

COVID-19

Anticipating and managing the impact in multinational companies

Joint European Trade Union Federations' Recommendations to EWC/SE Coordinators and worker representatives in SNBs, EWCs and SEs

March 2020

The impact of the COVID-19 outbreak on our lives, societies and economies is unprecedented. Trade unions from all over Europe act united in defending workers' health and safety and speak with one voice: the COVID-19 crisis must not put jobs and incomes in jeopardy!

The consequences on work differ very much from one company and from one sector to another. Your European trade union federations are carefully analysing sector-specific developments to report on.

Worker involvement through information, consultation and participation in company decision-making is more important than ever to anticipate and deal with the social and economic consequences which may arise from this crisis. Considering the high-level of connection between the supply value chains of the sectors we represent, the European trade union federations have decided to issue very practical joint recommendations to worker representatives in European Works Councils (EWC) and in companies under the European Company statute (*Societas Europaea* - SE).

Our aim with these recommendations is twofold: advising members in EWC/SE-WC on how they can and should play a role in dealing with the COVID-19 crisis in their company; and requesting members in EWC/SE-WC to support national and European trade Unions to put pressure on management to make sure that the most effective measures are taken in each company site to protect workers' health, safeguard jobs and support workers' income, for all workers be them on standard, temporary or atypical contracts.

These recommendations may be revised as the situation develops.

Recommendation #1

Postpone annual/ordinary and negotiation meetings

Should your management wish to cancel the meeting of your Special Negotiation Body (SNB), of your European Works Council (EWC) or of the Works Council of your European Company (SE-WC); or should management propose to hold the meeting remotely via videoconferencing

=>Call instead for the meeting to be postponed and take place physically as soon as possible after the COVID-19 crisis is over

This recommendation applies equally to your ordinary plenary EWC/SE-WC meeting(s), to meetings of EWC/SE-WC working groups/committees, to EWC/SE-WC training seminars and to any meeting aimed at (re-) negotiating your EWC/SE agreement. This recommendation aims to ensure that videoconferencing does not substitute for genuine face-to-face meeting, and that management does not use the COVID-19 crisis as an excuse to call off your ordinary meetings during 2020.

HOW? Here is a concrete example

At **Generali**, the EWC Select Committee meeting planned for early March was cancelled. The Committee asked the Management to share electronic copies of the planned presentations, which they received.

At **Coca-Cola European Partners**, the first EWC meeting had to take place at the end of March. The meeting has been postponed and not cancelled.

At **Korian**, a group active in elderly care services, negotiation for the setting up of an EWC concluded end of 2019. The very first EWC meeting was planned in March 2020. It has been decided there too not to cancel but to postpone the meeting at a later date.

Recommendation #2

Request an online extraordinary meeting on COVID-19

Workers' rights to information, consultation and participation do not stop because of the COVID-19 crisis, neither are the provisions of your EWC/SE-WC agreements suspended. As multinational companies may intend to adapt their operations to cope with the COVID-19 crisis, information and consultation procedures in such extraordinary circumstances must be respected. There cannot be any decision on restructuring, downsizing or job cuts without prior information, consultation and participation of worker and trade union representatives at both the European and the national level.

Although the ordinary meeting of your EWC/SE-WC can be postponed, the COVID-19 crisis is such that it can be considered an exceptional circumstance of a *de facto* transnational nature which justify calling for extraordinary meetings to inform and consult on the potential impact of the crisis on workers' interests.

The European trade union federations have always advocated for EWC/SE-WC meetings to take place face-to-face. However, physical meetings must be banned under the current circumstances to protect each other's health and stop the spread of the virus. Therefore, the European trade union federations exceptionally recommend the use of online meetings, under specific conditions to be agreed by both parties.

=>Request an extraordinary meeting on the COVID-19 crisis, to be held via videoconference, AFTER having set the rules for the exceptional use of online meetings

Please find in appendix a template of rules for the exceptional use of online meetings we recommend you agree with management in advance. It must be made clear that holding meetings via videoconference is limited to the COVID-19 crisis period. Adapt these rules to the specific situation of your EWC/SE-WC, especially as your EWC/SE agreement may already contain provisions governing the use of online meetings and videoconferencing.

HOW? Here is a concrete example

At **Alstom**, the EWC first requested an emergency update on the COVID-19 situation via a conference call with the Management, during which simultaneous interpretation in all languages was provided. Based on the information received, the EWC submitted a formal request for an extraordinary meeting.

At **Kraft Heinz**, the EWC requested an extraordinary meeting and received a presentation translated in all EWC languages about the measures taken in each country to protect workers' health. A conference call took place between the EWC Select Committee and the European management leadership team including management representatives responsible for supply chains, manufacturing, health and safety and human resources.

Recommendation #3

Request regular updates from management on COVID-19 in writing

To be able to anticipate as early as possible the likely consequences of the COVID-19 crisis on jobs

=>Request a regular (e.g. daily) update on the situation, by asking management to send the following information in writing and per country:

- Measures taken by management or negotiated with trade unions in the company and all along its supply and subcontracting chains to protect workers' health and safety, as well as the health and safety of patients (e.g. in private health and elderly care facilities) and customers (in the service, energy, hospitality, utilities, and transport sectors, etc.)
- Measures taken in the company in case workers or their family members have a COVID-19 related illness (e.g. complement to state paid sick leave).
- Measures taken in the company and all along its supply and subcontracting chain to mitigate the potential consequences on jobs (e.g. contingency plans, short-time working schemes, extended overtime, and compensatory measures to secure workers' income)
- Measures taken by management to mitigate the consequences on business operations (e.g. shift patterns changes in production, logistic or administration; temporary plant shutdown; and alternative to supply chain disruption)
- Trends regarding employment levels
- Evolution of the economic and financial (e.g. on loans and credit) situation

HOW? Here are concrete examples

At **Lafarge Holcim**, the EWC drafted a list of questions to management, and has requested a weekly information update.

At **UniCredit**, the Management created a dedicated intranet page for all employees to keep them up-to-date on COVID-19 developments.

At **Compass**, the Management is sharing in writing regular updates with the EWC members concerning governmental restrictions (schools and restaurants closures by country) and number of workers infected and in quarantine in each country. Management also provides a clear overview of governmental measures and complementary company measures adopted with respect to sick pay arrangements, temporary cessation of work, and care of dependents, etc.

In these circumstances, the Select Committee should ensure a permanent dialogue with central management always in coordination with the EWC/SE-WC. At the same time, management must allow the Select Committee members to carry out videoconferences amongst themselves and with other EWC/SE-WC members.

Recommendation #4

Share information about the situation in each country between yourselves

In addition to information provided by management, communication within the EWC/SE-WC and exchange of information amongst EWC/SE members is more important than ever

=>Ensure that every EWC/SE delegate regularly reports back on the situation in their country, including on:

- Government measures (especially full or partial lockdown, adoption of emergency legislation, bolstering temporary unemployment schemes, and state-wage compensation in case of dismissals)
- Measures taken by the social partners and/or government via bi- or tri-partite agreements at the national or sectoral level (especially agreement on working time arrangements; protocols to safeguard workers' health, and definition of the scope and nature of "crucial and essential activities")
- Measures taken at the company level either via company agreements or unilateral management decisions (e.g. protective measures for workers, social distancing measures, cleaning and disinfecting measures, temporary shutdown, topping up legal allowance to secure 100% of net salary, exceptional paid leave, extension of telework, application of measures to workers including on non-standard employment contracts, and measures applying to blue-collar/white-collar workers)
- How the trade unions and worker representatives are involved in managing the COVID-19 crisis.

HOW? Here are concrete examples

At BASF, a questionnaire has been drafted for each EWC delegate to answer (e.g. are worker representatives / trade unions in your country informed about cases of infected workers?). Answers are collected by the EWC Secretariat and feedback provided to all EWC delegates.

At Volkswagen, a regular update is sent by e-mail to members of the European and Global Works Councils. The update includes a report on the situation in all affected countries, China included.

At KBC, the EWC Select Committee is in constant communication to keep each other updated on the developing situation in each country concerned.

At Mondelez, the EWC Chair took the initiative to create an Excel document with information about the situation in each country and site. This document is regularly updated and disseminated thanks to the contributions of all EWC members.

Recommendation #5

Urge management to deal with the crisis on the basis of social dialogue

Social dialogue and collective bargaining have an essential role to play in managing this unprecedented health crisis. Invite management to engage with trade unions at the national and the local level to adopt effective measures to protect workers' health and to negotiate agreements putting in place effective measures to safeguard the employment and income of all workers. In particular, social partners must work together to reach agreements at all levels on short-time work arrangements that provide a high level of wage compensation for workers.

=>Remind management to engage negotiation at company level to deal with the crisis on the basis of emergency law and national/sectoral agreements

HOW? Here are concrete examples

At Safran, due to a persistent lack of social dialogue in the UK, the EWC sent a letter to the Management calling "for the immediate establishment of a specific national COVID-19 negotiating group for the UK with local trade unions and their representatives in order to find very quickly the best solutions to manage in a coordinated way the consequences at all levels".

Recommendation #6

Request a physical extraordinary meeting to take place as soon as the COVID-19 crisis is over

As soon as the outbreak is over, to ensure a socially responsible management of the consequences of the COVID-19 crisis

=>Request an extraordinary meeting at the earliest convenience to inquire about the impact of the crisis on the company operation, sites and jobs in every country

Recommendation #7

Contact your European trade union federation

If dialogue with management fails and in the event that:

- the measures adopted by your company in each country to protect workers' health, safeguard jobs and income are not sufficient,
- workers are not treated equally either because of their status (e.g. measures do not apply to temporary workers, or blue-collar workers) or their location (e.g. rules differ from one site to another, or from one country to another),
- management take advantage of the crisis to carry out collective dismissals,
- worker representatives and trade unions are excluded from decisions which may affect workers' interests.

=>Please contact your European trade union federation

We commit to do our utmost to support you and ensure a coordinated approach in all countries where the company operates.

We would also like to hear about good initiatives which can help colleagues in other EWCs/SEs.

=>Please inform your European trade union federation about any creative, inspiring good practice which your EWC/SE-WC has developed

Your contact persons in each European trade union federation are listed below:



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Appendix

Joint rules for the exceptional use of online meetings due to the COVID-19 crisis

Securing [name of the company] workers' health and safety and ensuring quality social dialogue to mitigate the impact of the current COVID-19 crisis on the company operations and employment are priorities jointly shared by [name of the company] management and the EWC [or SE-WC].

While both parties recognise that face-to-face meetings are one of the essential factors in ensuring good dialogue, they also appreciate the need to make temporary arrangements to secure both the continued involvement of the EWC [or SE-WC] in the company decision-making process, and the health and safety of EWC [or SE-WC] delegates.

As long as physical meetings continue to be banned due to the COVID-19 crisis, management and the EWC [or SE-WC] decide to temporarily resort to online meetings, along the following principles:

1. Ordinary EWC [or SE-WC] meetings as well as meetings aimed at renegotiating the EWC [or the SE] agreements (if applicable) will not be held online. These meetings will be postponed and reconvened as soon as the containment measures are lifted, and the situation once more allows face-to-face gatherings.
2. If extraordinary meetings for information and consultation purposes are requested, they will be held online. Although videoconferences do not have the level of flexibility and interactivity which face-to-face meetings allow, the parties will do their utmost to conduct these in the best possible way.

In particular:

- Management will facilitate these meetings by giving the delegates as much information as possible in writing, in their own language, ahead of the meetings;
- Interpretation will be provided by professional interpreters;
- Good quality IT equipment (and technical support) will be made available to each meeting participant during joint meetings as well as preparatory and follow-up meetings;
- Preparatory and follow-up meetings will continue to be organised for workers' representatives. The confidentiality of these online pre- and post- meetings will be guaranteed;
- Experts assisting the EWC [or SE-WC], including representatives of European trade union federations, will continue to attend all meetings;
- A list of participants at online meetings will be circulated. Minutes of meetings will be drafted and adopted in accordance with the EWC [or SE-WC] agreement and sent to all EWC [or SE-WC] members as soon as possible after the meeting.

The EWC [or SE-WC] may decide, on a case-by-case basis who should participate in these online meetings. Extraordinary meeting participants could either be:

- All EWC [or SE-WC] members;
- The Select Committee, on a mandate from the EWC [or SE-WC];
- The Select Committee enlarged to include EWC [or SE-WC] member(s) not represented in it, on a mandate from the EWC [or SE-WC].

3. Select Committee meetings with the company will go ahead online. Management must allow the Select Committee members to carry out videoconferences among themselves and with other EWC [or SE-WC] members.

These rules govern the operation of the EWC [SE-WC] during the COVID-19 crisis only. They are therefore temporary and will automatically be repealed as soon as face-to-face meetings are permitted again.

Made on (date)

Signatures

For the company

For the employee representative (The EWC/SE-WC members, or the Select Committee/EWC/SE-WC Chairperson on a mandate from the EWC/SE-WC)