

KANIGOS 31
106 82 • ΑΘΗΝΑ
ΤΗΛ: 2103304120-1
FAX: 2103825322
e-mail: obes@obes.gr
<http://www.obes.gr>

31 KANIGOS STR
106 82 • ATHENS
TEL: 2103304120-1
FAX: 2103825322
e-mail: obes@obes.gr
<http://www.obes.gr>

PRAXIS
FROM LAW TO PRACTICE
CONFERENCE 30 & 31.05.13 IN ROME
CARAVEL HOTEL

REPORT

Introduction.

Objective of the transnational Conference was:

- To provide trade unionists with information on the aims and activities preview in the framework of the PRAXIS project.
- To sensitize trade unionists on the rights they have following the European and national laws as far as information and consultation are concerned.
- Trade unionists from Italy and Greece to exchange opinions and experiences as far as the situation concerning information and consultation in their respective countries is concerned.
- To give trade unionists of the 2 countries the opportunity to understand the tools they have referring to information and consultation through practical exercises-cases studies.

Conference proceedings 31.5.2013. Morning session

1. Mrs Giulia Barbucci, CGIL from the Italian side and Mr Zisis Trakaniaris, President of OBES from the Greek side have opened the Conference.
2. Mrs Giulia Barbucci has highlighted the importance of the Conferences organised in the framework of the PRAXIS project, because there are



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differences between the three countries concerning industrial relations as well as the implementation of Directive 2002/14. Transposition of the Directive in the Italian Law was late. It came 2 years after the expiration of the deadline preview, but it was preceded by the common agreement of the social partners. Information and consultation have always been subjects of Collective Agreements, but before that there was no respective law. A positive point of the transposition of the Directive is that nowadays there is a law, which concerns companies employing over 50 employees.

3. In the Conference participated 25 persons, including from the Italian side 14 trade unionists coming from various sectors, some of them members of EWCs and the lawyer Mr Giorgio Verrecchia, expert in Labour Law. From the Greek side participated 8 trade unionists, 2 experts and the General Director of the International Economic Relations Institute of the Association of SA and Ltd companies Professor Haralambos Tsardanidis.
4. The president of OBES Mr Zisis Trakaniaris has presented the project, its aims, its methodology and the activities preview in it.
5. Participants have presented briefly themselves, their organisations or the company they represent. Presentations of Greek and Italian participants followed the order they were seated.
6. Mr Tsardanidis has presented the Association of SA and Ltd companies, which has as members both big companies and SMEs. He has noted that in Greece there is actually an internal devaluation and a change of the production model, which bring social losses, recession and decline of internal demand. This situation favours frictions between employers and workers. Dialogue and consultation can help remediating this situation. The Association of SA and Ltd companies strives to enhance consent and for this reason it has founded the Hellenic Mediation and Arbitration Centre, which promoted the extra-judicial solution of differences. Differences between employers and workers were traditionally resolved through appealing to the Arbitrators Body. However, one has to admit that the economic crisis and hence the stabilisation programme have canceled in practice institutions such as the Arbitration Body, taking into consideration that in order to make an appeal to it both the employer and the workers have first to agree for that.
7. Mr Katsampanis presented the slides he had prepared and asked participants to interrupt him whenever they had something to ask or wished to discuss something, in order that there is an open discussion and if needed the opinion of experts is sought.
8. Main subjects raised during the debate and during the presentation of the slides are the following:

Question. The employer side in the company is a single one. Can employees have a common line?

Garbin. In Deutsche Telecom, following my experience, there are two categories of employees, one of employees receiving high salaries, usually full time employed with



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permanent contracts and the other of low-wage, usually with precarious contracts. We have to try to reduce competition between employees.

Ilari. I think we have to aim at having a European Collective Agreement.

Question. How does information and consultation take place in practice? Do employers remember it when they want to make redundancies?

Trakaniaris. In Schelman the employer started firing workers 1,5 year ago. Up to now 600 dismissals have taken place. He has never forwarded us real data in the framework of information.

Durante. In Italy, there is no provision for companies employing less than 50 persons. In companies employing over 50 persons, the employer has to explain the reasons, to clarify which is the number of persons to be dismissed and why he has not found alternative ways of facing the problems.

Ilari. Barklays bank reduces its annexes in Italy. Initially, it intended to make 230 dismissals. Following consultation, it has been decided that 120 employees would leave following their own decision. In the case the 120 volunteers are not reached, there will be mass redundancies. Another smaller company employing 130 persons wanted to fire 19 employees. Consultation had as result only 4 dismissals after 120 days as preview by the Law. We have gone to the Court in order to cancel these dismissals as well.

Trakaniaris. In Greece employers had the right to dismiss up to 2% of their personnel per month. Nowadays, this percentage has risen to 5%.

Katsampanis. In Greece, in a cement producing multinational company, first they decided to close the factory and then they invited employees to consultation.

Garbin. There is a fund in the bank sector, to which contribute also the banks. This fund offers persons that are close to pension the opportunity to leave their job earlier when there is decrease of personnel. This is for the benefit of younger employees, who if there was no such possibility, would be the first to be dismissed. In the last year 30.000 bank employees were fired. Increase of the age limit for retirement to 67 years has reduced this possibility as well.

Katsampanis. In Greece severance to be paid to persons fired has been reduced, especially when dismissal is done following previous notice.

Garbin. I participated in the EWC of Deutsche Telecom. The fact that the Federation of employees of the Greek telecommunications company OME OTE, which on the



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basis of the number of employees it represents would have 4 members in the EWC, does not participate in it, has permitted Deutsche Telecom to pass relocation of activities from Greece to Eastern Europe, which was voted by representatives coming from Eastern Europe.

Durano. In Italy in all Collective Agreements there is a clause concerning information and consultation.

Vilano. This is true. From another point of view however, this means that information and consultation remain at a voluntary basis, at an agreement basis. It is not something structured and universal. Since the decade of the '90s, when various new forms of employment were introduced, these are not covered by the Collective Agreements and consecutively this part of employees is not covered with information and consultation.

Katsampanis. It is very important that information and consultation takes pace in parallel at both European and national levels through the EWC and the trade unions respectively.

Conference 30.5.2013. Afternoon session

1. Mr Giorgio Verrecchia presented the situation in Italy. He has declared that the PRAXIS project is very important because it deals with what happens in practice with a legislation which is the result of transposition of a Law coming from Europe, not a legislation resulting from the dynamics of the labour movement as it has been historically been formed as the Labour Law. Main points of the presentation and the following discussion were the following:
 - When FIAT has decided to produce the high demand model PANDA in Poland, instead of doing so in Italy, the representatives of employees have asked for information and consultation. FIAT has answered that it is not a subject concerning only Italy and thus only the EWC is the competent body to deal with it. In a similar case in Lombardy Deutsche Bank has declared to the EWC that it is a national subject not a transnational one. Employers as a rule refuse information and consultation at both the European and national levels. There is another example, that of UNI CREDIT, which has transferred software services outside Europe and consecutively it refuses consultation at both levels.
 - A second subject is how European Directives, e.g. 2002/14, are accepted in Italy. The Law previews that transposition of the Directives concern mainly social partners. Collective Agreements on the other hand are not universally valid. They cover those that sign them and their members. Hence, in Italy we have 3 levels, the Directive, the agreement between social partners and the Edit with power of a law. In Italy there is no system of participation of employees as



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in Germany, only information and consultation for signing Collective Agreements. When there are mass redundancies there is always information and consultation.

- As far as sanctions are concerned there is in Italy a grid of pre-existing laws.
- The labour law protects trade unionists and previews the possibility of their payment by the company for the days they work for the trade union. Many company based collective agreements preview training. Definitions of information and consultation change with the time. Edit 25/2007 unifies these definitions, puts the minimum requirements for companies employing over 50 persons and gives the possibility to the Courts to decide in case information and consultation do not take place. The Edit previews enough time in order that workers' representatives form an opinion, the right that they express this opinion and the obligation of the employer to express his/her position regarding this opinion, but there is no right to con-decision. The Italian legislator has tried to preview/avoid the risks that may derive from the intentions of the employer, by focusing on their impact on the employees.
- As far as the way of implementation is concerned, this is left to the Collective agreements. The legislator has tried to set the minimum requirements as a safety net, whereas most subjects are settled by the Collective Agreements. For instance, in the chemicals sector information and consultation are preview about how the company is going, its financial situation, industrial relations (e.g. part-timers), sex distribution (non discrimination), age distribution, hazards of employment, measures to avoid them and redundancies individual or mass ones.
- Both the Edit and Collective Agreements are valid and have to be applied. Employees may be represented at a company base or through a unified form (forma unitaria). In the case the employer infringes the Directive, there is a fine of 6.000 – 30.000 Euro. Competent body is the district labour Inspectorate. This fine is not dissuasive. However, besides this administrative fine, the trade union has the right to go to the Courts and suit the employer for anti-trade unionist actions and ask therefore for removal of financial damage these actions have produced to its members. In the case the employer refuses to provide the information the trade union asks for, then he/she has also penal responsibility.
- What is nowadays the problem of Directive 2002/14? The crisis of the Collective Agreements. For example in the financial sector, in many cases, companies use the Collective agreement for the commerce, as employers have the right to choose which Collective Agreement suits them best. On the other side there is a reduction of the trade union members (e.g. precarious workers) and cases in which Collective Agreements are not renewed.

2. Mrs Sofia Spiliotopoulou has presented the slides with the findings of the survey of the PRAXIS project in Greece as well as the conclusions and suggestions based on this survey.



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Workshop on 31.5.2013

In the second day, 31.5.2013, participated 17 persons. First of all there was a summary of the conclusions of the conference.

Following that, there was an extensive debate in a workshop, which examined case studies. Some of the subjects discussed were the following:

Garbin. In 2011 the management of Deutsche Telecom wanted to transfer the activity of registering invoices of purchases to Bratislava. This concerned 600 persons. Instead, in Bratislava the number that would be employed in this activity would be considerably less. We have protested and said that there are among others, legal and fiscal issues involved. We have put this subject in order to protect those that would lose their job but also because it could be used as a pilot for other analogous cases in the future. We have suggested that there should be efforts to put persons that would suffer from this decision first to other positions in the same country, second that they should have the possibility to be transferred to Bratislava if they wished so, third to examine their age in order to offer them an additional sum to resign or fourth to examine if they could work in another company of the same group. The same happened later with the transfer of payroll calculation in Kosice.

Katsampanis. Vodafone has transferred its accountancy department in Hungary and invited any of its employees that worked in national accountancy departments to go for work in Hungary with salaries of Hungary if they wished so.

Spiliotopoulou. The most paradoxical situation is perhaps that of Heineken, which has centralised some operations in Poland and there were some transfers of employees to Poland keeping salaries they received in their own countries. There is hence the phenomenon that persons working in the same company, in the same country, with the same tasks are paid in a different way.

Faci. In Gruppo Allianz, which is an SE, we participate with a representation body (Supervisory Board). The management has transferred 1000 work positions of the software department from the UK to India. Employees are very highly qualified, yet they receive very low salaries (e.g. with 2 University degrees they receive 300 Euro). It is difficult to face this kind of problems with the existing representation organs. The workers' representation model in use is very difficult, because it previews centralization in one country, from which derives the difficulty to defend the interests of workers. This phenomenon has to be studied. It should be noted that once a employee's representative is named as member of the Supervisory Board of the company, he/she automatically has a raise of over six times his/her salary. Although the company is centralized, there is no provision for uniform wages in the entire company.



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Barbucci. Trade unions should discuss both at the national and European levels, what model to follow in front of the aggressiveness of employers, who want to have complete freedom in their movements. We see that throughout the Euro-zone they try to decentralize wage setting through company-based and individual work-contracts and compression of wages to the minimum wage. The possibility of trade unions for collective bargaining weakens. Up to 2012 there was a pro-labour policy in Europe. Since then the welfare state is losing ground. For this reason we should consider the European Collective Labour Agreements. This depends on what model of society we want. Social dialogue is different from negotiations and from the acquired rights. The bet is not only to have powerful European trade unions but also powerful workers' representatives to the European representation bodies. The challenge is to include SMEs in the implementation of the Directive 2002/14 and to create trade unions in these firms as well.

Verrecchia. The Italian Law previews that mass redundancies have to pass first from the Labour Inspectorate. If there is an agreement with the employees then the employer pays less. What does the union that receives the information? Usually there is no consultation, because it is an already made decision. The only step left is to go to the Courts of justice. The Law however previews information and consultation in order to minimise the social impact on employees and on the area.

Frittoli. It would be good to involve as many local stakeholders as possible in consultation, perhaps also to organize popular assemblies.

Barbucci. I would suggest adding one more question. What is the role of central and regional government?

Question. Consultation has to be done orally or in written?

Verrecchia. In written for sure. In Italy consultation is preview by the Collective Agreements to be done orally but finally in most cases the output is recorded.

Udari. Consultation has always to take place in written, especially in a multinational company. They say other things orally, e.g. that there will be 10 redundancies and other things after 10 days in written, e.g. 120 redundancies.

Question. Is the balance sheet sufficient information?

Udari. It is by no means sufficient. Nowadays that there is crisis, IBM presents costs of 25 million Euros but nobody knows what is included in these costs. To us this information is meaningless, since we know nothing about these costs. We have even suited the management for fake balance sheet. Nobody can read it.



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Haritidis. In Greece employers are not any more bound in written and change overnight their plan and their opinions. In fact we have nothing in hand to press.

Trade union Eriksson. We have in hand detailed information beforehand. At national level we are never asked to consider information as confidential. We play with open cards and there is transparency. The problem is that it is frequent in the EWC some issues, even not financial ones to be considered confidential. Trade unionists have to be very well prepared before signing the EWC Agreement. Furthermore, EWC members should have the required culture. Everybody comes to the EWC having in mind a different representation model, as for example Irish and British trade unionists do.

Barbucci. The new Directive previews obligation of the workers' representatives to inform all employees on what has been discussed in the EWC and this has to be preview in the Agreements of the EWCs.

Udari. In our case in IBM even data we use everyday is considered as confidential. All employees have to sign a confidentiality declaration. We come to the point to have no private life.

Katsampanis. Since you have all signed a confidentiality declaration and are bound to not say anything to anybody, then you can demand to be informed on subjects discussed in the EWC.

Conclusion of the discussion

Spiliotopoulou. In Greece the economic crisis has produced withdrawal of acquis of years. Some years ago situation faced by workers in the UK or Romania seemed inconceivable for us. Nowadays, the minimum salary is not determined by collective bargaining but through a decision of the government. Sectorial collective agreements after their end and a period preview by the Law, stop being in power and no new ones are signed. The right to make appeal to the Mediation and Arbitration body has de facto been abolished, since in order to do that there has to be a previous agreement on that of both parties (employees and employers).

Katsampanis. We have to add that new forms of employment combined with the fear to be unemployed do not favour trade unionism all the more of young people.

Frittoli. In Italy there are 46 types of work contracts.

Barbucci. In Greece there is indeed experimentation going on. We should preview other types of action, as legal interventions in the Council of Europe and ILO in the future.



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