# **Report of the ETUC's annual European Works Councils conference.** from 8th Sep. 13:00 - 18:00 in Brussels, in the European Parliament

The ETUC EWC conference provided the unique opportunity for European Works Council members from all over Europe to exchange with politicians and among each other on how to be the voice of workers and a game changer in delivering concretely on Democracy at Work.

The conference is a key moment of exchange —betweeen trade unionists, worker`s representatives and politicians

More than 40 million people are victims of modern slavery and millions more are denied basic human rights and decent work conditions in countries where European companies make huge profits.

Trade unions are key to ensuring that human rights are real in the workplace, but too often companies deny unions any involvement.

That's why we are joining together to urge the EU to make the involvement of trade unions in companies' due diligence responsibilities a mandatory requirement - backed up with effective remedies for workers and unions if rights are denied.

First day on 08.09.2022 was co-hosted by S&D group [Social & Democrats in the European Parliament]

## Day 1 programme and panels:

- Welcome address: by Isabelle Schömann, ETUC Confederal Secretary
- Welcome speech : by Iratxe Garcia Perez, President of the S&D Group

## PANEL #1:

*The European Parliament's legislative initiative report on the revision of the EWC Directive -What's in there?* 

MODERATION: Aline Hoffmann, ETUI SPEAKERS: Dennis Radtke, MEP EPP Gabriele Bischoff, MEP S&D AB Eugenia Rodriguez Palop, MEP Mounir Satouri, MEP Atidzhe Alieva-Veli, MEP

## Interventions from several EWC members & trade union experts

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#### **PANEL #2:**

Corporate Srustainability Due Diligence: Bringing back workers into the Commission's proposal

MODERATION: Stefan Clauwaert, ETUC SPEAKERS: Lara Wolters, MEP S&D Manon Aubry, Isabelle Schomann, ETUC Confederal Secretary Antje Gerstein, EESC rapporteur

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## SUMMARY REPORT & PROPOSALS

MEP<sup>1</sup> will take decision on how to strengthen the European Works Councils in daily work and to make rights more effective. EWC members are key Democratic features in the EU and this should be their conditions for any multinational business to operate and in Europe and to do business in Europe. The European Parliament report should be vote in November, in plenary and it has to deliver for more and better right for European Works consider. It has to guarantee proper enforcement of the directive and has to include deterrent sanctions for any violation of the right information on consultation. Decision that the MEPs will have to take this year and the next year, is to impulse and shape the European Union law on mandatory human rights, due diligence and responsible business conduct. EWC should get the information and should be consulted on any business due diligent plan or strategy. New working method and projections processes transfer up to Collective redundancy.<sup>2</sup>

Find mechanism to ensure, that the information is provided in due time to members of the EWC and also that the content of information is relevant. To have a time to be able to take reaction. Whether we're dealing with a transnational matters and time and also with when it comes to sanctions. Need to be sure that the sanction are sufficiently high and makes the effect<sup>3</sup>. Companies cannot covering basis passing on the bare minimum amount of information. European directive has to include worker's rights and European Commission needs to speed up its legal initiative.<sup>4</sup>

The biggest problem is the different understanding of consultation. The aim is dialog. Sanctions have no effect.<sup>5</sup> Framework of financial penalties are taking place.

EWC council is underestimated.<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> Members of European Parliament

<sup>&</sup>lt;sup>2</sup> Isabelle Schomann

<sup>&</sup>lt;sup>3</sup> Mounir Satouri suggest 10-20% from overcome

<sup>&</sup>lt;sup>4</sup> Iratxe Garcia Perez

<sup>&</sup>lt;sup>5</sup> Penalties are around 10 000 EUR

<sup>&</sup>lt;sup>6</sup> Dennis Radtke: spoke about his own experience and about the report which will be presented in the near future.

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Need to be strictly clarify what is confidential information and business secrets and need to be classified as information which could be held<sup>7</sup>. Problem is that the companies provide information with a time delay and this makes the work much more difficult. Access to information must be ensured in time.

Clarity should be an transnational measure. Companies have an obligation to inform about circumstances that directly affect employees. EWC has the right to how to seek legal support and also access to justice. Strengthen the consultation between political systems<sup>8</sup> and the EWC and also strengthen the rights of employees. Recognition of EWC's and set up their role in the companies. Convinced them that its present is good for workplace for health and safety.

The role of the EWC, we have had some direction for many years, but we can see for ourselves that the EWC has nowhere to ask for the right, framework principles, because if there are no sanctions, it is impossible to enforce it. Without sanctions, we will not reach the direction or the goal we were chasing. Necessary to establish guidelines that multinational companies will respect. Coercion and sanctions are the first step. Companies do not do what they should, it is difficult for employees to go to court and fight for their rights, there is no one to represent them, who will pay legal expenses<sup>9</sup>

Set really transparent rules and sanctions that will be really effective in protecting the rights of employees need an experiences from all EWC's members.<sup>10</sup> Really necessary - it is crucial to convince other political parties to join to fight for fundamental rights, whether civil or labor. Give clues to the creation of a European model.

It really hard to establish all respective directives, amendments and legislations. Certain sectors<sup>11</sup> are hugely problematic on the one hand from the responsible business point of view due diligence and on the other hand because of people on flexible contracts, living in such uncertainty and have no power in talking to management.<sup>12</sup> Lack of collective agreements, sexual harassment, difficult to deal with. Companies currently do not respect European directives as they should. Especially with regard to employee rights and enforceability. Legislation involved a personal responsibility of directors. If a company has an obligation to follow some rules, it is normal for companies to bear the consequences for non-compliance. Implement due diligence and CSR policies to companies are the most critical key. They also see the problem in the fact that Trade Unions and employee councils do not see them as partners, even some corporations do not even perceive employee representatives, they do not mean anything to them.<sup>13</sup>

Justice - principals

- EWC's has been trying to find a competent legal body to seek a legal redress in an international dispute with employers
- Rules for multinational companies with global influence
- The purpose of EWC is to give better information to perform work
- Critical framework, procedures are outdated and dysfunctional

<sup>&</sup>lt;sup>7</sup> no one can argue about trade secrets, if are not classified as a secrets

<sup>&</sup>lt;sup>8</sup> Political will is lacking.

<sup>&</sup>lt;sup>9</sup> Jonathan Hayward

<sup>&</sup>lt;sup>10</sup> Gabriele Bischoff

<sup>&</sup>lt;sup>11</sup> Hotels, restaurants, fast foods, franchises

<sup>&</sup>lt;sup>12</sup> Lara Wolters

<sup>&</sup>lt;sup>13</sup> Lisa Halme

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- Improve the sanctioning system to avoid to ignore labor rights by companies<sup>14</sup>
- Legal costs should be borne by the company, not the employees, if they go to court
- Eliminate negative impacts on employees<sup>15</sup>

#### Testimonials:

McDonald merch- in most states, they do not have union trade, they do not have health insurance, they do not have reimbursed sick leave, they do not receive protective equipment during the COVID pandemic

This conference serves the purpose of eliminating those terrible things inside and outside the EU

# Day 2 Workshop session:

Access to justice - when they should or when it is necessary to go to court for EWC, but the main goal should be to avoid conflicts - if only to make sure that we have all the relevant information and the goals you want to achieve must be set in advance.

Consideration should also be given to those who, for example, will be afraid to go to court and stand against their boss, the costs of lawyers who are able to lead this type of dispute, at the same time the type who understands that you do not have a budget yet, and on the other hand regardless whether you win or not, the relationship with the employer after the dispute.

**Trans-nationality problem** – the rules for choosing an administrative court should be clearly defined, which would save a lot of time spent on court proceedings.

- Problems with determining what is national and what is European
- The most effective means of achieving the goals is to contact the trade union in order to develop a strategy, negotiate and put pressure on the management
- Choosing a trial is not always the best choice
- Corporate sustainability many European companies have a report, but many lack it
- Does our company have Due Diligence?
- Is the EWC board involved in due diligence?

#### Notes:

The event transcription is available on request in the word file

<sup>&</sup>lt;sup>14</sup> Spain rejected complaints more than 2000 employees that no one solves, there is really no effective system to access justice.

<sup>&</sup>lt;sup>15</sup> as long as access to justice is ensured, it should be a competent court that will know what the rights of employees are about, understand the impact on the lives of employees, the breakdown of families, and act quickly with regard to the consequences