

Newsletter

Issue #12 - April 14, 2022

In this week's issue:

- EWCs: Irish parliamentary committee to consider legislation
- UK: Unions critical of government plans on "hire and fire" legislation
- Unions: Changes to proposed supply chain legislation needed
- Future Work I: Italy wants non-EU "nomad workers"
- Future Work II: "Triple Peak Day"
- Germany: Chemical industry suspends pay talks
- France: Gig economy negotiation rules published
- Unions: Global Framework Agreements
- Brexit: UK/EU service trade drops significantly
- lus Laboris: Webinar on effects of War in Ukraine on inflation and supply chains
- HR Policy Online: HR Policy Global's website, archive, and online community

EWCs: Irish parliamentary committee to consider legislation



Readers of the BEERG Newsletter will be familiar with the issues surrounding the Irish *Transnational Information and Consultation of Employees Act, 1996*, which transposes the EU EWC Directive into Irish law.

In particular, there is concern around the absence of the Regulations which would activate the disputes procedures for which the law provides, and a

further concern that the law does not take account of the mediation services provided by the Workplace Relations Commission.

BEERG has now learned that the Dáil's (Irish parliament) Committee on Enterprise, Trade and Employment has decided to look into the issue as a result of a written complaint from SIPTU, the largest trade union in the country. If the Committee goes ahead with an examination of the legislation, it is possible that BEERG may be invited to meet with committee.

We have written to the committee to draw its attention to the letter we sent recently to the Minister for Enterprise, Trade and Employment, pointing out that we would welcome the publication of the necessary Regulations, which should include the option of mediation before a reference to the Labour Court. With the European Commission also pressing the Minister to amend the legislation, it is possible that we will see changes in the months ahead.



Trade unions have criticised the UK government plans to tackle the so-called fire and rehire of workers as business minister Paul Scully announced plans to "clamp down" on "unscrupulous" employers who fail to hold meaningful staff consultations when redundancies and changes to employment terms are being contemplated.

The Department for Business, Energy and Industrial Strategy said a new statutory code of practice would detail how businesses "must hold fair, transparent and meaningful consultations on proposed changes to employment terms." Labour said the move was "too little, too late" following the sacking by P&O Ferries of 800 employees without notice, with deputy leader Angela Rayner saying the plans fell "woefully short of stopping the scandal of fire and rehire altogether."

The Trades Union Congress said the plans "lack bite" and represent a "baby step forward," and Gary Smith, general secretary of the GMB union, said the government's proposals looked like "futile tinkering, and the scourge of fire and rehire must be barred from the start," adding that fire and rehire "is a cruel, outdated, Dickensian working practice that should be consigned to the scrapheap of history." (See the separate update on the fallout from the P&O dispute from David Hopper of Lewis Silkin, attached to this newsletter).

Meanwhile, data from some of the UK's biggest trade unions show that the number of industrial disputes is well above pre-pandemic levels. GMB members entered into dispute with 42 employers between October 2021 and March 2022, seven times the number recorded in the same period in 2019/20. Unite members in England are currently involved in 30 disputes - almost four times the reported number seen three years ago.

Meanwhile, the Trades Union Congress has logged at least 300 disputes in different industries in the past 12 months. Analysis shows that GMB members have been successful in six pay disputes over the past five months, while Unite has secured 35 "wins" in recent months. Workers in Unite are currently involved in eight strikes, while the GMB is organising 10 strikes and holding two ballots. With TUC figures showing that levels of industrial conflict are at a five-year high, its head of organisation, Kevin Rowan, said: "Workers are on the front foot and taking employers on."

Unions: Changes to proposed supply chain legislation needed



IndustriAll, the European federation of manufacturing trade unions, says that while the proposed European Directive on Corporate Sustainable Due Diligence is a step forward it "falls short of expectations."

A <u>proposal for a directive</u> was tabled by the European Commission in February 2022. However, IndustriAll says that only "…large companies would be subject to binding rules, enforcement mechanisms would be weak, and there would be no proper involvement of trade unions and worker representatives in the design and implementation of due diligence policies." Judith Kirton-Darling, industriAll Europe Deputy General Secretary, said:

"...we need a change of mindset where executives, investors and shareholders will eventually put people and the planet before short-term profits. This new mindset must apply to the operation of companies as well as their upstream and downstream subcontractors all around the globe."

Trade unions will not cease to push for legislation that ensures that companies operating in Europe are managed in a sustainable, fair, and socially responsible way, with the full involvement of workers and their trade union representatives."

IndustriALL further argues that due diligence "does not stop at European borders." Kemal Özkan, Assistant General Secretary of IndustriALL Global Union, added that trade unions are fighting for compliance and enforcement of workers' fundamental rights in all continents. Different types of instruments exist and chances to be protected, seek redress, and claim damages from violations of workers' fundamental rights are very uneven. According to Özkan:

"There are several different systems and legal frameworks for due diligence. We need to fit them together to create an overall coherent picture that improves working conditions in all sectors, all countries, and for all workers.

"We need strong binding EU rules on due diligence and at the same time the EU's firm commitment to push for the UN Treaty on Business and Human Rights, which still awaits adoption."

Future Work I: Italy wants non-EU "nomad workers"

-All

The Italian government is to give out new "digital nomad" visas to tempt non-EU foreigners to spend a year working remotely as it renovates and links hundreds of hill-top villages to high-speed internet networks. The scheme aims to cut through residency red tape and attract anyone who needs only a laptop to make a living and wants a slice of *la dolce vita*.

"We are targeting people who might work somewhere like the UK now but can actually work from anywhere — a number that has increased due to Covid," Luca Carabetta, a Five Star MP who helped to write the law, said. "Things like the weather, the cheaper cost of living and the food might be an incentive."

The new law applies to "highly qualified" remote workers from outside the European Union who are freelance or work for a company based outside Italy. The visa could prove attractive to remote workers in Britain who, after Brexit, now need a contract from an Italian company or a firm with a base in Italy to work in the country. EU workers can freely move to Italy.

Carabetta said that further decrees would be added to make the one-year visas renewable, allowing people to bring their families and to establish the minimum income that visa-holders must have. "I hope we will be ready by the summer," he said.

Clare Speak, editor in Italy for the expatriate news site The Local, said: "There's a lot of interest, since the current visa options for non-EU freelances and remote workers moving to Italy are extremely limited." She warned that the need to prove specialisation, the minimum income threshold and a requirement for private health insurance could rule out some candidates.

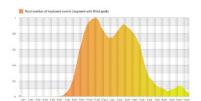
MEANWHILE, the Belgium government has extended a number of agreements with other European countries covering workers based in Belgium who want to work remotely from those countries. Details can be found here.

BNP PARIBAS has told workers across Europe they can stay at home for two and a half days a week until 2024. The move is understood to exclude BNP Paribas's UK unit, with the agreement jointly signed between the bank and two European trade unions.



A German labour court has ruled that an employer is entitled to refuse a request from an employee to "work from home" abroad. It is the employer who determines the place of work, not the employee. <u>Dr Sebastian Verstege</u> from Kliemt.HR Lawyers, part of the lus Laboris network, outlines the facts of the case here.

Future Work II: "Triple Peak Day"



Microsoft has <u>published a study</u> which says that traditionally, knowledge workers have had two productivity peaks in their workday: just before lunch and just after lunch. But since the pandemic, a third and smaller bump of work has emerged in the late evening. Microsoft's researchers <u>refer</u> to this phenomenon as the "triple peak day."

For the new study, workers allowed Microsoft to track their "keyboard events" such as sending emails or engaging with productivity applications on a work computer. While most people didn't show a third mountain of work in the evening, 30 percent did. They were working almost as much at 10 p.m. as they were at 8 a.m.

Several underlying phenomena are pushing up this third mountain of work, says Microsoft. One is the flexibility of at-home work. For example, parents of young kids might interrupt their workday or cut it off early for school pickup, dinnertime, bedtime, and other child care. This leaves work that they finish later. Other workers are night owls who get their second wind just before bed.

That's the positive spin on Microsoft's findings: flexible, remote work allows people to move the day around and match productivity to when they work best. But the triple peak isn't all positive. Microsoft has also found that the pandemic has simply led to more overall work. According to company research, the average workday has expanded by 13 percent—about an hour—since March 2020, and average after-hours work has increased by twice as much.

An <u>opinion piece</u> in the *Guardian* newspaper argues that flexible working/working from home runs the risk of creating a new "industrial divide" between those who can work from home and those whose jobs require that they turn up at their place of work every day.

The New York Times reports on the impact remote working is having on the economy of New York City, with Mayor Eric Adams urging the city's roughly 1.3 million private-sector office workers to return to their desks. "You can't stay home in your pyjamas all day," Mr. Adams has said. But, says the Times, he may well be "shouting into the wind, as society changes around" him.

Germany: Chemical industry suspends pay talks



Germany's chemical and pharmaceutical sector has <u>suspended</u> collective wage bargaining amid uncertainty generated by Russia's invasion of Ukraine. Employers have agreed to pay workers a lump sum of €1,400 (\$1,534) each instead of the usual percentage increase. Companies below a certain profitability threshold will pay only €1,000 per worker.

"The ramifications of this war will pose big challenges for our industry for years to come. It's all the more important that the social partners remain unified," said employers'

association president Kai Beckmann. Germany's energy intensive chemical industry is particularly exposed to the possible extension of sanctions to Russian gas and oil.

France: Gig economy negotiation rules published



On April 6 last, the French Council of Ministers signed-off on a <u>decree</u> 'strengthening the autonomy of self-employed workers working on mobility platforms, organizing sectoral social relations, and fulfilling the missions of the Authority for Employment Platform Social Relations', (the Arpe, L'Autorité des relations sociales des plateformes d'emploi). This text sets the framework for sectoral social dialogue, with the goal of strengthening platform workers' right to collective bargaining and social entitlements.

The text sets the rules for negotiation for VTC drivers (chauffeur driven private vehicles) and goods delivery drivers (bicycles and scooters), two sectors which between them employ nearly 100,000 self-employed workers. First elections will take place in May 2023, which means that the list of representative platform organizations should be established no later than 31 October 2022. According to the website, *Planet Labor*,

In terms of union representation, the ordinance imposes a minimum threshold amount that will be calculated according to the total income from the activity of workers generated by the relevant platforms (i.e. members of the candidate organizations) and the total number of workers. For an industry agreement to be valid, it will have to be signed by workers' organizations representing more than 30% of the votes cast.

It can then be approved by the Authority for Employment Platform Social Relations, ARPE (c.f. article No. 12486) and then made binding on all platforms and self-employed workers in the sector concerned, unless it is opposed by platform organizations the weight of which exceeds 50%. The ARPE will also be able to refuse approval on general interest grounds such as excessive infringement of the principle of free competition. Lastly, the ordinance specifies the topics on which the social partners will have to engage in negotiations, including, methods for determining workers' income, conditions for exercising the professional activity, the prevention of occupational risks, and arrangements for developing professional skills.

MEANWHILE, <u>Dr. Michael Freytag</u> and <u>Menno Bart</u> from the World Employment Federation, which represents all the major employment agencies, have published an <u>opinion piece</u> on the website *EURACTIV* which calls for flexibility in the proposed Directive on the employment status of platform workers, which is currently being considered by the European lawmaking institutions.

Unions: Global Framework Agreements



At BEERG meetings or at our training programs we are often asked what a Global Framework Agreement, between a multinational company and a international trade union federation, looks like.

The French/Belgium company, Solvay, has just signed an updated GFA with IndustriAll Global. IndustriAll sees it as the new "gold standard" for such

agreements. It is well worth reading to understand what agreeing to negotiate a GFA can involve. It can be found at this link.



According to a new <u>report</u> from the academic thinktank, The UK in a Changing Europe, services trade is critical for the UK economy. The report says that "<u>in</u> <u>2021</u>, the UK faced new barriers for service exports to the EU compared to the freedoms it enjoyed as a single market member. These barriers reduce trade, but in which services and by how much?" The report says:

The pandemic affected world trade and in 2021 its effects persisted, but Brexit only principally affects <u>UK-EU trade</u>. We can therefore see the emerging impacts by comparing UK trade with the EU and other countries in 2021, and against a pre-Brexit benchmark year. Our benchmark is 2018, the last stable year before fears of 'no deal' in 2019 and Covid-19 disrupted UK trade patterns.

In 2018, service industries accounted for 80% of UK economic output, 47% of exports and 29% of imports. Services earned a trade surplus of £117 billion in 2018, including £23 billion with the EU.

By 2021, the surplus had grown to £119 billion as imports fell further than exports. Conversely, the goods deficit grew from £140 billion to £148 billion, widening the UK's overall trade deficit from £23 billion to £28 billion.

As international travel becomes easier now that Covid restrictions are being lifted, UK-based businesses are finding that short-term business visits to the European Union are fraught with difficulties, and may actually require a visa or work permit as a recent <u>report</u> from the *Financial Times* makes clear.

lus Laboris: Webinar on effects of War in Ukraine on inflation + supply chains

War in Ukraine: the economic effects of inflation and supply chain issues worldwide

In a webinar to be held at 1700H CET on April 20th Ius Laboris lawyers across several central and eastern EU countries, plus the UK and Argentina will debate the macro-economic impact of war in Ukraine on businesses, focusing particularly on inflationary pressures and supply chain issues.

How are these factors likely to impact on business operations? Speakers include: Burkard Göpfert (Germany), Hedi Bozsonyik (Hungary), Katarzyna Dobkowska (Poland), Eduardo Viñales (Argentina), David Hopper (UK). Join the debate - booking information: <u>HERE</u>

Online Community: Available for BEERG + HR Policy Global members



Members can now access the BEERG newsletter archive as well as accessing the HR Policy Global community of current online discussions:

- available here. Click on "My Communities" on the menu, then navigate to HR Policy Global. Recently posted topics include: Global Benefit Administrative Solutions -- Closing Russian Operations

You can also download our iPad/iPhone app here. It allows all members to network and engage with each other and HR Policy Global staff in a single and easy to access location available across all time zones. If you need help accessing the forum, please contact Henry Eickelberg.

THE BEERG AGENDA:

BEERG Webinar: France's New Whistleblowing Law

BEERG/HR Policy Global in partnership with Flichy Grangé Avocats, will host a webinar on the new French Whistleblowing Law The new law will substantially impact the way HR grievances in France are managed.

<u>Book</u> Webinar

BEERG/CMS Labor Relations Workshop

CMS office in Frankfurt, May 25 @ 1000H

Hotel Estela, Sitges Spain: Jun 15 – 17

Webinar: May 5 @ 1700 CET

The rescheduled annual CMS/BEERG Global Labor Relations Seminar is on Wed, May 25th from 10am to 4pm, at the CMS office at Neue Mainzer Str. Frankfurt. Email Tom for details.

EMAIL Tom Hayes

BEERG Members' Annual Network Summit

Our June Summit will have 4 working sessions:

- on EU Employment and Labour Law Legal Landscape,
- Disrupting the Disruptors: A Company Case Study,
- From the Fax to the Cloud From Working 9 to 5 to Timeless Work and
- Political Perspectives: Europe: Ukraine/Russia; post-election France; A US view

The full agenda, with the list of guest speakers, will be circulated early next week

Book June meeting

BEERG Executive Training: Fundamentals of Global LR

Webinar June 28 – 30

This course of three sessions, over three days, explores the strategic mindset and thought process of a successful global labor relations executive. This course is not an introduction to labor relations principles, but instead examines the strategic awareness for successfully leading the global labor relations function.

Book June Webinar

*BEERG/HR Policy Global Members can self-register online for these events via the links supplied. Members who get the "No Tickets Available for Purchase" message online should contact <u>Derek</u>.

BEERG Dates for your Diary:

Date	Event	Booking Links	Venue
May 5	BEERG Webinar: in partnership with Flichy Grangé: France's New Whistleblowing Law	<u>Book Webinar</u>	Webinar on Zoom
May 25	BEERG/CMS Labor Relations Workshop	<u>Email for Info</u>	CMS,Neue Mainzer Str. 2-4, 60311 Frankfurt, Germany
Jun 15 – 17	BEERG Members' Annual Network Summit	Book June Summit	Sitges/Barcelona, Spain
June 28 – 30	BEERG Training: Fundamentals of Global Labor Relations: A Training Program for HR Executives	Book June Webinar	Webinar on Zoom
Sept 29/30	BEERG Members' Network Meeting	Book Sept Meeting	Brussels, Belgium
Oct 18 - 21	BEERG Training: "Managing European Employee Relations in Post-Covid Times"		Sitges/Barcelona, Spain