

European CSR news for the postal sector



POST EUROPE
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Corporate Social Responsibility, a lever of innovation and conviction for the postal sector



Since its creation in 2006, the CSR Circle of PostEurop has had a key role in the promotion of innovative CSR initiatives within the sector, but also to anticipate future challenges. Through its wide range of activities, it proves that taking into consideration social, societal and environmental dimensions is a real performance lever for postal operators.

Promoting innovative initiatives within the sector

The Circle provides several tools to enhance exchanges between PostEurop members. The 4th edition of the Brochure of CSR good practices has thus just been published, in which the numerous contributions and increasing number of participants highlight the sector's dynamism in this field. This year 43 outstanding practices have been collected, among which three have been awarded the PostEurop CSR Coups de Cœur. Exceptionally, a jury Special Mention was also commonly granted to three operators.

- **Coup de Cœur Employees 2016:**
Lithuania Post for its large public health programme for employees,
- **Coup de Cœur Society 2016:**
Royal Mail for its partnership with the association Missing People,
- **Coup de Cœur Environment 2016:**
CTT for its initiative towards reforestation of areas affected by fires,
- **Jury Special Mention:**
Cyprus Post, Deutsche Post DHL Group and Hellenic Post – ELTA for their initiatives to support refugees.

Anticipating the challenges ahead

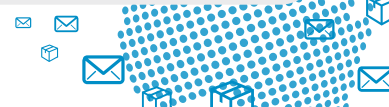
The Circle is also working on more prospective issues. For this purpose, several projects co-funded by the European Commission have been conducted on stress management, future skills and jobs as well as age management in the sector. The projects of the European Social Dialogue Committee for the postal sector likewise strengthen the long-term cooperation between social partners. The most recent one, 'Mobilising social partners in a new context', has focused on two main topics: the development of new services, in particular e-commerce related ones, and a benchmark of collective agreements to accompany change.

In 2016 the CSR Circle's achievements have thus been acknowledged by the Committee on Employment and Social Affairs of the European Parliament. This welcome recognition contributes to confirming the fundamental role of the CSR activity of PostEurop in building an environment that is supportive of the sustainable development of European postal operators.



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EU & you



An agreement to restart European social dialogue

On 27 June the European social partners, the European Commission and the Council of the European Union (which represents the member States) signed an agreement promoting social dialogue at all levels.

In this tripartite agreement, the European Commission and the Presidency of the Council of the European Union recognise 'the fundamental role of the European social dialogue as a significant component of EU employment and social policy making'. As such the European Commission expressed the wish to enhance the involvement of unions' and employers' bodies in European economic governance.

The agreement goes further than the European social partners' initial proposal. Indeed, the Treaty restricted consultation with the European social partners solely to social policies. Yet, with this agreement the European Commission commits to according the social partners greater involvement (and even prior consultation) in a range of policies that could impact employment conditions for Europe's citizens.

For its part, the Presidency of the Council of the European Union will ensure that national unions are engaged in formulating and implementing economic policies and reforms, including those within the framework of country recommendations.



The member States are invited to assess the collaborative economy

On 2 June the European Commission published its 'European agenda for the collaborative economy' to question the emerging model of online collaborative platforms.

It announced it will not legislate on the collaborative economy for the moment so as not to risk compromising its development, which is expected to bring about new jobs. Nonetheless it does recognise that the on-line-platform-based model raises a certain number of questions over fiscal rules, user protection, contractual responsibility, as well as over labour law.

As regards employment status, the document recalls that in EU law, the notion of the employee is defined as a person engaged in a working relationship, which implies the provision of services by one party in favour of another party, under its direction, and against remuneration. When applied to the

collaborative economy, the European Commission underlines that 'for the criterion of subordination to be met, the service provider must act under the direction of the collaborative platform, the latter determining the choice of the activity, remuneration and working conditions'. Furthermore, the nature of the activity is not meant to be purely 'marginal and/or on an accessory basis'. The employment relationship applies even when length of employment is short or is on a discontinuous basis.

Within this framework, the European Commission invites the governments to 'assess the adequacy of their national employment rules considering the different needs of employees and self-employed people in the digital world as well as the innovative nature of collaborative business models' and to 'provide guidance on the applicability of their national employment rules in light of labour patterns in the collaborative economy'.



French and German minimum wages for foreign transport workers questioned

The European Commission has criticised French and German legislation, which requires foreign transportation operators to pay their employees their national minimum wage levels when those ones are working within French and German borders.

In 2015 France adopted a law that imposes payment of the French minimum wage of €9.67 per hour before tax (approximately three times Poland's hourly wage), for all foreign workers carrying out deliveries within France's borders. Similarly German law requires that these workers are paid its hourly rate of €8.50 before tax. Both French and German governments justify the measures as a way of countering social dumping in the sector.

Nevertheless, the European Commission considers their legislation as impeding the freedom to provide services and the free movement of goods within the European Union, and that both States should have implemented more 'proportionate' measures for protecting workers. French and German authorities now have two months to respond to the Commission's arguments. If the latter considers their explanations to be inadequate, then it can call on the Court of Justice of the European Unions to condemn both governments. These disputes illustrate the conflict that can arise between European legislation and national labour laws.





European Posts



MEPs highlight the evolution of working conditions within the sector

On 15 September the European Parliament adopted a resolution which arose from the publication of a draft report on the application of the Postal Services Directive by the Committee on Transport and Tourism.

As expected attention is devoted to developments in the market for postal services, the degree of competition, and the issue of universal service, however and unusually, a chapter has also been allocated to addressing the development of working conditions. The MEPs take note that 'the liberalisation of the postal sector has, in some member States, led to substantial differences in working conditions and wages between universal service providers and competing companies providing postal

services'. In this context, the Parliament, 'considers that increased competition should not generate illegal social practices or lead to the degradation of working conditions.' The MEPs also 'note that the number of part-time workers, agency workers and self-employed people in the sector has increased and that the general trend is towards more flexible employment contracts.' They stress the importance of monitoring compliance with working hours. In addition they indicate concern over 'attempts to circumvent existing minimum wage regulations by increasing the workload'. In conclusion, the resolution calls on the member States to 'guarantee all workers in the postal services sector decent working conditions, including the required level of health and safety protection at work.'



Agreement on working time in Sweden

An agreement signed by PostNord Sweden on 29 June includes several provisions on working time. Employees older than 58 years old with 25 years' seniority or more will be able to benefit from the '80-90-100' provision, whereby an employee works 80% of working time, is paid 90% full pay for this, and benefits from 100% pensions financing. This privileged measure only applies to postal production staff: deliverers, drivers, and sorting office employees.

The agreement also provides the above mentioned 'production staff' with shorter working times, commencing 1 January 2017. Drivers, postal deliverers and day shift sorting office employees' working hours will respectively drop to 38 and 39 hours per week instead of 40 hours. The agreement eventually revises the current personal adaptation programme for employees facing dismissals, with the extension of its maximum duration up to 12 months including a working duty period.



Wage agreement signed at Royal Mail

Earlier this year the United Kingdom's postal service struck a one-year wages agreement from April 2016 that will see its 140,000 employees receiving a 1.6% pay rise. Social partners now intend to commence discussions on pensions and on modernising the

business. Royal Mail has already declared that indications are that the cost of keeping the Pension Plan open after March 2018 would more than double – from £400 million a year, (approximately €478 million) to over £900 million a year, and that this is not sustainable.



PostNL: new provisions over delivering mail and parcels

In June 2016 the Dutch postal operator PostNL concluded two agreements with unions over pay and working conditions for mail deliverers. The first one addresses those working during the week while the second focuses on those who work on Saturdays. Both agreements run from 1 January 2016 until 31 March 2017 and include a 1.5% pay increase. The agreements also revise the current system of fees paid to employees for working irregular hours. Thus extra pay for Saturday and night-time work (currently at 20%) will stop by March 2017, and employees will receive instead a set payment for any irregular hours worked. In addition, minimum wage pay scales for young delivery staff (those aged above 18) will be brought into line with those operating for older employees.

Alongside the agreements PostNL management has taken steps regarding its delivery model for parcels. As part of its Sustainable Delivery Model, it committed to investing in the development of, and the relationship with, the independent parcel deliverers that work for them. The latter have been offered the choice between continuing as entrepreneur or signing a permanent employment contract with PostNL in conformity with all employment terms and conditions of its collective labour agreement. PostNL also committed to hiring more employees. As part of its focus on sustainable employment, in 2015 the operator continued to look for internal employment opportunities for those drivers impacted by restructuring at its Mail in the Netherlands unit. By the end of the year, it had transferred over 250 drivers to its Parcels business who now work as parcel deliverers.



News from member States



A draft law on the integration of refugees in Germany

'Assist and insist' is the primary principle underlying the 'draft law on integration' for asylum seekers that came into force on 8 August.

The first key measure allows refugees to start apprenticeships even if they are older than 21 years old. At the end of their training, if they find a job in line with their qualifications, they will receive a two-year residency permit; if they are actively seeking employment, they will receive a six-month permit. Asylum seekers will have easier access to the German labour market. The 'national preference' rule, whereby employment agencies are required to propose vacant positions at first to German nationals or nationals from an EU member State for a period of fifteen months, will be suspended for a period of three years on a trial basis. Nonetheless, the Länders can decide whether or not to maintain this rule in certain areas that are suffering from high unemployment. The State will also subsidise 100,000 new jobs for asylum seekers whose applications are being processed.

Participation in integration courses will be obligatory for refugees and penalties will be imposed for non-respect of this requirement. In addition, those who receive residency permits will not be able to, at least initially, choose where they can live. The Länders will thus be able to forestall mass refugees' settlements in certain towns, to avoid the creation of ghettos.



Italy: government toughens its 'voucher' payments regulation

On June Italy's Council of Ministers adopted a draft decree law to make the 'voucher' system more traceable. This system was elaborated to ease the payment for services carried out on an ad hoc basis as well as social security cover to combat undeclared labour, which was frequently used for several types of work such as home care services. However, the 'voucher' is now becoming a widespread mechanism for sidestepping labour legislation. Employers have in fact

been using it as a form of low-cost labour, especially in tourism, retailing, and services. This draft decree will take up a procedure, originally intended for 'on call work', where employers have to inform the National Labour Inspectorate (by SMS or email), sixty minutes prior to any service being carried out, of the employee's identity and the nature of the work. Should the requirement not be upheld, the employer has to pay a fine ranging from €200 to €2,400 per employee.



Greek vote on pension reforms required by the country's creditors

On May Greece's Parliament fast-tracked a vote on pension reforms required by the country's creditors in exchange for the release of another tranche of €86 billion in funding. It intends for the legal retirement age to rise from 65 to 67 by 2022. A €2,000 basic pension ceiling is to be implemented compared with the

current €2,700 level, and combined pensions (basic plus supplementary) will be capped at €3,000 as compared with €3,680 currently. The current six social security agencies and 930 pension schemes will merge, and the contributions system will also be harmonised, with a common contribution of 20% of one's income.



France: a new law to facilitate company collective bargaining

On July a law was adopted to revise the country's labour code for the purpose of giving collective bargaining more prerogatives, especially at company level. It gives company agreements primacy over sector agreements and relaxes rules governing working time. Subjects such as exceeding daily and weekly maximum working time limits, overtime rates or daily rest times can

be negotiated more freely within businesses. To better manage new digitalisation-related forms of work, the law introduces the right to disconnect which will become a required negotiation topic. It also sets initial regulations for online platforms that, in certain situations, will have to pay independent employees' workplace accidents insurance contributions, as well as fund training.

AGENDA

- **November 2016:** First meeting of the Erasmus+ 'InnovAge' project, Brussels
- **1 December 2016:** Annual Plenary Meeting of the European Social Dialogue Committee for the postal sector, Brussels
- **1 December 2016:** PostEurop Management Board, Brussels

