

European CSR news for the postal sector

POST EUROPE
YOUR LINK TO POSTAL EXPERTISE

Regulating new forms of employment to relaunch the Social Europe



The European Commission appears ready to reinvest in the area of legislation. As such it will reprise its role as the spur to seize the new realities of the working world at the European level and thus counterbalance sparse, timid, and piecemeal national initiatives on this issue.

Consultation with the social partners over independent workers' rights

Two consultation phases have been launched with the European social partners on independent workers' rights. The first one aims to recognise minimum rights for independent workers, while the second one aims to safeguard better access to social protection levels that are similar to those enjoyed by salaried employees.

During these consultations, the European Commission also addressed conditions for 'non-standard' salaried employees that national rules have pushed into the confined corners of labor law because they carry out casual labour, are hired on short-term contracts, or work on an ultra-part-time basis.

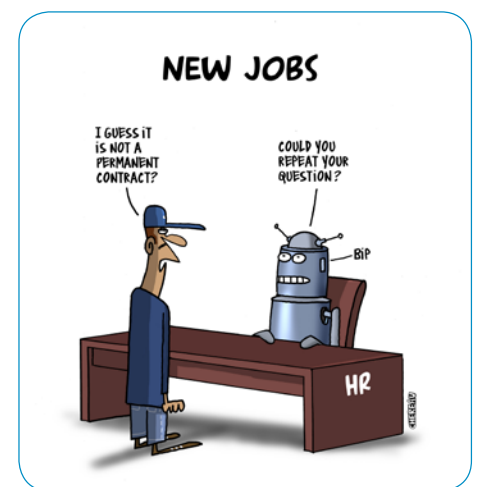
Even if these new forms of atypical employment are not always linked to the digital transformation, they are nonetheless under the spotlight that focuses on working conditions for employees on collaborative platforms and are thus capturing the public authorities' interest.

European Parliament taking a serious interest in the issue

On 15 June and as is often the case, members of the European Parliament stirred things up by adopting a report in which the main points for regulating these new forms of employment were outlined. They are asking the European Commission and the Member States to safeguard both fair working conditions and sufficient legal and social protection for all workers in the collaborative economy.

The deputies especially emphasise the workers' fundamental rights to social protection, collective bargaining, and remuneration. They underlined how important it is that these workers benefit from the portability and accumulation of ratings and evaluations across the different platforms. These ratings represent their 'digital market value'. This one is based on online evaluations and critics from customer, depending on the perceived work quality. In a bid to render these assessment mechanisms more transparent, 'workers should be informed and consulted [...] on the overall criteria used to develop these mechanisms.'

In parallel at Member State level, some initiatives such as those in Italy and Denmark (see page 4) clearly show that national governments are increasingly getting to grips with the issue.



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EU & you



Proposals for improving transport drivers' working conditions

For a 'Europe on the move', road transport has to be 'fair', or in other words "with appropriate protection for workers and conditions conducive to fair competition between businesses", explained Marianne Thyssen, EU Commissioner in charge of Employment, following the adoption on 31 May of the mobility package that includes a series of initiatives addressing transport drivers' working conditions.

In a bid to reconcile the free movement of goods and provision of services with workers' protection, the European Commission has to find the right balance between applying local social regulations to posted workers and maintaining a sense of proportion so that the internal market can function smoothly. This is why the Commission proposes to impose the application of the host country's minimum wage level for drivers doing cross-border transport operations when they spend more than three calendar days, over a month, in

the host country. However, whenever posted drivers are carrying out cabotage activities¹, they will then come under the minimum wage regulations of the host country for the whole period. The Commission came to this solution after several EU Member States, Austria, France, Germany, had imposed their minimum wage regulation from the moment drivers entered their countries. The Commission's proposals also tightened measures on letterbox companies, created to avoid conventional and legal obligations on the European market.

Another initiative of the mobility package addresses arrangements for workers' working time. It requires in particular that recess are to be taken in appropriate places and not inside the vehicle, and that drivers should rest at home at least once every three weeks.

¹ Deliveries where both start and destination locations are within the host country



Revising the directives on energy

On 26 June Europe's 28 Energy Ministers agreed on revisions to the directives on energy efficiency and energy performance of buildings, both essential to the Paris agreement. Yet, they signed up to less ambitious objectives than those pursued by the European Commission.

Representatives from the Member States have set an indicative target of 30% energy efficiency by 2030. The European Commission would have preferred this target to be binding but it failed to gain the necessary backing from the European Council. The current indicative target, set in 2014, is 27% by 2020.

In order to reach the 30% target, the European Commission sought to extend

the requirement upon energy suppliers to make energy savings of 1.5% per year on their energy sales during the period between 2020 and 2030. The Member States accepted this target but limited its application to the period between 2020 and 2025. After this period, the annual savings obligation will be lowered to 1% until 2030 under the condition that the 2024 mid-term review concludes that the EU is on track to meet its targets. The revision also targets faster buildings renovations as today European buildings stock energy inefficiently and the houses renovation rate for houses are low. The Ministers agreed to a compromise on a proposal requiring the Member States to establish long-term renovation strategies whilst addressing energy poverty.



A European Union promoting its values within globalisation

On 10 May, the European Commission published a reflective document entitled 'Harnessing Globalisation'. It affirms that solutions do not lie in national protectionism nor in isolationism or in *laissez-faire*, but instead in Europe's capacity to 'shape' globalisation so that it reflects Europe's values.

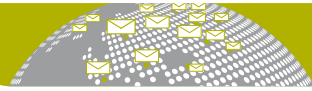
Commission Vice-President Mr. Timmermans explained that it will be asked that all EU trade agreements include cooperation measures on tax, social and environmental standards and that they contain sanctions for when such clauses are breached. It appears that lessons from both the TTIP¹ and CETA² have been learnt. Yet shaping globalisation also means bolstering global governance on issues such as the climate, social rights, public health food safety as well as international finance and economic regulations that tackle tax evasion. Implementing effective trade defence instruments and a multilateral investment court could also help the EU act decisively against the unfair practices of some countries or companies.

So that European citizens perceive globalisation as an opportunity and not just a threat, the European Commission suggests supporting the European economies so they can all enjoy a fair and positive impact from globalisation.

¹ Transatlantic Trade and Investment Partnership

² Comprehensive Economic and Trade Agreement





European Posts



1.5% pay rise for Austrian postal staff

On 1 June, the GPF trade union and the management at Österreichische Post reached an agreement on a 1.5 % pay rise for workers. The wage agreement is in line with other deals struck in Austria since the start of 2017. The pay rise will apply to all employees of the Austrian post, which represent 17,500 people. This includes 7,000 civil servants who were employed before the company went private in 2006, 5,000 private law employees and 4,500 so-called "new agreement" workers (KV-Neu). Those employees were recruited after 2009, with wages aligned to the transport sector and, therefore, 10% to 20% lower

than those of their colleagues taken on before 2009. These employees will also receive a one-off bonus of 250 euros if they worked full time, while the bonus for part time workers will be calculated on a pro-rata basis. Finally, single mothers with a "new agreement" contract will enjoy an additional aid programme, still subject to negotiation, which should combine financial support and a special working time arrangement. The agreement is binding for one year, as of 1 July 2017. In April, Österreichische Post employees also received an 853 euros bonus, by way of sharing profits from 2016.



Wages agreement at CTT

On 28 June, CTT Portugal Post came to a wages agreement with the eleven trade unions within the company. It will carry-out a 1% pay rise for employees on base salaries up to €1,267.20, a 0.75% increase for those earning between €1,267.20 and €1,889.60, and a 0.65% rise for those earning up to €2,772.30. The pay rises will be effective from 1 January 2017, will cover all the trade unions' members and will also be extended to all 'non-member employees' at this time. It was additionally agreed as from 1st July a minimum monthly salary of €600 for postmen and postwomen, above the national minimum salary of €557.



Poste Italiane signs a call-center code of conduct protocol

The Italian Post is among the 13 businesses that, on 4 May, signed a call-center code of conduct protocol. The protocol, running for 18 months, defines the set of best social and business practices for customer service. It will be monitored by a joint committee made-up of company representatives, trade unions and the Minister of Economic Development. The goal is to identify the criteria for the certification of sector-based best practices in the future. The signatory companies commit, within a period of six months, to locate in Italy up to 95% of their directly managed call center operations as well as complying with an 80% minimum level for new outsourcing contracts, whilst maintaining existing proportions when they are already greater than 80%.

In a bid to eradicate social dumping, the protocol requires the signatories not to consider the labour cost elements criterion in the subcontractors' tenders. They are to exclude out-sourcing offers that have lower average hourly labour costs than those of the sector. Companies also committed to protect subcontractors' workers when the latter lose the business and also to 'recognize service suppliers' commitments to guarantee worker protection'. The 13 companies should guarantee their customers clear and accurate information and should require the B2 language certification level for all foreign sub-contractors. Similarly Italian personal data protection standards will have to be met even for business activities carried out abroad.



Employment stabilisation at Correos

In June 2017, the Spanish Post included a total of 1,606 employers as permanent staff. This was made both as part of its 'commitment to stable and high quality employment to safeguard a regular, reliable, accessible and trustworthy postal distribution service' and an employment stabilization program for 2016/2017. The new employees passed a competitive entrance round (out of 62,000 candidates) that tested on the products, services and the company's work processes. This year, a further 2,345 employees are to be recruited through the competitive examination.



Ford and DPDHL produce electric delivery vehicles

StreetScooter of Deutsche Post DHL Group, a startup company specializing in the design of electric cars which had been bought in 2014 by the global mail and logis-

tics provider - signed with the automaker Ford, on 14 June, a cooperation agreement for the production of the chassis and the cabin of Deutsche Post DHL Group electric

delivery vehicles. The production started in July 2017 with the target to manufacture the next 2,500 vehicles that can cater for urban mail deliveries by the end of 2018.



News from member States

Lithuania adopted a new Labor Code



In force since 1 July, the new Labor Code aims to bring more flexibility to the labour market and also put new worker safeguards in place. It introduces more flexibility into employment contracts and especially on fixed-term contracts. That said it also sets that fixed-term employment contracts can no longer account for more than 20% of a company's headcount. The new law also introduces new employment contracts for project work, job-sharing (two employees agree over sharing one position), and multiple-employers contract (one employee with several employers one of which being designated the principal employer). In addition, this code intends for 'employer driven' contract termination, albeit at a cost to the employer. Although only a three-day notice is required, the compensation payment must be at least the equivalent of six-month pay.

Striking rights are also bolstered as employers cannot trigger 'lock-outs' or have recourse to fixed-term contracts as employee replacements except if the goal is to maintain essential services. Employers have to train employees so that they can carry out their functions and should take appropriate measures so that employees can adapt to changing techniques and needs. Finally, works councils become mandatory in all businesses with more than 20 staff (previously employees were to request their implementation) and if a trade union representing at least 1/3 of the headcount is not present in the company. Employers must consult with the personnel representatives when making significant changes to work organisation.



Italian law on independent work and 'Smart Working' is definitively adopted

'Smart Working' is defined in the law as "a subordinated employment arrangement that is established via agreement between the parties" and "without any precise constraints over working hours or the place of work as well as with the potential to use technological tools." The law requires compliance with maximum daily and weekly working hour limits. 'Smart Working' agreements should set out worker's rest periods, measures that enable workers to 'disconnect from technological instruments,' and directions on how the company can exercise its management and compliance roles with the worker. In addition, employers are to guarantee the health and safety of workers not operating on their premises. 'Smart Working' will also be reversible with either businesses or employees able

to short-circuit the arrangement by way of a simple notification.

Furthermore, the text improves protection for two million independent workers. Thus, contract clauses allowing clients to unilaterally alter any conditions will be considered as improper and unfair, just like clauses that allowed continued service provision to be terminated without notice. Social protection levels are bolstered and unemployment benefit will be enabled for those working continuously with a client. In addition, independent workers who carry out continuous service for a client can have their contracts suspended rather than terminated if they be pregnant, ill or have had an accident, under the condition that the client continues to want the service to be carried out.



Political agreement to benefit freelance workers in Denmark

On 18 May, Denmark's coalition government secured an agreement allowing independent workers to access unemployment benefits. The reform aims to simplify the way in which business activity is recorded and to create a firm link between the calculation of unemployment benefits

and tax details, in particular declared revenues. However the level of compensation will match that of employees. The government is looking to rapidly submit the bill to Parliament, the vote of which should just be a formality so that the new rules can come into force on 1 July 2018.

AGENDA

- **7, 8 & 9 November 2017:** Erasmus + "INNOV'AGE Project", Athens
- **7 December 2017:** Management Board of PostEurop, Brussels
- **7 December 2017:** Annual Plenary of the European Social Dialogue Committee (SDC), Brussels
- **January 2018:** Second seminar of the SDC project "Promoting Social Dialogue in the postal sector an Enlarged Europe", Vilnius

