



ANNUAL EWC CONFERENCE

10-11 October 2018

The International Auditorium
International Trade Union House
Boulevard du Roi Albert II, 5
1210 Brussels

MORE DEMOCRACY AT WORK!

CONFEDERATION
**SYNDICAT
EUROPÉEN
TRADE UNION**



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ANNUAL EWC CONFERENCE 2018

More Democracy at Work!

INTRODUCTION

This year's annual conference supports the ETUC campaign for "More Democracy at Work". That democracy must not end at the workplace is a fundamental part of the European Social Model. In addition to social dialogue and collective bargaining, freedom of association, unions, workers, and their representatives can wield important influence within their work places via different instruments of workers' participation.

In 2019 the European trade union movement is facing major challenges, the European elections and the setting up of a new European Commission.

Our campaign must be visible because we need progress during the new mandate of the Commission and the Parliament.

Democracy at work was not high on the European political agenda despite its potential to contribute to an urgently needed increase of a visible and tangible Social Europe.

The need to empower workers – in private companies and especially in public services, where in some countries participation rights are weak or non-existent - to express their views and enforce their rights collectively in Europe is all too often ignored in current European debates.

As European integration is deepening in some areas, workers' rights should deepen as well. However, democracy at work is eroded by e.g. increasing centralisation of company decision-making in all areas, by massive influence on law interpretation, by increased concealment of real ownership etc. This widening gap can be partly closed by European legislation on workers' information, consultation and participation as proposed by the ETUC.

A European approach to Democracy at work can directly improve working life, collective labour rights and concrete participation of workers in society and the economy. It also contributes to economic success, employment stability and good corporate governance.

On democracy at work, the ETUC was quite active in recent years, but the Commission and Parliament quite inactive. Since 2016 the ETUC has been asking for a new EU framework for information, consultation and board-level representation. In 2017, the ETUC put forward 10 demands for the revision of the Directive on European Works Councils. The new architecture must ensure fair information and consultation of workers, anticipation and management of restructuring.

Please help us to spread the word!

The conference can only be one cornerstone, the action in front of the European Parliament another, but we ask you to use the campaign material to confront future Members of Parliament and of the Commission with our demands for more democracy at work!

Peter Scherrer, Deputy General Secretary

Wolfgang Kowalsky, Senior Advisor

Campaign material to implement the ETUC Strategy for more democracy at work

1. Invite an MEP or candidate for EP elections: Template letter for EWCs ('adopt an MEP')

Re: Invitation to a debate on the European elections

Dear candidate to the European Parliament,

Dear future Member of the European Parliament,

The European elections are coming closer and it might well be a big struggle between pro- and anti-Europeans.

As members of the European Works Council of Company [add name of the company], we take a critical but pro-European stance and would like to invite you to a discussion on [add date, place] to raise awareness of the elections and in particular to raise some issues we would like to see strengthened in the future European Commission and Parliament, in particular Democracy at work.

For over a decade there has been a total standstill. As trade unions and EWCs we ask for a revision of the European Works Council Directive as well as a new European framework for better information, consultation and board-level representation rights (<https://www.etuc.org/en/document/etuc-resolution-strategy-more-democracy-work-0>; <https://www.etuc.org/en/document/etuc-position-paper-orientation-new-eu-framework-information-consultation-and-board-level#>; <https://www.etuc.org/en/document/etuc-position-paper-modern-ewc-directive-digital-era>).

We need to strengthen democracy at work in times of digitalisation, globalisation, restructurings, mergers, acquisitions etc. The current Directive does not give enough rights to the workers to deal with the challenges of the digital era. More democracy at work is part of a broader approach to a more Social Europe which is needed in times of increasing right-wing populism, anti-European movements and authoritarian undemocratic regimes and tendencies. More democracy at work is one of the antidotes. We would like to discuss what can and must be done in the next European Parliament.

We would be very pleased if you could accept our invitation and come to our debate,

Best regards,

[add signature]

2. Why more democracy at work? A collection of good arguments

- Worker participation is a basic democratic right, enshrined, for example, in the (binding) EU Charter of Fundamental Rights (Art. 27, 28)¹.
- A set of rights that give workers/employees the possibility of actively participating in the shaping of their working environment including legally stipulated rights, company agreements devised in conjunction with collective agreements, as well as informal possibilities that have arisen from practice².
- No contradiction: competitive companies and social responsibility - both highly productive and less powerful companies can use workers' representatives to increase their output per employee.
- 'Citizens at work': democratic participation not only in political life but also in the workplace
- 'Sustainable company' for competitiveness and social responsibility - Companies with a works council are generally more concerned about the training of their employees, at least when it comes to general skills.
- 'Communicating vessels': democracy at workplace level/shop floor: through Works Councils – at company level: through company boardrooms/supervisory boards – at transnational level: through European Works Councils – through trade unions: negotiation of collective agreements, cooperation

¹ Workers or their representatives must, at the appropriate levels, be guaranteed information and consultation in good time in the cases and under the conditions provided for by Union law and national laws and practices.'

² WHY CODETERMINATION? A collection of good arguments for strong workers' voice; Hans-Böckler-Foundation (https://www.boeckler.de/pdf/v_2018_04_26_27_arg_co_determ.pdf)

with Works Councils. A strategy is needed to connect the local site level, the board level and the cross-border European level.

- Companies with codetermination rights in general have: 1. higher investment rates, 2. (more frequently) sustainability practices, 3. higher training rates, 4. a higher degree of job security, 5. top management remuneration systems which are more long-term and less stock market oriented.
- 19 out of 31 EEA member states recognize workers' board-level representation, the right to elect or appoint some of the members of the company's supervisory board / board of directors.
- Companies with workers' board-level representation and collective bargaining agreements have performed better than those without³. Companies without board-level representation spent significantly more money on the highest remuneration packages than companies with board-level representation.
- The type of labour needed by European companies – skilled, mobile, committed, responsible, and capable of using technical innovations and of identifying with the objective of increasing competitiveness and quality – cannot be expected simply to obey the employers' instructions. Workers must be closely and permanently involved in decision-making at all levels of the company. (Final report of the EU High-level expert group on workers' involvement (Davignon group), 1997)
- The integration work of trade unions and works councils involves daily engagement against racism, xenophobia and right-wing extremism. Companies have a big impact on whether we will in future talk of immigration (only) in the geo-economic sense or of socially inclusive immigration.
- Countries with strong participation rights have advanced further in implementing European objectives such as high employment rate, expenditure on research and development, share of renewable energies

³ Mitbestimmungsreport Nr. 31, 2017, on the 100 largest European companies ([https://www.boeckler.de/51937.htm?produkt=HBS-006558&chunk=2&jahr=.](https://www.boeckler.de/51937.htm?produkt=HBS-006558&chunk=2&jahr=))

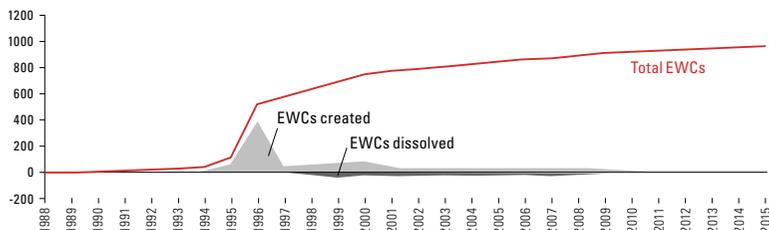
3. Recommendations

- insist on the importance of European information, consultation and board-level representation rights without underestimating the importance of national rights
- underline that European rights do not replace but instead complement acquired national rights
- criticise the current European approach that considers higher national rights as an obstacle ('goldplating') and welcome both high national standards as well as high European standards
- European so-called minimum standards should not be minimalistic: not a ceiling but an ambitious floor of rights
- underline the added value of having European tools for information, consultation and board-level representation at a time when companies are going transnational, European, global
- avoid exploiting national actors for European objectives but rather show the interconnectedness and complementarity of the national and European levels, for instance to influence decision-making in multi- or transnational companies, insist on subsidiarity
- avoid defensive and defeatist arguments – try to go on the offensive
- sectoral approach: add sector-specific arguments
- national approach: add arguments related to your country

4. Facts & figures

EWC Growth

Figure 1 Establishment and dissolution of EWCs



(<http://www.worker-participation.eu/About-WP/What-s-new/New-ETUI-book-European-Works-Councils-and-SE-Works-Councils-in-2015.-Facts-and-figures>)

5. Suggestions for action

- Rally – as kick off. Participants in the ETUC EWC conference in October (together with affiliates) to march to the European Parliament and hand over the signatures of the European Appeal
- Jointly organise public and/or internal meetings/events with member organisations (and/or national WCs and/or workers' representatives in company boardrooms) on information, consultation and board-level representation rights – invite local/regional/national/European press
- Organise direct meetings between EWC and MEP and EP candidates all over Europe ('Adopt a MEP') – invite local/regional/national/European press
- Gather and disseminate positive examples and best practices to show the benefits of workplace democracy, perhaps together with BusinessEurope and/or national employers' organisations to increase the number and quality of EWCs and board-level representation?
- Initiatives organised/supported by ETUI working closely with all ETUC affiliates to address specific needs of information, consultation, board-level representation rights in various economic sectors

- Up to May 2019: Grass-roots lobbying: Appeal by EWCs sending letters / emails to Commissioners and MEPs? Workers' representatives describe their difficulties in getting their rights enforced.
- Appeal by board members – signed by a significant number of board-level representatives
- Sign an online petition – to target new EP and new Commission
- Develop your communication strategy

6. Content of the campaign

1) Information & consultation at national level: In 2013 the ETUC suggested the following concrete proposals for a revision of the **general Framework for Information & Consultation** (2002/14/EC of 11 March 2002)⁴

- the ETUC calls for application to extend to all workers including public service workers, civil servants and seafarers;
- the ETUC calls for Directive 2002/14 to be brought into line with the better standards (definitions etc.) contained in the EWC Recast (2009/38) and the SE Directive (2002/86/EC);
- Importance of stronger consultation rights with a view to reaching an agreement via a meaningful dialogue before any decision can be finalised;
- information-consultation must cover the value chain: upstream suppliers, subcontractors, dependent companies downstream;
- the Directive should grant employees' representatives a right to expertise;
- the ETUC calls for anticipatory management of employment and competences...;

⁴ ETUC position on the proposed consolidation of the three Directives on information & consultation, collective redundancies and transfer of undertakings. Adopted at the Executive Committee Meeting of 3-4 December 2013 https://www.etuc.org/sites/www.etuc.org/files/Final_Position_on_consolidation_of_directives_EN_1.pdf

- strengthening workers' board-level representation (where applicable) to receive full information on strategic choices before the decisions are taken, and to increase the control and influence workers have on the strategic decision-making process within a company or public service;
- effective and strong sanctions.

2) Information & consultation at European level: In 2017, the ETUC put forward 10 demands for the revision of the Directive on **European Works Councils**⁵. In 2018 the demand for a European EWC Ombudsperson⁶ was added.

3) Board-level representation rights: Revision of **European Company Statute** and Merger Directive.

Company Mobility Law instruments: – conversion/transfer of seat, merger & division of companies

4) Tools and levels in one: Since 2016 the ETUC has been asking for a new EU architecture for information, consultation and board-level representation⁷.

7. Conclusions

Democracy at work isn't high on the European political agenda despite its potential to contribute to an urgently needed increase of a visible and tangible Social Europe. A European approach to Democracy at work can directly improve working life, collective labour rights and concrete participation of workers in society and the economy. It also contributes to economic success, employment stability and good corporate governance. In view of the European elections and the ETUC Congress (both May 2019) the ETUC proposes a

5 ETUC position paper: For a modern European Works Councils (EWC) Directive in the Digital Era <https://www.etuc.org/documents/etuc-position-paperfor-modern-ewc-directive-digital-era#>

6 ETUC Resolution adopted at the Executive Committee Meeting of 7- 8 March 2018: Strategy for more democracy at work: <https://www.etuc.org/documents/etuc-resolution-strategy-more-democracy-work-0#>

7 ETUC Position paper: Orientation for a new EU framework on information, consultation and board-level representation rights <https://www.etuc.org/documents/etuc-position-paper-orientation-new-eu-framework-information-consultation-and-board-level#>

strategy to go on the offensive for more democracy at work. The ETUC will make its positions clearly visible for a broader public. The precondition for being successful in this, is to have the active and sustainable support of the ETUC affiliates. Support in the European institutions is currently limited or even non-existent. No political party is proactively putting 'more democracy at work' on its agenda. But by generating enough pressure to enhance the discussion about democracy at work, more and more effective support will be won in the policy-making and legislative arenas.

The 2016 Resolution is a significant step for the European trade union movement. It is the first time that we are unanimously calling for a common level playing field on workers' rights to board-level representation. The Resolution stressed, however, the need to preserve national traditions. The idea is not to intervene in purely domestic situations, but to propose a sustainable vision for EU company law. Whenever a business wishes to rely on the opportunities offered by European company law, it must at the same time adhere to shared European values. The new framework would become the single reference on information, consultation and board-level representation for all European company forms (such as SE, SCE). It would also apply to companies wishing to use EU company law instruments enabling company mobility, such as cross-border mergers, cross-border divisions or cross-border transfers of registered office.

PROGRAMME

WEDNESDAY 10 OCTOBER 2018

- 13:00 Registration of participants**
- 13:30 Welcome address by the Chair of the conference: the ETUC campaign for “more democracy at work”**
‣ **Peter Scherrer**, Deputy General Secretary ETUC
- 13:45 Keynote speech on more democracy at work**
‣ **Stefan Olsson**, Director DG EMPL
- 14:15 Discussion and questions from the floor – followed by handover of signatures from the European Appeal for more democracy at work**
- 14:45 Workers’ voice in corporate governance: impacts on more democracy at work.**
‣ **Chair: Henning vom Stein**, Hans-Böckler Foundation
‣ **Aline Conchon**, industriAll Europe
‣ **Herman Soggeberg**, EWC Unilever
‣ **Norbert Kluge**, Hans-Böckler Foundation of DGB
- 15:45 Bus to European Parliament**
- 16:30- Rally for Democracy at Work**
17:30 *handover of signatures from the European Appeal for more democracy at work: rally to the European Parliament, Esplanade – meeting MEPs from different political groups*
- 17:15- Small delegation meeting with President of the EP t.b.c.**
17:30

THURSDAY 11 OCTOBER 2018

- 09:00 EWC experience – in view of digitalisation challenges [panel]**
Moderator: Wolfgang Kowalsky, ETUC
- **Robert Textoris**, EWC Engie, France
 - **Sabine Kuhlmann**, EWC & Member of Supervisory Board, Oerlikon, Germany
 - **Daniel Folgado Risueno**, EWC Axa insurance, Spain
 - **Daniel Valtakari** EWC coordinator for Nokia, Ideal Standard, Perkin Elmer
 - **Gabriele Guglielmi**, CGIL FILCAMS International policies coordinator
- 10:30 Coffee break**
- 11:00 Brexit and EWCs**
- **Gerry McCormack**, Deputy General Secretary, SIPTU (Ireland)
 - **Stephen Schindler**, EFBWW
 - **Barry Firth**, EWC Coca Cola UK
 - **Janet Williamson**, TUC (UK)
- 11:45 Towards the European elections: ETUC priorities for the new European Commission and Parliament 2019-24**
- **Luca Visentini**, General Secretary ETUC
- Questions & answers
- 12:45 Concluding remarks**
- **Peter Scherrer**, Deputy General Secretary ETUC
- 13:00 Buffet lunch**

SPEAKERS AND MODERATORS

IN ORDER OF APPEARANCE

PETER SCHERRER

Deputy General Secretary of ETUC, served an apprenticeship as a metalworker and studied in Berlin and Newcastle-upon-Tyne. He did his Master's degree in History in Bielefeld. He was International Secretary of the German Horticulture, Agriculture and Forestry trade union (GGLF) in Kassel from 1990 to 1992 and head of the International Department at the Hans Boeckler Foundation in Düsseldorf from 1992 to 1999. In 2005 he became General Secretary of the European Metalworkers Federation in Brussels. He worked for two years as a Labour Director in the steel industry. He was Industrial Policy Officer at IG Metall in Frankfurt until he took up his role as elected Deputy General Secretary of the ETUC in October 2015, following the ETUC Paris Congress. He has represented the workers on the supervisory boards of several major German corporations.

STEFAN OLSSON

A Swedish lawyer, he joined the European Commission in 1996, and dealt with trade in genetically modified organisms, fundamental rights issues as well as social dialogue. He was assistant to the Director General for Employment and Social Affairs (2000-2005) before leading units dealing with anti-discrimination law and policy, as well as administrative affairs and social inclusion. In 2015 he took up the position of Director in DG Employment responsible for management of the European Social Fund in Romania, Bulgaria, Malta and Spain, implementation of the Employment Strategy through tools such as the Youth Guarantee, the Long Term Unemployment Recommendation and the network of Public Employment Services, as well as legislative and policy issues relating to working conditions including health and safety at work.

DR ALINE CONCHON

Aline Conchon is Senior Policy Adviser at industriAll Europe, the European trade union federation of manufacturing, mining and energy workers. She is coordinating industriAll Europe's activities in the area of company policy, i.e.

policies aimed at supporting trade union action in multinational companies (especially via European works councils or ad hoc transnational coordination of trade unions). With 15 years of experience in research and policy advice, Aline has developed a high-level expertise on worker participation, and holds a PhD in sociology of industrial relations.

HERMANN SOGGERG

Trained as a baker in 1987, Hermann started work with Unilever in 1990 and was elected onto the works council in 1994. He was elected Chairman of the regional board of the Wahl NGG union in Münster. Elected to the Unilever European Works Council in 2002, he has been Chairman of the Unilever EWC since 2010, as well as Vice Chairman of Unilever Holding GmbH advisory board.

DR NORBERT KLUGE

Academic Director of the Institute for Co-determination and Corporate Governance (I.M.U.) of the Hans Böckler Foundation of the DGB, Düsseldorf/Germany, Dr Kluge spent seven years working as senior research officer of ETUI (2002-2009, and later was senior advisor to the EWC's of ThyssenKrupp and Outokumpu Germany (2009-2012). He has been a Member of the EESC (Workers Group) since 2016.

DR WOLFGANG KOWALSKY, is Policy Advisor at the European Trade Union Confederation (ETUC) in charge of Digitalisation of Work, Workers' Participation, European Works Councils. He started his career as Lecturer at the French Business School HEC and then pursued at Free University in Berlin, before joining the German trade union IGM headquarters in Frankfurt. After a Fellowship at the Institute for Advanced Study in the Humanities in North Rhine-Westphalia, he started working at the ETUC. He holds a Diploma in Sociology and a PhD. in Political Science from Free University Berlin. Amongst other books he published "Focus on European Social Policy. Countering Europessimism", "Trade unions for a change of course in Europe", and a number of articles on Social Europe: "Scenarios For A Digital Europe", "The European Digital Agenda: Unambitious And Too Narrow".

ROBERT TEXTORIS

Robert Textoris has been Secretary of the Engie Group EWC since 2017 and a member since its creation in 2009. With the profound transformation of the

Engie Group decided in 2016, the Engie EWC took the initiative to study in its working groups the stakes for digitalisation, its different applications in the group's activities, and its social repercussions on the organization of work.

SABINE KUHLMANN

Sabine Kuhlmann is the Chairwoman of the European Forum at Oerlikon, a Swiss group active in surface coating, additive manufacturing and textile machinery. Sabine Kuhlmann comes from the Textile Machinery Division and is Chairwoman of the General Works Council in Germany as well as of the works council at the Remscheid site. With around 25 years of experience in operational practice, she holds a degree in business administration and change management.

DANIEL FOLGADO RISUENO

Delegate of Comisiones Obreras trade union in Valencia since 1993 and in the Secretariat of International CCOO AXA Spain since 2011. Member of the European Committee of the AXA Group on behalf of Spain since that date, and one of three current Assistant Secretaries, together with work in the AXA Assistance Work Commission and AXA Seguros, S.A. (València-Spain).

DR DANIEL VALTAKARI

Daniel Valtakari is Senior Adviser at TEK Academic Engineers and Architects in Finland that represents engineers in both private and public sectors. He is working with Nordic IN, industriAll Europe, UNI Europe, ETUC and Eurocadres on issues concerning, among others, European Works Councils, company policy, digitalisation, taxation and immaterial property rights, and continuously trains fellow colleagues and employee representatives in the same matters. Daniel has more than 15 years of experience and expertise working for trade unions and before that a career in science with research and development in chemistry and engineering. Daniel holds a PhD in chemical technology and is currently working on a PhD in law.

GABRIELE GUGLIELMI

A trade unionist for over 40 years Gabriele has negotiated collective agreements: for various groups of workers in Italy, including PrivateSecurity, seasonal workers of hotels and tourism, and European Works Councils. Since 2008 he is in charge of international policies of Filcams CGIL. Among the most recent

projects he coordinated the EC-funded Open EWC and the OpenCorporation implementation, funded by the Centro Studi Filcams.

GERRY MCCORMACK

Gerry McCormack is Deputy General Secretary of SIPTU with responsibility for members within the private sector across the island of Ireland. SIPTU is the largest trade union in Ireland with 200000 members.

JANET WILLIAMSON

Janet Williamson is a Senior Policy Officer at the TUC and leads the TUC's work on corporate governance and capital markets. She has written a wide range of TUC reports and submissions on corporate governance and other areas, including recently 'All Aboard: Making worker representation on company boards a reality'. She is the Chair of Trade Union Share Owners, which led the union movement's shareholder engagement work with Sports Direct. Janet has represented Labour on a number of governmental working groups on governance and remuneration. Before moving to the TUC, Janet worked on economic policy at ActionAid. Janet was educated at York University where she studied History and Politics, and at the Institute of Development Studies, Sussex University where she achieved an MPhil in Development Studies.

LUCA VISENTINI

Luca Visentini was elected as ETUC General Secretary at the Confederation's 13th Congress in Paris in 2015, after four years as ETUC Confederal Secretary in Brussels. As General Secretary, he is responsible for guiding and coordinating ETUC policy. He has been active in the trade union movement since 1989, with experience and involvement in collective bargaining at confederation, national and sectoral level. He has been taking part in ETUC activities since 1997, and before that contributed to UIL's work as General Secretary in one of the 20 Italian regions and as a member of the UIL steering committee.





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With the support of the European Commission