

## Report on the 1st working group seminar

*Budapest, 20-22. 02. 2011*

The objective of the meeting to review with the EWC members from the newly acceded Central and Eastern European member states the new EWC-directive, the sectoral social dialogue at the European level and the EU policies applied in the sector. The participants were to assess the legislative and institutional possibilities from the perspective the employees' needs and to report on their own experiences in the practical implementation of participation.

**Rezső Gál** welcomed the participants of the meeting and expressed his hope that by the end of the joint activities the participants will return home with useful experiences. He was followed by László Kozák, who gave a presentation on the new European Works Council directive. He explained that the directive provides for additional rights in the field of information, consultation and the training of employees' representatives. A new element is that the Special Negotiating Body can involve the European social partner unions into the negotiations and with reference to this stipulation trade unions can on request of the European Works Council participate at the EWC-meetings. Another new element in the directive is the question of sanctions.

This was followed by the presentation of **Jan Willem Goudriaan** on European social dialogue. He explained that the social partners at the European level –EURELECTRIC and EPSU – are autonomous organisations and can decide jointly on the point so f the agenda of their meetings. The trade unions do not accept some proposals of the employers e.g. on the increase of the retirement age. The EU Charter of Fundamental Rights is important for the trade unions. The EU Charter of Fundamental Rights is important for the trade unions, its Art. 12. provides for the right of freedom of association and organisation, Art. 28 the right for collective agreements and actions. In the interpretation of trade unions this means that they have the right to organise European strikes and actions. Should a company breach its transnational agreement it may lead to European strikes.

This was followed by **Charlotte Renaud**, representative of EURELECTRIC, who explained that her organisation supports the liberalisation of the market, the environmental energy production, sustainable development a and the carbon-neutral energy production in Europe. The organisation conducted a study on the energy alternatives. The decrease of CO2 emissions can become faster. In connection with the negotiations with the social partners she explained that common points of interest need to be identified and then gave an overview of the 2011 working programme which includes the problems of sustainability, demography and recommendations that can be used at the national and company level. The organisation has impact studies made. It is however a question, how far the opinion of their organisation is important to the Commission e.g. in the directive of posted workers or pensions. She added that the new directive is important because problems need to be tackled at the right level as the world changes at an extreme space.

After the presentations the participants split into working groups. They discussed separately different issues they had to report on Friday. The first issue related to the negotiation experiences of the EWC. In the working groups mention was made of bad experiences in connection with information arriving late or being incomprehensive or that the amount of information passed on to them that it does not allow a thorough analysis. ( Employers refer repeatedly to the confidentiality of the information.) Companies rarely support language training. On the other hand, positive examples can also be found e.g. when companies provide interpretation for the whole negotiations, even for the discussions in the evening! Another problem is that the European Works Councils established do not always have real work. The working groups tackled the following issues: reorganisation of the company, reports on economy, mergers, outsourcing, economic-financial situation, structural changes, wages and changes in the economy. Equal opportunities, structural

changes as minimum standards, stress at the workplace. Some agreements are of binding force, others are only recommendations. There is no solution to the situation when parties do not comply with the contractual obligations.

The second question covered the role of EWC representatives. The participants explained that part if their role is information provided to the employees and trade union functionaries. Positive examples: reports of the EWC meetings are published. Negative: there is no feedback. If the EWC has different views than the management certain information is not passed on. Another problem vis a vis the employees is that they receive information they can read in the press, as well. Problematic is that the different decision making levels point to each other when information should be passed on.

The third discussion point was the experiences in connection with the transposition of the new directive. Experiences in this area – at least at the company level – are positive. The process has not been started in Hungary yet and in the Czech Republic some amendments have already been passed. However, there are major concerns that lobbyists may divert the process. Directive 38/2009 was transposed by the Slovak parliament and they included some new paragraphs, too, but they failed to settle the problem of sanctions.

On the second day **Rezső Gál** started with the introduction of the 3. Energy package of the EP and analysed its impacts on the employees of the electricity sector. He explained that since the establishment of the European Union energy problems had been in the background. The „Green book” on energy policy published in March 2006 was the first relevant discussion material. At the beginning of 2007 the Commission issued an integrated energy and climate document package on the increase of energy demand, climate change and the use of renewable energies. At the beginning of 2009 the EU expanded its former visions and defined specific projects that served as the basis of the 3. Energy liberalisation package.

This was followed by a round table discussion on the transformation of labour relations and good practices. A detailed analysis was made of the experiences within EDF, RWE and E.ON. The participants noted the fact that legislation does not provide for sanctions. There are great differences in training, in communication and in the involvement of experts. The lack of a common language is a major obstacle. Information is essential for the EWC to operate. It was mentioned that through the EWC coordinators a database with the contacts of the EWC members and the agreements should be created.

Finally, the participants agreed that they were given relevant and useful information on the EWC. The meeting revealed possibilities of different methodologies and solutions; the task now is to implement theory in practice. The cooperation of the two bodies (EWC and trade unions) at the company level is indispensable and the protection of workers' interests has to be their competence.

László Kozák