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EWC: Date set for Verizon Irish High Court case

Summary: Verizon EWC case is headed to the Irish High Court in July, with Ireland's Attorney General intervening amid EU infringement proceedings. Might this matter be referred to the CJEU?



Readers of this newsletter will be very familiar with the Verizon EWC cases that went before the Irish Workplace Relations Commission (WRC) and then the Labour Court. The Court ruled against the employee claims. In one of them, it held that it was a collective claim on behalf of the EWC as a whole disguised as an individual rights claim. The Court said that the Irish legislation

did not give it the right to determine a collective claim from an EWC. This is a clear defect in the legislation, to which we have long drawn attention.

The losing party, Mr Charpentier, chair of the EWC, has appealed the matter to the Irish High Court. We understand that the case is now listed for a three-day hearing, beginning on July 1. Irish legal sources tell us that such a hearing could cost the parties well north of €100K, per party, with the losing party being at risk of having to cover all the costs. We also understand that Mr Charpentier's action is being funded by European trade unions.

In a further twist, the Irish Attorney General, the government's chief legal advisor, has been given permission to intervene in the case. Part of the Charpentier appeal to the High Court is that the Irish legislation, *The Transnational Information and Consultation Act, 1996, as amended*, does not properly transpose the *2009 European Works Council Directive*. The European Commission has started infringement proceedings against Ireland over what it sees as defects in the transposition. The Attorney General may have a hard job convincing the High Court that the legislation is compliant. This is a risk that the matter could be referred to the European Court.

By the time the case opens on July 1, in all probability, the EWC Directive will have been rewritten, as talks to do so opened last week between the European institutions, the Council, Commission, and Parliament. Whether this will have any bearing on the case remains to be seen.

Collective bargaining: Unions Min Wage Dir hopes face challenges

Summary: European trade unions are pushing for increased collective bargaining coverage through the Minimum Wage Directive, but face challenges regarding EU competence and employer engagement.



European trade unions, it would seem, continue to believe that the *Adequate Minimum Wage Directive* will help to reverse declining union membership and increase collective bargaining coverage. They see it as the magic bullet they have been searching for.

These hopes took a knock recently when an Advocate General of the Court of Justice of the European Union (CJEU) recommended that the Court strike down the Directive on the grounds that it contravened Article 153(5) of the EU Treaty which says that the EU has no competence when it comes to issues of pay. The Court will rule on the matter later this year.

The latest union publication advising unions on how to make the most of the Directive comes from Uni Europea. It can be found [here](#). Reading it, you are left with the impression that the union approach is to put pressure on governments to deliver increased collective bargaining coverage and, presumably, increased membership. They particularly want a return to sectoral bargaining. Of course they would. Sectoral bargaining gives unions a role in setting pay, even when they have few or no members. Look at what happens in France where you find 98% bargaining coverage with only 8% of the workforce in unions.

The paper fails to deal with the issue of why governments should go down the road of sectoral bargaining in the absence of significant union membership. Also, the paper barely refers to employers. What happens if employers do not want to engage in collective bargaining, with unions that have few or no members? If unions cannot convince employees that joining is of value, then their future is bleak.

- See [here](#) for a fuller discussion on this issue
- See this on how the Directive is impacting minimum wages [here](#).
- For an interesting perspective on how labour relation negotiations are conducted in the US, see this video from the longshoremen's union on their recent 64% wage increase and "no to automation" deal [here](#).

AI Act: The need for "literacy"

Summary: The EU's AI Act mandates "AI literacy" training for employees, covering AI technologies, applications, critical thinking, and legal knowledge. Companies should take note

As the EU's AI Act is well outside our zone of expertise, it is not something we have read. Even if we had read it, we'd probably not understand it... BUT one element of the AI Act did catch our attention. It is the need for companies to provide "AI literacy" training for employees. Such training should cover



- **Basic understanding of AI technologies:** This includes familiarity with how AI works, the data it processes and the various types of AI (such as machine learning, neural networks and large language models).
- **Application knowledge:** Employees should know how AI can be used effectively across different industries and business processes.
- **Critical thinking:** The ability to evaluate the advantages and disadvantages of AI applications, identify ethical concerns and assess AI outcomes.

- **Legal knowledge:** Understanding the legal boundaries surrounding AI development and use, ensuring compliance with relevant regulations.

This requirement took effect from early February. We are looking to see if there is more detail/guidance available. Also worth a read is this new report from the OECD on algorithmic management in the workplace: [here](#).

Unions: Anticipating Change

Summary: The ETUC is advocating for a "Just Transition Directive" to compel companies to proactively manage change and avoid compulsory job cuts. Employers should monitor carefully.



Those who were at our Brussels meeting, last week, will know that we drew attention in our presentation "*EU Law Update*" to the fact that the unions and their allies in the Parliament were likely to push for a new law on "Just Transition". We put that presentation together before we saw this from the European Trade Union Confederation (ETUC) [here](#). ETUC wants a moratorium on all compulsory jobs cuts until the EU Commission delivers an industrial strategy that obliges companies to "anticipate change".

"A Just Transition Directive is essential to ensure workers shape the transition rather than suffer its consequences. It would mean companies proactively plan for change, rather than reacting only when job losses are about to occur, and ensure workers have a right to paid reskilling on work time."

"That's why the Commission must act now to deliver a Just Transition Directive that compels companies to anticipate and manage change in full cooperation with trade unions."

If the trade unions were experts on how to "anticipate and manage change" they would not be in the membership nosedive they are now. Which makes the point. It is almost impossible to anticipate change. It comes at you from nowhere. With all the hype about AI did anyone see the Chinese coming up with an AI model at a fraction of the cost of the Silicon Valley offerings?

The idea that you could craft legislation that "compels" companies to anticipate change is a non-starter. But that does not mean that the European Parliament will not try to do so in an attempt to force the Commission to follow through. Radtke has set the template. Employers need to monitor developments carefully and be ready to offer robust counter arguments before any such initiative gains momentum.

Spain: Ministers to cuts hours

Summary: The Spanish government has approved reducing the legal working week to 37.5 hours without cutting pay, pending parliamentary approval and employer concerns.



According to [Reuters](#), Spanish government ministers have approved a reduction of the legal working week to 37.5 hours, down from 40, without cutting pay. Labour Minister Yolanda Diaz said: "*This proposal is about living better, working less and being much more productive and more efficient economically.*" The measure, a key part of the coalition government's agenda, still requires parliamentary approval, where the Socialist government could face challenges due to its

The employer association, CEOE, is not happy with the move. *"The corporate world is in favour of dialogue, but not in favour of monologue,"* CEOE chief Antonio Garamendi said. Despite the potential hurdles, Diaz says she remains committed to the plan and aims for implementation by the end of 2025.

Belgium: Labour law changes in new government deal

Summary: Belgium's new centre-right coalition government is promising a package of labour reforms to boost employer competitiveness despite union opposition and budget constraints.



236 days after the general election in June 2024, Belgium has a new government, with a distinctly centre-right bent, even if the Flemish socialists have a seat at the table. The deal on which the government is based is the result of protracted negotiations between parties from the Dutch and French speaking parts of the country.

Our friends in Claeys & Engels have put together a guide to proposed changes in labour and employment law. You can read it in English [here](#), though it is also available in Dutch and French. Chris Engels says:

"This is a vast and ambitious plan with a lot of measures to be taken in a difficult context of strict European budgetary constraints and structurally planned trade union actions. It is aimed at making Belgian employers competitive and flexible again."

Chris tells us they'll have more to say on this and will run webinars as more details become available.

Check out the [latest episodes](#) of Alan Wild's regular podcast,

Episodes 20 + 21: This is a two-part podcast on **Managing Global Employee Relations: The Top 10 Strategies For Success In 2025** (Ep 20 features points 1-5, Ep 21 covers points 6 – 10)

For your diary...

Note that events are 'in person' unless listed as a webinar

Preparing for Pay Transparency and CSRD

Webinar 1700h CET Wed, Feb 19

The new EU Pay Transparency Directive will bring a new level of challenges to global employers. With the deadline approaching, this webinar will provide a member survey conducted by Mercer, actionable insights and strategies on pay disclosure in Europe and around the globe, and how to proactively work with the worker representatives.

[Register Online Now](#)

Virtual Workshop - Fundamentals of Global Labor & Employee Relations

March 25-27

A virtual interactive training workshop for CHROs and senior HR professionals who need to master the basics of leading a successful global labor relations function. Designed for CHROs and senior HR professionals responsible for global labor and employee relations strategy, or those who are new to a global HR leadership role.

[Book Virtual Training Program](#)

Summer European Network Summit

June 18 – 20, Hotel Estela Sitges

2025's Summer Summit will be our biggest European event yet. We will have a series of expert panel discussions on: *Revised EWC Directive, Due Diligence (CSRD/CSDDD) After The Omnibus, Platform Workers, Is DEI Still Relevant... Plus, US + EU Law Updates*. There will be a welcome reception on Wed June 18th and a Gala Dinner on Thursday. Meeting sessions open at 9am on Thursday and close at 12 noon on Friday June 20th.

[BOOK JUNE MEETING NOW](#)

*HR Policy Global Members can self-register for events via the links above. If you get a "No Tickets Available for Purchase" message, make sure you are logged in. Non-members should contact [Derek](#).

Upcoming Events Across Europe:

See also: [Online list](#) of all upcoming HR Policy Global events

Date	Event	Booking Links	Venue
Feb 19	Webinar: Prepare for EU Pay Transparency Directive and CSRD Pay Equity Reporting	Register Online Now	Online Webinar – 5pm CET / 11am EST
March 25-27	Virtual Workshop - Fundamentals of Global Labor & Employee Relations	Book Virtual Training Program	Daily online program from 10am to 1pm EST
June 18 - 20	Summer Network Summit Meeting	BOOK JUNE MEETING NOW	Hotel Estela, Sitges, Barcelona, Spain
Sept 23	Members Meeting – London, U.K.	London Booking Link	London – hosted by Oracle at Helicon office
Sept 25	Members meeting – Dublin, Ireland	Dublin Booking Link	Dublin with Mathesons LLP
Oct 23	Members Meeting – Milan, Italy	Milan Booking Link	Milan with Toffoletto De Luca
Dec 11	Members Meeting – Paris, France	Link available soon	Paris with Flichy Grangé