

BISCHOFF REPORT

Draft report on democracy at work: a European framework for employees' participation rights and the revision of the European Works Council Directive

BACKGROUND OF REPORT

- Gabriele Bischoff is S&D MEP for Berlin since 2019
- Background as trade union official (IG Metall 1991 - 2000, DGB 2009 - 2019, EESC)
- Address loopholes that allow companies to use European company law to circumvent national regulations on board-level regulations – this is a problem especially in Germany

FRAMEWORK DIRECTIVE ON WORKERS PARTICIPATION IN EUROPEAN COMPANIES

- Introduce a framework directive aimed at European companies, including subcontracting chains and franchises, and for companies that use EU company mobility instruments
- minimum EU standard of board-level representation, workers' representatives should have the following number/proportion of seats on boards: 2 or 3 seats in small companies with 50 to 250 employees, one third of all seats in companies with 250 to 1 000 employees, and half of all seats in big companies with more than 1 000 employees (within the company and its direct or indirect subsidiaries);
- For EWCs: to introduce sanctions, to consolidate the concept of the 'transnational character of a matter' and incorporate it into the European Works Council Directive, to prevent the abuse of confidentiality rules

SUSTAINABLE CORPORATE GOVERNANCE

- ensure that at least 80 % of corporations in the EU are covered by sustainable corporate governance agreements by 2030
- establishment of strategies agreed with workers to [...] to strengthen the role of directors in pursuing the long-term interests of their company, to improve directors' accountability towards integrating sustainability into corporate decision-making, and to promote corporate governance practices that contribute to company sustainability, including **corporate reporting, board remuneration, a maximum CEO-to-worker pay ratio, board composition and stakeholder involvement**

OTHER IMPORTANT POINTS

- Calls on the Commission to deliver on its commitment to put forward without further delay a directive on binding human rights due diligence and responsible business conduct
- “Calls on the Commission to respect the agreements between European social partners at both cross-industry and sectoral level and to refrain from unilaterally deciding, in spite of the joint request of those social partners, not to transpose such agreements through a generally binding Council decision;”
- information for and consultation with trade unions and workers’ representatives on the introduction and the monitoring new digital technologies in the workplace

TIMELINE

- 11/06/2021 – Committee draft report
- 13/07/2021 – Amendments tabled in committee
- 13/12/2021 – Indicative Plenary Date