and in France Christian Dior S.A., Schneider Electric SA and LVMH Moët Hennessy Louis Vuitton S.A. have announced their intention to transform into an SE. [Read more...](#)

In focus: the Europeanisation of board-level employee representation

What do we know about board-level employee representatives in SEs? The EWPC has identified at least 156 worker representatives on the supervisory and administrative boards of SEs. Their share ranges from a single member to up to half of the board seats. The most fundamental innovation brought about by the SE legislation was the possibility to internationalise the composition of the employee representation on company boards. In many cases, the SE has indeed led to an internationalisation of the boardroom; experience with board-level employee representation has in this way been indirectly spread to countries in which such representation does not exist in the domestic corporate governance system. [Read more...](#)

European Commission launches new SE information website

According to the European Commission, the aim of the website is to provide information on the current legal framework for the SE and to raise awareness among stakeholders of this European legal form, as announced by the Commission's Action plan on company law and

corporate governance of December 2012. Whereas the overall amount of information available so far seems to be rather limited, some interesting new 'features' can be found on the [website](#), such as a list of the national authorities for specific aspects of the SE Statute.

European company law and corporate governance

Compromise between the European Parliament and EU member states on nonfinancial reporting

A reported compromise between the European Parliament and EU Member States is the latest twist in the battle for an EU directive on nonfinancial (i.e. social and environmental) reporting. The compromise, which was reached at the end of February, represents a further watering down of requirements on companies relative to the Commission's draft directive from last year. [Read more...](#)

R.I.P. SPE – Welcome to the SUP?

The SPE (Societas Privata Europaea), also known as the European private company, has been controversial since it was proposed by the European Commission in 2008. Although the Commission recently announced the withdrawal of this proposal, supporters of worker participation are worried about rumours that a new proposal on an SUP (Societas Unius Personae) will be forthcoming soon. [Read more...](#)

Review process on OECD principles of corporate governance started

The OECD launched the process of reviewing its Principles of Corporate Governance last month (March 2014). The target is to develop a revised set of principles within a year. This review procedure is an opportunity to strengthen the role of workers as a key "stakeholder" in corporate governance these Principles. [Read more...](#)

European Parliament adopts resolution on employee financial participation

Following the approval of a draft report (see [News Bulletin 2/2013](#)), on 14 January 2014 the European Parliament adopted a [resolution on employees' financial participation \(EFP\) in companies' profits](#). The resolution highlights the potential of EFP to 'bring stability, development and growth while reducing risks of over-expansion leading to job losses', especially if these effects were 'enhanced by stable and functioning worker involvement institutions'. The Parliament is now encouraging the European Commission to present an independent impact assessment of a European EFP regime. Moreover, it has suggested that a set of basic guidelines be developed for successful EFP schemes.

Major Commission-sponsored conference on employee share ownership

A major conference on employee share ownership financed by the European Commission entitled "Taking action: Promotion of employee share ownership: Debating concrete policy options" took place in Brussels on 30 January 2014. This was a major one-day conference on employee share ownership, organised by Professor Jens Lowitzsch of University of Viadrina at Frankfurt (Oder)/Freie University, Berlin, and attended by around 130 delegates from academia, employer associations, and national government bodies, but very few from trade unions. [Read more...](#)

Revision of EU merger control rules

As of 1 January 2014 the EU procedures on merger control have been modified. More proposed mergers will now be eligible for a "simplified" procedure for approving mergers. In the long run, however, a discussion on the inclusion of social and other criteria in approving mergers is needed. [Read more...](#)

European Social Dialogue

EU Social Dialogue Newsletter n°6 – March 2014

The European Commission launched its 6th issue of the EU Social Dialogue Newsletter. For

the first time the Newsletter includes a table showing the follow-up of European sectoral social dialogue 2012 and also the latest overview table summarizing the outcomes of European social dialogue in 2013. Published three times a year, the Newsletter provides a broad picture of developments in European social dialogue, which is being developed at **cross-industry level** and through **43 sectoral social dialogue committees**. The Newsletter is available (English only) on the **Commission website**.

Representativeness of social partners in the European cross-industry social dialogue

In March, Eurofound published a **study** identifying the relevant national cross-industry and European actors in the field of cross-industry industrial relations. The background to this is the European Commission's intention to identify, recognise and assess the representative European associations to be consulted under the Treaty on the Functioning of the European Union (TFEU). According to the study's results "the national members of ETUC, EUROCADRES and CEC organise 91% of all employees and the national affiliated organisations of BUSINESSEUROPE, UEAPME and CEEP organise 85% of firms which employ 89% of workers." The study concludes that these organizations are therefore "to be regarded as the most important EU-wide representatives of labour and management at cross-industry level."

Publications

ETUI and ETUC (2014) Benchmarking Working Europe 2014

The report – available in PDF format and print – reviews the crisis and EU austerity policies in the past five years from the point of view of Europe's social agenda. It comprises a critical, fact-based diagnosis of the first five years of the EU's crisis management policies in view of the Europe 2020 agenda. It suggests that Europe finds itself "half-way through a lost decade" and provides the scientific underpinning of the ETUC's political roadmap for a 'new path for Europe'. Chapter 7 takes stock of workers' rights to information, consultation and board-level employee representation at both the national and transnational levels. Chapter 4 conducts a stocktaking exercise of significant labour law reforms, including information and consultation rights. **Read more...**

Isabelle Schömann (2014) ETUI Policy Brief – Collective labour law under attack: how anti-crisis measures dismantle workers' collective rights

This ETUI policy brief demonstrates how the EU's financial and economic crisis has been used to attack European collective labour law and identifies ways out of this crisis of labour law by looking at possible litigation strategies and recourse to international instances. **Read more...**

Michael Stollt and Sascha Meinert (ed) (2014) La participation des travailleurs à l'horizon 2030 – Quatre scénarios

The scenario publication has now been translated into French (also available in EN and DE). It sets itself an audacious task: casting a long look forward into the future, namely the year 2030. Four alternative scenarios explore the long-term prospects and changing contexts of worker participation, in its various forms, in Europe. A free PDF is available on the website. **Read more...**

Christophe Degryse with Pierre Tilly (2013) 1973–2013: 40 years of the European Trade Union Confederation

This joint ETUC-ETUI publication takes stock of the ETUC's 40-year history. On the basis of numerous unpublished documents, the book tells the story of the challenges, successes and failures of the ETUC over these forty years. It combines a scientific and historical approach with a political one, the aim being to 'reveal a rationale for action and a sense of coherence, and to identify the guiding principle that has characterised the – sometimes fraught – history of the ETUC'. **Read more...**

ETUC (2013) Health, safety and risk prevention – Improving information, consultation and participation in enterprises

The publication is the outcome of an ETUC project intended to meet the new needs of trade-union teams, which require a better understanding of the European worker representation systems dedicated to health, safety and working conditions. The material consists of a 68-page long **overview report** (available in EN, FR, DE, ES and IT) and a package of **country factsheets**.

Filip Dorssemont, Klaus Lörcher and Isabelle Schömann (eds) (2013) The European Convention on Human Rights and the Employment Relationship

The publication focuses on the EU and the interplay between the Strasbourg case law and the case law of the Court of Justice of the European Union, analysing the relevance of the ECHR for the protection of workers' rights and for the effective enjoyment of civil and political rights in the employment relationship. It includes, among others, chapters on 'The right to form and join a trade union in Art. 11 ECHR', 'The right to bargain collectively in Art. 11 ECHR' and 'The right to take collective action in Art. 11 ECHR'. **Read more...**

Collective Bargaining Newsletter (AIAS and ETUI, online)

The latest Newsletter (02/2014) can now be downloaded from the ETUI website. It presents up-to-date and easily accessible first-hand information on collective bargaining developments across Europe to practitioners, policy-makers and researchers. **Read more...**

Interactive map: Collective wage bargaining

The **interactive map** depicts the bargaining systems in the EU member states, drawing on two central indicators: the primary level at which pay is set in the respective country and the degree of coordination.

IGBCE BWS (2013) Training, education, advice and management for EWCs. A manual for trainers and lecturers

In November 2013, the *Gesellschaft für Bildung, Wissen, Seminar* of the German mining, chemical and energy trade union IGBCE published a new manual designed mainly for EWC trainers, coaches and lecturers. The key focus of the publication is the development of intercultural competence, legal and organisational frameworks for EWCs, as well as target-setting and decision-making processes. The manual was prepared by TEAM.EWC, a consortium of German, Austrian and Romanian trade unions within the framework of a Leonardo da Vinci innovation transfer project. A free PDF is available on the **Leonardo da Vinci website**.

Reports on board-level employee representation by CC.OO and TUC (2013)

The Spanish trade union confederation **CC.OO** published a **report** summarising and presenting the different rights for board-level employee representation to be found in Europe (in ES only). Also the **TUC** (British Trades Union Congress) recently produced **two reports** on the same issue: one presenting the European landscape and the other setting out the arguments for implementing some forms of workers' voice in corporate governance in the United Kingdom.

Reports from conferences and workshops

SE Europe Network Meeting – 24-25 March 2014, Brussels

At its meeting on 24–25 March 2014, the **SE Europe Network** addressed the possible implications of the EU Commission's REFIT Agenda for the three information and consultation Directives and the eight company law Directives affected. The outlook for impending Social Partner consultations and a possible social dialogue procedure was also discussed with representatives from the ETUC. Updates about the ETUI's work on the area of workers' participation were presented and discussed. Participants also examined recent

developments at the EU level, such as new Commission proposals in the area of company law and the ETUC's project on developing a legislative minimum standard for workers' participation.

Monthly Forum: The EU's REFIT agenda: simplification or deregulation? – 28 February 2014, Brussels

The ETUI Monthly Forum held on 28 February zeroed in on the European Commission's programme to streamline EU legislation, known by the abbreviation REFIT (from Regulatory Fitness and Performance Programme). Its aim is to simplify or scrap directives and regulations alleged to be an 'administrative burden' on business. Among the speakers and discussants were Eric Van den Abeele (guest researcher OSE), Veronica Nilsson (ETUC Confederal Secretary), Tony Long (Director WWF European Policy Office) and Herman Fonck (Head of the CSC/ACV service 'Enterprise'). [Read more...](#)

Workshop on MNCs strategies and their implications for labour and employment – 26-27 February 2014, Berlin

ETUI, in cooperation with WZB Berlin, organized a workshop on multinational corporations' strategies and their implications for labour and employment. The workshop brought together leading researchers and trade union practitioners. It was the launch event of a new ETUI network on multinational corporations. The agenda of the workshop can be found [here](#).

EWPC Conference: Broadening horizons – The practice of board-level employee representation across Europe – 18–19 February 2014, Brussels

On 18–19 February, the 2014 Conference of the European Workers' Participation Competence Centre showcased the findings of the Voice of Labour Survey, the first ever large-scale survey of board-level employee representatives across Europe. [Read more...](#)

European Scenario Workshop 'Worker Participation 2030' – Anticipation workshop for EWC and SE-WC Select Committees – 6–7 February 2014, Leiden (NL)

The workshop brought together Select Committee members from three European Works Councils and one SE Works Council to explore the four alternative scenarios developed in the project '[Worker Participation 2030](#)'. The workshop offered the chance to reflect within the entire group and within the individual Select Committees about (long-term) strategy building and priority setting against the background of an open future. The workshop was part of the ETUI's series of [Anticipation workshops](#), suitable for European Works Councils as well as national representation bodies.

Book launch: The European Convention on Human Rights and the Employment Relationship – 30-31 January 2014, Strasbourg

The latest book by the ETUI's [Transnational Trade Union Rights Expert Network](#) (see above under 'Publications') was presented within the framework of a high-level conference in Strasbourg at the end of January 2014. The conference made possible a critical debate with renowned European social rights and human rights scholars, but also with ECtHR judge Nussberger, Luis Jimena Quesada, President of the European Committee of Social Rights of the Council of Europe, as well as Jean Paul Costa, former President of the ECtHR and Pierre Lyon Caen, member of the ILO Expert Committee for the application of Conventions and recommendations.

European Commission Thematic Liaison Forum '15 years of European sectoral social dialogue: Quo Vadis?' – 11 December 2013, Brussels

On 11 December 2013, the European Commission organised a [Thematic Liaison forum meeting](#) around 15 years of European sectoral social dialogue. The subtitle 'Quo vadis?' is certainly and currently very pertinent given the ongoing blockage by the European Commission of Council proposals for Directives incorporating three sectoral social dialogue framework agreements (see [News Bulletin 3/2012](#)). In its special issue of its [European Social Dialogue Newsletter](#) the Commission highlights some of the success stories in the

European sectoral social dialogue over the past 15 years.

Events

EU Conference on working conditions – 28 April 2014, Brussels

The European Commission is organising a **conference on working conditions** on 28 April in Brussels to reflect on the results achieved and on the way forward. The event will provide an opportunity to obtain feedback from stakeholders and to engage with them in an open public debate about future priorities in different areas relating to working conditions.

Fatih Birol: Europe's energy transition: between sustainability and affordability – 29 April 2014, Brussels

At this first conference in a new ETUI cycle on 'the socio-ecological transition', Fatih Birol – Chief Economist of the Paris-based International Energy Agency – will deliver a thorough analysis of the environmental and economic dimension of Europe's much needed energy revolution. **Read more...**

EWPCC / ETUI Education: Seminars on the practice of EWCs and SE Works Councils – 11-13 June (Cyprus) and 5-7 November 2014 (Croatia)

The aim of the workshop series is to bring together workers' representatives from different companies and EU member states to get a better understanding of the legal background, exchange experiences and consider concrete steps for the way forward. Each session focuses on 5 different countries, but delegations of representatives from different countries on the same EWC or SEWC are encouraged to apply to participate together. The next dates are:
11-13 June 2014 – Protaras, Cyprus (target member states: Ireland, Norway, France, Greece and Cyprus)

5-7 November 2014 – Zagreb, Croatia (target member states: Germany, Estonia, Croatia, Malta, Portugal)

Invitations and registration forms will be circulated via the European Trade Union Federations and will be available in the **Training section on the ETUI website**.

Please save the date:

- **Annual EWC Conference of the ETUC** – 30.9.- 1.10.2014, Brussels
- **ETUI/ETUC conference on unemployment and jobs** – 24-26.9.2014, Brussels

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