

Daring more Democracy at Work: ETUC on the offensive

Discussed and agreed at the virtual Executive Committee meeting of 8 and 9
December 2021

Summary of key messages

The ETUC is calling for an extension of the 2021 – Year for More Democracy at Work to 2022 and 2023. Given the upcoming fundamental transformations in the world of work due to digitalisation, decarbonisation and recovery from the pandemic, we must ensure that trade unions are effectively involved to anticipate and shape these transitions. The ETUC is building momentum to shape the debate on democracy with a focus on democracy at work and is increasing its activities to push the Commission to introduce legislative changes to protect workers' rights to information, consultation and participation and to engage in the revision of the EWC. While building the case for the revision of the EWC Directive, the ETUC will further step up its efforts to better enforce and strengthen the collective rights of workers including EWCs.

Why the EU should dare to have more Democracy

Democracy is an essential feature of the EU governance model. The EU governance model includes trade unions as core institutional actors for the protection of workers and for shaping social, environmental and economic policies. On the one hand trade unions influence and shape public norms. On the other, they structure industrial relations systems in the interests of workers and their family. This mix builds the trade unions' strengths in guaranteeing both in law and in collective agreements the collective representation and collective defence of workers' interests.

The ETUC aims to deliver stronger democracy at work, by fostering institutional dialogue, social dialogue, collective bargaining, and workers' participation at all levels, so as to concretely shape social progress. This is essential to equip and empower trade unions to have better access to the largest number of workers regardless of their employment status and to ensure social justice in the transformation of work.

Therefore, the ETUC will mainstream democracy at work in EU policy and initiatives with a focus on industrial policy, climate and digital transitions, anticipation of change, restructuring, corporate governance, and artificial intelligence, to name but a few. The explicit aim is to place trade unions in key governance structures as essential players to maintain and create quality jobs, to fight for equal pay for equal work, to secure diversity in employment and prevent in-work-poverty and precariousness. This is essential to place the interests of workers and their family at the centre of politics.

Workers' rights to information, consultation and participation are at the core of Democracy at Work, and find their foundations in the Council of Europe European Social Charter (ESC), the Charter of Fundamental Rights of the European Union (CFREU), in the EU Treaties and in

several Directives. Democracy at Work cannot however be taken for granted. In order to guarantee these essential rights, not only should EU decision-makers promote and ensure the full respect of those rights. They should act to prevent and remedy any violation and find lasting solutions. Trade unions must exercise their democratic prerogatives and engage when they are put at risks or even circumvented. expectation and close the loopholes of current legislation.

ETUC empowered for more Democracy at Work

With the adoption of the [ETUC Resolution on 2021 - Year for More Democracy at Work](#) in March 2021, the Executive Committee underlined the importance of Democracy at Work as a key democratic feature to voice workers' interests and participate in the decision-making processes in businesses. As laid down in the Resolution, there is a wider public call for more responsible and social Europe.

The Green Deal, the Recovery Plan from Covid-19, the new Industrial Strategy, Digitalisation will only work effectively with participation of workers as citizens at their workplaces. All these transitions have to happen in a fair manner protecting workers' from management decisions leaving thousands of them behind. Democracy at Work will help workers buy in changes and get ownership of the necessary transition.

It is alarming that the proposed regulation of Artificial Intelligence, the AI Act, lacks any reference to information and consultation of workers and their representatives. It shows that the Commission is far from the realities of the workplace and from workers' daily concerns as well as from the concrete political action to deliver on the values and principles it should protect and guarantee, let alone to hold the spirit of the European Pillar of Social Rights on workers' involvement as stated in its principle 8.

The ETUC needs to hold the Commission accountable for its commitment whereby "Europe will not be able to master the restructuring of the economy without strengthening the right of workers to have a say".¹

At the same time, democracy is a central issue in the context of the Conference for the Future of Europe. In addition, the European Commission called on 25 November for a push for European democracy and is working on a European Democracy Action Plan.² It is important that Democracy at Work shapes the discussions around democracy as a fundamental feature of work. The democratic involvement of workers at work triggers more civic responsibility and engagement in society and ownership of democracy processes.³ The daily and effective exercise of democracy at work paves the way to sustainability, social justice and social and economic cohesion. This is the condition to maintain peace.

On 23 November 2021, the Employment and Social Affairs Committee of the European Parliament adopted a [resolution on democracy at work: a European framework for employees' participation rights and the revision of the European Works Council Directive](#) to be voted on in plenary in December 2021. The ETUC has closely worked on this resolution in close

¹ <https://www.boeckler.de/newsletter-rest/t/review/ANONYMOUS.2GXHT.D9362ADCC4F3AC7F1B910F88E27839F3/>

² https://ec.europa.eu/info/strategy/priorities-2019-2024/new-push-european-democracy_en

³ De Spiegelaere et al. (2020): Benchmarking Working Europe 2019, Democracy at Work, https://www.etui.org/sites/default/files/Chap%204%20Bench%202019_0.pdf

collaboration with the rapporteur MEP Gaby Bischoff (S&D). Together, it was possible to place ETUC key demands as agreed with ETUC affiliates. The large majority in the Committee vote (47/7/7) speaks for the success of the resolution. The vote in plenary is expected in December. A similar outcome will send a clear message to the European Commission. This should increase the pressure on the European institutions to move and come up with a proposal for a framework for workers' information, consultation and participation rights.

The resolution on Democracy at Work by MEP Gaby Bischoff should pave the way for the upcoming legislative-initiative report by MEP Dennis Radtke (EPP) on the revision of the European Works Council (EWC) Directive. As a legal initiative report, however it will trigger a concrete and timely reaction by the European Commission. This is the reason why the ETUC has already engaged with the rapporteur to ensure that the ETUC 10 demands adopted by the Executive Committee in March 2017 find their way in the final report. While building the case for the revision of the EWC Directive, the ETUC will further step up its efforts to better enforce and strengthen the collective rights of workers including EWCs. During the EMPL hearing on 1 July the European Commission mentioned this report and promised "adequate follow-up".⁴

The ETUC will closely monitor political developments in Europe to identify relevant places and timing that will trigger further support for the ETUC demands. The new coalition agreement of the upcoming German government might be a first avenue to explore as it plans to "work to ensure that corporate co-determination is further developed so that there is no longer a complete avoidance of co-determination when SE companies are established (freezing effect)."

Given the circumstances related to the ongoing pandemic, the year of Democracy at Work 2021 is a success. Workers' participation is back on the agenda. Here, the ETUC has set the agenda, despite reluctance from the European Commission to guarantee the effective exercise of Democracy at Work. However, more must and will be done to deliver concrete results for ETUC affiliates up to company level. **It is thus of utmost importance that the ETUC maintains and enhances its strategy and advocacy work for more Democracy at Work throughout the year 2022 up to the ETUC Congress in 2023.** Building on the ETUC affiliates' reiterated support to the ETUC expressed most recently at the ETUC Mid-Term Conference of November 2021, the ETUC will use the momentum to push for its core demands: a new European Framework for Information, Consultation and Board-Level Representation Rights and the revision of the EWC Directive.

2021 ETUC advocacy work on Democracy at Work in a nutshell

A logo for more Democracy at Work has been developed, which gained a lot of attention through the different photo actions and various communication activities.

The domain **www.democracyatwork.eu** as part of the ETUC website dedicated to Democracy at Work is regularly updated and serves as a database for news and documents related to Democracy at Work to keep affiliates updated about latest actions and developments.

The ETUC has organised several events and workshops throughout 2021 supporting affiliates and EWC members from all over Europe:

⁴ https://multimedia.europarl.europa.eu/en/committee-on-employment-and-social-affairs_20210701-1345-COMMITTEE-EMPL, see Minute 14:14:00

- a. Online Seminar on Sustainable Corporate Governance (27 January)
- b. Online Workshop on the impact of the Brexit Deal on EWCs (1 April)
- c. Online Webinar on the Transposition of the Digital Tools Directive (8 June)
- d. Annual hybrid EWC Conference (11-12 October)⁵
- e. Hybrid event on the failings of the EWC Directive in Ireland⁶

A close monitoring of the European Parliament's resolution on Democracy at Work has delivered positive results. Next to regular and constructive exchanges and meetings with the different democratic forces in the EP to make the case for the ETUC demands and the resolution in general, a last and mobilising call in a form of a breakfast for members of the European Parliament was organised by the ETUC on 16 November, right ahead of the vote.

At the last Mid-term Conference, the ETUC organised a photo action around Democracy at Work with trade union leaders from all over the Europe. The action was reiterated on the occasion of the extraordinary meeting of the EESC workers' group in Lisbon and completed when meeting MEPs and workers at company level. All pictures are gathered in a [Flickr Album](#): as the ETUC's next action, the photos will be printed on postcards and sent to the European Commission in support of the resolution of the European Parliament.

Similarly, the photos fuelled a Twitter Action on 24 November, whereby affiliates were invited to post their picture under the hashtag **#democracyatwork**. This action, again, demonstrated solidarity and unity and a strong commitment for more Democracy at Work.

The ETUC is currently running a **study on the coordination of trade unions and workers' representatives at different levels**, namely between the local and European level. It is aimed to highlight best practices of coordination in the event of meaningful management decisions and is intended to show the positive effects of board-level representation. Results are expected for Q2 2022.

The ETUC is further engaged in mainstreaming the issue of Democracy at Work and to include the issue of workers' information, consultation and participation rights into other dossiers such as Human Rights Due Diligence and the Corporate Sustainable Reporting Directive.

The way forward to 2022 and 2023

Building on the successful mobilisation actions and advocacy work developed in 2020 and 2021, the ETUC upscales its strategy for More Democracy at Work with a range of initiatives and projects with concrete and valuable deliverables for ETUC affiliates.

The experience of '**DEMOCRACY AT WORK GOES LOCAL**', tested in November 2021 in Dublin, has proved to be much appreciated by affiliates. In a nutshell, the ETUC organises social hybrid events with affiliates at their convenience, and in their premises, so as to touch

⁵ This year's ETUC annual EWC Conference was organised in a hybrid format over 2 half-days. During the 1st day affiliates could exchange with high-level decision-makers, whereas as the 2nd day served as an opportunity to interact in various workshops. This format received very good feedback and the ETUC is exploring ways to make the sessions even more interactive.

⁶ Affiliates appreciated the direct connection between local, national and European level. The ETUC is exploring ways to deepen this approach and gathering practical, workplace-relevant examples of the flaws of the European Directives.

base on concrete and transnational issues at stake, with the view to join and combine national and European trade union forces and exercise solidarity in action. Concretely, and as an example, ETUC, ICTU and SIPTU met in Dublin to address violations of EWC rights due to the incorrect transposition of the EWC directive. The aim is to reinforce each other in our respective and related actions, for SIPTU to increase pressure on the corporation violating EWC rights and for the ETUC to make the case for the revision of the EWC directive building on the Irish situation as evidence for action. The ETUC will further develop and brand this initiative 'DEMOCRACY AT WORK GOES LOCAL' to better communicate and engage with affiliates to reach the necessary critical mass of evidence to equip the trade unions with relevant ammunition and to trigger behavioural changes from the side of business, political decision-makers at national and European level.

The ETUC **EWC Conference** should also be transformed so as to provide ETUC affiliates and EWC members with a forum to exchange and challenge European and national institutions and policy makers, with the aim to annually give a prominent place and space for debate on Democracy at Work.

In the same vein, regular and topical webinars will be organised to address ETUC affiliates' demands and concerns, in relation to the effective exercise of Democracy at Work (see roadmap below).

Communication tools and activities, such as the Democracy at Work website and social media actions will be further developed in order to maintain ETUC demands on Democracy at Work on the policy agenda and where relevant on the legislative agenda.

Close contact to the rapporteurs of the two important reports in the European Parliament (see above) will be maintained in order to shape the outcomes and the follow-up of these reports. This also includes close contacts with the European Parliament /MEPs in the run up to the appointment of the (shadow) rapporteurs and/or to ensure the ETUC demands are known to those rapporteurs and will figure in the first drafts of their report.

In view of the 2022 French Council presidency, as well as the following Czech (2022) and Swedish (2023) Council presidencies, the ETUC with affiliates, will engage with (national and European) parliamentarians and in Council to push for a delivering follow up of the European Parliament's resolution on Democracy at Work.

The ETUC mobilisation and advocacy work must however remain flexible enough to adapt amongst other things to the European institutional processes and calendar.

The ETUC will enhance its work on research and practical guidance, namely the study on EWC coordination, an overview for practitioners in EWCs to go to court and a study on the introduction of artificial intelligence at company level.

A study on the role of trade unions in shaping company strategy on artificial intelligence at work with a focus management by algorithm, workers involvement and workers' protection.



ANNEX:

Indicative Roadmap for ETUC actions 2022

1. Q1: January – March 2022

- Publication: Guidance for the transposition of the rights to information and consultation and board-level participation that are laid down in the Cross-Border Reorganisation (CBR) Directive in the 2019 Company Law Package CPL).
- Webinar on the Guidance for the transposition of the CBR Directive.
- Event: DEMOCRACY AT WORK GOES LOCAL.
- Event: Follow up event with MEPs & European Commission on the EP's resolution on Democracy at Work.
- Bilateral meetings with MEP Dennis Radtke to pave the way for the EP's initiative report on the revision of the EWC Directive.

2. Q2 April – June 2022

- Publication: Final report of the study on EWC coordination.
- Publication: Guide for EWCs how to go to court.
- Publication: How management takes advantage of loopholes to circumvent workers' rights to information, consultation & participation.
- Event: DEMOCRACY AT WORK GOES LOCAL
- Event: Final conference of the Project Term 2020-2022 including the presentation of the study on EWC coordination.
- Event: Litigation strategies for EWCs.
- Bilateral meetings with shadow rapporteurs of the EP's legislative-initiative report on the revision of the EWC Directive.
- Mobilising for the adoption of the Radtke-Report with a strong demand for a revision of the EWC Directive.

3. Q3 July – September 2022

- Publication: Advocacy guidelines for the inclusion of Democracy at Work in the transposition of the CBR Directive of the CLP.
- Publication: Policy guidelines in the Revision of the EWC Directive.
- Event: DEMOCRACY AT WORK GOES LOCAL
- Event: Advocacy guidelines for the inclusion of Democracy at Work in the transposition of the CBR Directive of the CLP.
- Follow up meeting with EP and European Commission on the follow up of the EP's initiative report on the revision of the EWC Directive.

4. **Q4 October – November 2022**

- 8-9 October: ETUC Annual EWC Conference
- Event: DEMOCRACY AT WORK GOES LOCAL.
- Call for tender: Study on workers' involvement in relation to the introduction of artificial intelligence at company level.