

[ETUC newsletter]



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Figure of the month

3,9%

In May 2008, EU annual inflation was 3.9%, up from 3.6% in April. A year earlier the rate was 2.1%. Monthly inflation was 0.6% in May 2008.

(Source: EUROSTAT)

Make a note



ON THE OFFENSIVE
FOR STRONGER
EUROPEAN WORKS
COUNCILS



Dear readers,



Social Europe has lived through some dark days in June. Advances won at the cost of lengthy trade union struggles were called into question by a recent Council decision on the revision of the Working Time Directive and by a judgement of the European Court of Justice in the "Luxembourg" case.

On 12 June, the Irish also voted "no" in the referendum on the Lisbon Treaty and the likelihood is that other countries had held a referendum, they probably would have had the same result. It is interesting to see in the surveys that citizens do not say they are anti-European but that they are against the course Europe is taking. Citizens and workers have the impression that Europe is subordinating workers' rights by the free market. Ireland's "no" is a signal that should be taken seriously, because there is a growing divide between citizens and Europe, from which the social sphere is increasingly absent.

These decisions were taken against a backdrop of a deteriorating economic context: higher food and oil prices and increasing inflation.

Deregulation and the dismantling of social achievements are not the answer to the problems that more and more people are experiencing. That is why we are calling for the inclusion in the treaties of a protocol on social progress which would assert the primacy of fundamental rights over the freedoms of the single market.

Today's biggest challenge is to give European integration a new impetus and direction. The Executive Committee of the ETUC, which met on 24 and 25 June, expressed that view. In the autumn, we will be following that with European action days which will be organised to push Europe to change course.

John Monks
General Secretary

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[ETUC in action]

Social Dialogue Joint seminar on restructuring



19-20/06/2008 – The European social partners, **ETUC, BUSINESSSEUROPE, UEAPME and CEEP** organised a [seminar "Joint study on restructuring in the EU-15"](#) in order to **exchange opinions on the social partners' role in the restructuring process and present the main outcomes of this study**. More than 100 European workers' and employers' representatives, as well as EU institutions representatives took part in the seminar.

[Joint ETUC-BUSINESSSEUROPE-CEEP-UEAPME press release](#)
[ETUC "Resource centre"](#)

Campaign “On the offensive for stronger European Works Councils”: major conference at the ETUC



09-10/06/2008 – As part of the campaign “On the offensive for stronger European Works Councils”, the ETUC organised a [major conference in Brussels](#) in collaboration with the [European Industrial Federations](#) and the [Hans-Böckler Stiftung](#). **More than 300 workers' representatives in the EWC, as well as European institutional players took part in the conference.** The conference was aimed

at tackling the main issues of the EWC revision for European workers. For the European trade union movement, **the European Union now needs to show that it is ready to improve the environment in which workers live their lives, and above all to ensure respect for their rights.**

Vladimir Spidla, EU Commissioner for employment, social affairs and equality, **confirmed that he will submit the legislation proposal aimed at reviewing the EWC directive on 2 July 2008 in the framework of the “Renewed Social Agenda” package.** According to Reiner Hoffmann, ETUC deputy general general secretary *“In 75% of cases, restructuring operations do not give rise to any information or consultation of the workers concerned. The text of the revised directive will need to indicate clearly that information and consultation must be handled as far upstream as possible. The EWCs must not see their room for manoeuvre reduced when it comes to tackling such crucial problems.”*

[ETUC press release](#)

[ETUC web site section dedicated to the campaign “On the offensive for stronger European Works Councils”](#)

ETUC Executive Committee: EU must change course

25-26/06/2008 – The members of the ETUC Executive Committee, which met in Brussels, **reacted to the lack of progress being made towards achieving a social Europe.** Recent decisions on the Working Time Directive and the European Court of Justice's verdict on the Luxembourg case have **set the European Union on a dangerous course.**

Europe is regressing, lacking legislation to protect its citizens: this perception is doubtless **one of the main reasons behind the Irish 'no' to the Lisbon Treaty ratification.**

The European trade union movement calls on European decision-makers to change course.

European action days are planned for the start of the new session (a world day of action will take place on 7 October, and dates for actions directed at Parliament regarding working time will be fixed according to the schedule).

[ETUC press release](#)



[Trade Union Agenda]

June 2008 – July 2008

09-10/06/2008	ETUC Conference “On the offensive for stronger European Works Councils” (Brussels)	Conference programme
11-13/06/2008	European Mine, Chemical and Energy Workers’ Federation (EMCEF) Congress (Prague)	Congress programme
18/06/2008	Meeting of the Group II “Workers” of the European Economic and Social Committee (Brussels)	
24/06/2008	ETUC Steering Committee (Brussels)	
24-25/06/2008	ETUC Executive Committee (Brussels)	
02/07/2008	Extraordinary meeting of the Group II “Workers” of the European Economic and Social Committee (Brussels)	
09/07/2008	Meeting of the Group II “Workers” of the European Economic and Social Committee (Brussels)	



[EU Agenda]

June 2008 – July 2008

02/06/2008	Eurogroup (Luxembourg)	Meeting Agenda
03/06/2008	ECOFIN Council (Luxembourg)	Council Agenda
03/06/2008	EU Troika – Republic of South Africa (Brdo)	Meeting Agenda
04–05/06/2008	“Mini–Plenary” Session at the European Parliament (Brussels)	
05/06/2008	Environment Council (Luxembourg)	Council Agenda
05–06/06/2008	Council Justice and Home Affairs (Luxembourg)	Council Agenda
06/06/2008	Transport, Telecommunications and Energy Council (Luxembourg)	Council Agenda
09–10/06/2008	Employment, Social Policy, Health and Consumer Affairs Council (Luxembourg)	Council Agenda
12–13/06/2008	Transport, Telecommunications and Energy Council (Luxembourg)	Council Agenda
16–17/06/2008	General Affairs and External Relations Council (Luxembourg)	Council Agenda
16–19/06/2008	Plenary Session at the European Parliament (Strasbourg)	
18–19/06/2008	Plenary Session at the European Economic and Social Committee (Brussels)	
19–20/06/2008	European Council (Brussels)	Council Agenda
03–05/07/2008	Informal meeting of the Ministers for Environment and Energy (Paris)	Meeting Agenda
07–10/07/2008	Plenary Session at the European Parliament (Strasbourg)	
07/07/2008	Eurogroup (Brussels)	Meeting Agenda
07–08/07/2008	Informal meeting of the Ministers for Justice and Home Affairs (Cannes)	Meeting Agenda
08/07/2008	ECOFIN Council (Brussels)	Council Agenda
09–10/07/2008	Plenary Session at the European Economic and Social Committee (Brussels)	
10–11/07/2008	Informal meeting of the Ministers for Employment, Social Policy, Health and Consumer Affairs (Chantilly)	Meeting Agenda
13–14/07/2008	Paris Summit for the Mediterranean (Paris)	Meeting Agenda
17/07/2008	ECOFIN Council dedicated to the budget (Brussels)	Council Agenda
17–18/07/2008	Informal meeting of the Ministers for Competitiveness (Jouy-en-Josas)	Meeting Agenda
22–23/07/2008	General Affairs and External Relations Council (Brussels)	Council Agenda
24–25/07/2008	Council Justice and Home Affairs (Brussels)	Council Agenda
25/07/2008	EU–South Africa Summit (Bordeaux)	Meeting Agenda



[Focus on the EU and trade union positions]

Irish referendum: social Europe can not wait any more!

13/6/2008 – In the referendum of 12 June, the Irish people rejected the ratification of the Lisbon treaty by 53.4%. **This outcome underlines the need for a much stronger social edge to be introduced into European policy to fulfil the expectations and rights of workers who feel threatened by globalisation and the pace of change.**

[ETUC press release](#)

Agreement on working time: strong criticism from ETUC

10/06/2008 – The ["Employment and Social Affairs" Council](#) found a political agreement on two key issues for the European trade union movement: the temporary agency workers and the working time. Although it is positive about the agreement concerning the Temporary Agency Workers Directive, the ETUC is deeply unsatisfied with the agreement on working time, in particular in respect of the provisions on on-call work and the continuation of the UK opt-out. **The ETUC remains mobilised on both issues and will work with allies in the European Parliament for the second reading.**

[ETUC press release](#)

[Slovenian EU Presidency press release](#)

[EU Commission press release](#)

Luxembourg case: the ECJ further limits social partners' action



19/06/2008 – The European Court of Justice (ECJ) issued its judgement on the Luxembourg case. The ECJ considered that **the way in which Luxembourg has implemented the Posting Directive is an obstacle to the free provision of cross border services. For the ETUC, this is another hugely problematic**

judgement, in the same line of the Laval and Rüffert rulings. It demonstrates that the ECJ and the European Commission are on a consistent track to narrow down the scope for Member States and social partners to ensure a proper functioning of their labour markets when it comes to

foreign service providers posting workers to their territory. Luxembourg trade unions call for a mobilisation on 5 July.

[ETUC press release](#)

[ECJ ruling](#)

Climate change: ETUC meets members of the European Parliament

02/06/2008 – John Monks took part in the **meeting of the European Parliament Temporary Committee on Climate Change** where he presented the major demands of the European trade union movement. For the ETUC, biofuels and industrial emissions measures have to give more weight to international social and environmental rights and food security. John Monks also addressed the problem of the relocation of energy-intensive activities, a trend confirmed by [the ETUC study realised in 2007](#).

[ETUC Press release](#)



[Focus on the EU and trade union positions]

Financial speculation: it is time to act

02/06/2008 – The ETUC welcomes the wave of criticism by several European political personalities on financial speculation, echoing the **prescient positions that ETUC developed since 2006**.

For the European trade union movement, in a financial crisis context, banks must demonstrate transparency and financial markets apply better regulation.

[ETUC press release](#)



EBC monetary policy has to look forward

05/06/2008 – On the eve of the [European Central Bank \(ECB\) Governing Council](#) meeting, the ETUC invited the ECB to look behind the headline statistics and at underlying trends instead.

The outlook for growth and jobs is not good in Europe and the ECB should adopt a forward looking monetary policy right now.

[ETUC press release](#)

EU-US Summit: joint statement ETUC/AFL-CIO

09/06/2008 – The ETUC and the [American Federation of Labor – Congress of Industrial Organizations \(AFL-CIO\)](#) addressed a joint statement to the European and American leaders gathering together in Slovenia for the [EU – USA Summit](#). The ETUC and the AFL-CIO deplored their exclusion from the Transatlantic Economic Council and called the political leaders to act accordingly.

[Joint ETUC-AFL-CIO statement](#)

Migrants: the repressive nature of the 'Returns Directive' concerns ETUC

18/06/2008 – The European Parliament adopted, by 369 votes for, 197 against and 106 abstentions, the **draft directive concerning the common procedures regulating the return of third country irregular migrants staying in Europe**.

For the ETUC, several provisions of the Council Common Position, taken into the text adopted by the Parliament, are [unacceptable](#) because they run counter to basic fundamental rights of migrants, in particular the provisions relating to the length of the detention, the 5 year re-entry ban to the territory and forced returns to countries other than the country of origin.

[ETUC press release](#)

[European Parliament press release](#)

Discriminations: ETUC welcomes the Commission's cross-cutting approach

18/06/2008 – The ETUC, as well as European civil society organisations, welcomed the [commitment taken by the European Commission at the European Parliament](#) to propose a cross-cutting directive aimed at combating discrimination on the grounds of age, disability, religion/belief and sexual orientation in areas outside the field of employment. The ETUC hopes that this initiative obtains the support of all EU Member States.

[Joint CES-ILGA-ENAR-LEF-EYF-REALPES-SOLIDAR-AGE press release](#)



[Interview]

WITH **CATELENE PASSCHIER, ETUC CONFEDERAL SECRETARY**

“ We have decided together with our affiliates to mobilise for a better Working Time Directive in the near future. ”

1) What conclusions can we draw from the agreement on temporary agency workers (TAW) at the last Employment and Social Affairs Council (EPSCO) on 9 June?

Catelene Passchier: This draft Directive, which aims to protect temporary agency workers, was for a long time a very difficult issue for the Council. Therefore the ETUC is happy that we are finally seeing progress, and we are quite happy about the agreement in Council.

After the first reading in the European Parliament in 2002, the issue was blocked for 6 years in the Council. The reason for the blockage was that the proposals were based on the key principle of equal treatment of temporary agency workers with comparable workers in the user enterprise. For many Member States this was a normal principle to accept, since they already had this principle in their national legislation. However, other Member States, like the United Kingdom (UK) and Ireland, who do not have proper regulation in place on agency work, have always taken the position that this principle was unacceptable for them because it would limit the flexibility of their labour market, and demanded very long qualifying periods before an agency worker would be eligible for equal pay.

The agreement in the Council



was only made after a recent change in the UK government's position. The reality in the UK showed that especially after the enlargement of the EU a lot of workers from Eastern Europe were employed by agencies and very often badly treated and paid very low wages. Thanks to effective pressure exerted by the Trade Union Congress (TUC) over several years, and increasing pressure from within the British labour party, the British Government, the TUC and the Confederation of British Industry (CBI) reached an agreement on equality for temporary agency workers at the beginning of June.

This opened the way for a deal on a new EU Directive on agency work, based on the principle of equal treatment from day one, with possibilities to derogate only by collective agreement or by agreement between the social partners at national level.

The ETUC is positive about the outcome. This does not mean that we like every single detail, but this shows that Europe can make progress also in the social area .

2) The EPSCO Council also adopted an agreement on the revision of the Working Time directive, deplored by the ETUC. All the newspapers headlined that Europe opened the doors to the 65-hour working week. What is it exactly?

CP: Yes the agreement on working time is very negative, but let me first explain the language on the 65 hours, because there is quite some misunderstanding about it. The current Directive allows as a general rule a maximum working time of 48 hours (including overtime!) within a reference period of 4 months. This means, that a worker can work more hours in one week, but these must be compensated with less hours in another week, and on average the working time in such a 4 month period must not



[Interview] CATELENE PASSCHIER

be more than 48. In 1993, the only way to get the support of the UK for this directive was to offer them a special provision called "individual opt-out", which allowed workers, on voluntary basis, to work more than the maximum average of 48 hours. This individual opt-out is a very bad thing, and from the beginning the trade unions have been against it, because it was against health and safety principles. Individual workers should not be put under pressure to sign away their protection against health and safety risks. Moreover the opt-out did not have any limit: workers that sign an opt-out are no longer covered by the rule of the 48 hours maximum, but only by some minimal rules on night and weekend rest in the Directive, allowing employers to let them work up till an absolute maximum of 78 hours a week (and in some cases even 89!). Although the European Parliament in its first reading had introduced amendments to abolish the opt-out, the Member States in the Council could not agree on this but instead proposed stronger conditions for its use, to prevent abuses. One of those conditions is to limit the maximum that workers who have signed an opt out agreement can work to 60 hours, instead of the 78/89 that otherwise would be possible. We are very critical of this. As we have already seen in the media, people will perceive it as a very negative signal because it introduces a second level of maximum working time, above the maximum of 48 hours. There is a second proposal in the Council to introduce a maximum

of 65 hours for workers that work on-call and have signed an opt-out. A strange way of dealing: as if on call workers need less protection. Maybe in the UK these proposals will bring some improvements in practice, because they introduce some limits in a situation in which too many workers are still making very long hours, but in other countries this is very bad, because it gives the idea that the 48 hours is not the real maximum. This is the ambiguity of the 60 – 65 hours.

3) What are the other consequences for workers?

CP: The consequences of this agreement on working time for workers are much wider. Not only is the opt-out staying in place. At the same time the Council has agreed that on-call workers (e.g. doctors in hospitals, or fire fighters) when they are in the workplace and must be available for emergencies, but have short periods in which there is nothing to do, so called "inactive time", these periods will not count as working time. The consequences are that you can make people work longer hours without a proper rest before you have reached the maximum of 48 hours.

Furthermore, the agreement is also bad because the European Court of Justice (ECJ) in 6 or more cases made clear that inactive time has to be counted as working time. The ECJ said that this was the only interpretation compatible with the objectives of the directive. To me, it seems that we are seeing here a clear case of double standards: appar-

ently the Council has no problem to totally reverse ECJ judgements in the social field. But when it comes to other ECJ judgements such as the Viking and Laval case, we as trade unions are constantly told that we should not criticize the Court. Another important issue is the reference period for counting the average maximum of 48 hours. The directive in place already gives a lot of flexibility: a worker can for instance work 60 hours one week, 20 hours the next as long as in the end the does not work more than the average maximum of 48 hours over a period of 4 months. The Council agreed to make it easier to introduce a reference period of 12 months, the so called "annualisation". Annualisation does not have to lead to bad results for workers if it is done by collective bargaining, which is currently the situation. Unfortunately, the new proposal will allow member states to introduce a reference period of 12 months in their legislation, without proper safeguards to protect workers against irregular schedules. We already have a very weak working time directive offering a lot of flexible possibilities for employers. If the Council agreement becomes the new directive, EU legislation will be even further weakened. For the ETUC, this is not acceptable.

4) What are the next steps for the ETUC on this issue?

CP: The Council has concluded agreements on Temporary Agency Workers and Working Time, which now go to the European Parliament. We will support a quick adoption by the Parlia



[Interview] CATELENE PASSCHIER

ment of the Temporary Agency Workers Directive, and will try to influence the Parliament very strongly to improve the Working Time Directive.

In our Executive Committee, we have decided together with our affiliates to mobilise for a better WTD in the near future.

5) The European Court of Justice (ECJ) published its judgement about the "Commission vs Luxembourg" case concerning the interpretation of the Posting of

Workers Directive. How do you assess this judgment?

CP: The judgement confirms what the Court has already said in the Laval and Rüffert cases, which is a very narrow interpretation of the Posting of Workers Directive. It clearly limits the scope for Member States to have rules that should be applied to both national companies and services providers coming from abroad. This case further confirms the need for a proper discussion at European level on what is the

aim of the Posting of Workers Directive. We are not against free movement of services or workers, but we think that we need strong conditions in place to manage all this mobility. The Posting of Workers Directive is one of the instruments that was supposed to protect workers and ensure fair competition between local and foreign companies, but it is now increasingly turning into an internal market instrument that is used to force Member States to deregulate their labour markets. We cannot accept that. ●



[You may be interested]

Media

EWC Campaign : Video clips

In the framework of the [On the offensive for stronger European Works Councils](#) we produced some video clips in which major EWC and European trade union movement representatives explained the benefits of having an EWC and why the EWC directive revision is needed.

The video clips are available on the ETUC web site at the following address:
<http://www.etuc.org/a/5104> .



Publications

European Commission publications

The following reports are now available:

- [Communication on "A common immigration policy: principles, actions and tools](#) (17/06);
- [Annual Report on Public Finances in EMU](#) (25/06).

EDITORIAL TEAM

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EDITOR-IN-CHIEF: **Patricia Grillo**

EDITOR: **Daniele Melli**

Please pass this newsletter on to your colleagues and contacts