



Minutes of the European Works Council Bureau

Dates of Bureau meetings in 2018

23	January	Brussels	Completed
20	February	Paris	Completed
20	March	Brussels	Completed
17	April	Postponed until 3 May in Brussels	Completed
23	May	Paris	Completed
20	June	Postponed until June 27 in Paris	Completed
11	July	Brussels	
29	August	Paris	
19	September	Brussels	
24	October	Paris	
21	November	Brussels	
19	December	Paris	

Extraordinary meeting on 27 June 2018 - Paris

Present :

Sébastien Gendre
David Mungo
Yvan Sandre

Excused :

Virginie Joveneau
Fatima Belhachemi

Invited :

Représentant de la Direction : Franck Fanguiero



1	PRÉAMBLE	3
2	MINUTES.....	3
3	OPERATION OF THE STAFF REPRESENTATION BODY	3

Reminder of the Bureau's prerogatives, as provided for in the current agreement

« As a matter of practicality, Bureau Members may meet with or be met by the Chairperson of the EWC. The Secretary will have to make a report about this in order to inform the Members.

Consequently, the Bureau seeks to be able to meet very quickly in order to make a review of a situation and to inform Members of any changes to the European staff representation body. This requirement is considered compelling by all EWC Members.

The Bureau may never commit the Council without consulting the Staff Representatives Members in the Econocom European Works Council. »



1 PREAMBLE

At the instigation of the Bureau, a meeting was organised with Franck Fanguero, Chief Human Resources Officer and representative of the Econocom Group Management in order to discuss organisational matters related to the European body and in particular the validation of the minutes.

2 MINUTES

The Secretary recalled the purpose of the extraordinary meeting, spelling out the aim of ratifying the minutes of previous plenary sessions. Towards this end, the Secretary specified that some of the minutes were not completely finalised and hoped they would be revised and ready for signing at the rate of one document per month.

The Management wanted to know how many documents were affected.

The Secretary referred to a timeline dating back to 2012. He wished to know if the old documents should be considered as enjoying approved status.

The Management did not recall such a long delay before in getting the minutes signed.

The Secretary said that because of his new duties, and in his capacity as Secretary of the Staff Representation Body he was trying to reorganise the secretariat. Hence he did not have every set of minutes at his disposal.

The Management said it did have all the documents and agreed to forward copies to the Secretary.

3 OPERATION OF THE STAFF REPRESENTATION BODY

The Secretary noted the Management's failure to respond to Bureau Members' requests and was concerned about their attitude. With this in mind, he specified that the Staff Representation Body could not operate any longer without the funding provided for in the European Memorandum of Understanding.

The Management recalled what it considers to be a problem with the Staff Representation Body operations owing to the use of the cash flow.

The Secretary asserted that the memorandum takes precedence and asked the Management to honour it.

The Management said the current memorandum is not working properly and that the discussions that have been going on for two years have led to a draft amendment which has not been validated by the Employee Representatives. The Management recalled that the agreement was established when the Company had a thousand employees and that it is no longer consistent with the Group's present size.

The Treasurer wanted to know what shortcomings the Management noticed. He also recalled that the outcome of the Management's cash flow audit had never been reported to the European Works Council Members.



The Management explained that the shortcomings were linked to the way the cash flow was used and called for greater transparency in the use of budgets. An example is a Local Council calling upon the services of a chartered accountant to present cash flow statements.

The Treasurer also suggested having a chartered accountant to present the use of EWC budgets.

The Management wanted to understand how the Staff Representation Body uses budgets to ensure no wrongdoing is involved.

The Treasurer said he could guarantee there was no misconduct involved.

The Secretary recalled that as a result of legal proceedings brought against certain EWC Members, the cash flow is monitored even more rigorously than before.

The Treasurer pointed out that the body's operations involve certain expenses, in particular for accommodation, meals and transport but any spending on these items has always been reasonable and strictly controlled.

The Management recalled the Econocom Group's development and how the Staff Representation Body was created, starting with **1,500 employees**. The Group now has more than **10,000** employees. Industry Representation countries have been added to the Group, and as such the Management considers that the Staff Representation Body can no longer operate according to the same rules. It is also specified that the incentive to change the Staff Representation Body is also based on the need to streamline costs.

The Management said the budget payment approach based on the attainment of a minimum threshold of cash flow bank accounts is no longer tenable. The Management also wanted expenses incurred by the Council to be rationalised, such as routinely booking second-class seats.

The Treasurer said the only "first class" booking was made in the light of a more expensive second-class ticket.

The Management approved the action.

The Treasurer recalled that all expenditure supporting documents are provided to the Management every month and the accounting is perfectly up to date.

The Management recalled that talks initiated with the European Works Council had failed to produce an agreement. Accordingly, the Management was set to shoulder its responsibilities subsequent to this disagreement between the parties. The Management considered that the body was not operating as it should, pointing to the absence of Spanish Members, who did not wish to be involved in the Body for this very reason

The Treasurer said the Spanish Members are no longer participating in the Body's activities because of pressure exerted by the Group Management.

The Management refuted this, pointing out that the Spanish Members have shown hardly any interest in how the Body operates.

The Treasurer waived aside the Management's conclusions about the reasons for Members participating in the Body's operations.



Each Member works for the Staff Representation Body according to their own convictions and the biased claim that a Member's non-involvement in a Staff Representation Body is attributable to a misbegotten organisation could not be more simplistic.

Spanish Members are duty-bound to voice the expectations of Spanish employees, even if they consider that the organisational structures of the Staff Representation Body are not ideal.

The Management understood that discussions between the Staff Representation Body and the Group may discourage some Members from participating in the Council's activities.

The Secretary claimed to have information showing that heavy pressure is being brought to bear on the Spanish Members.

The Management has been in touch with some Spanish Members to find out why they did not attend the latest plenary session. The Members apparently referred to self-organisation difficulties or problems associated with their professional activities.

The Secretary confirmed that these reasons are indeed mentioned. Nevertheless, some pressure is also exerted by local Management.

The example was cited of travel costs for certain Members who are billed locally by the Group as a result which local managers refuse Members' participation in plenary sessions. This constitutes pressure being put on European Employee Representatives.

In this connection, **the Management** said it wanted the Members of the Staff Representation Body to use the "KDS" booking system.

The Members reported the difficulties this caused, particularly when it come to rebilling costs to local managements

The Management stressed that the European Works Council does not take precedence over Local Works Councils. In this connection, the Management sees no need for Members to get involved throughout the year for only one or two annual meetings. On the other hand, they must commit to their Local Staff Representation Bodies. The intricacies of European rules also create a problem, as they require constant monitoring, making it difficult to carry out local and European duties in parallel. True efficiency would require working full time for Europe-related matters.

The Treasurer said the European Body could have a real impact, particularly in the case of training or the introduction of schemes, such as the creation of a European financial incentive for European Employees.

The Management recalled the organisation of the Econocom Group, which provides a governing body whose main task is to apply this type of measure and then share it with the staff representation bodies.

Mention was made of the Management's perspective on the role of European Representatives, in particular countries' sharing measures that are implemented locally and the provision of Group information circulated at European level and then shared locally by Members.

The Management said it is not the European Council's role to initiate measures to be applied by the Management.

The Treasurer recalled that a Group such as Econocom, which boasts a European Staff Representation Body, should not discredit this entity, as this could blunt its effectiveness. Although mandatory, the Body does indeed serve a useful purpose. Approved pursuant to the memorandum, the funding method requires a payment into the Staff Representation Body's bank account. as soon as the **€4,000** threshold is reached.



The Secretary explained that the Members are actively involved in the Council operations and without any funding, the Staff Representation Body could not continue to exist.

The Management said how impossible it is to reach an agreement on the definition of what work is provided in the case of the European Body and it is better for Representatives to get involved with their Local Bodies.

The European Body is focused on the task of information-sharing once or twice a year. In this connection, the Management did not wish the Body to operate as a Local Body, organising one meeting every month.

The Management expects the Staff Representation Body to operate in one way, while the European Representatives are seeking other prerogatives.

Hence, the dialogue is necessarily flawed and hard-going. The Management wanted roles and prerogatives to be defined for each local and European body

The Treasurer pointed to the rules already applying to European Works Councils' prerogatives.

The Management considered that the current European Council has strayed a long way from the rules defined for European Staff Representation Bodies.

The Secretary recalled that the Body's operations are covered by a memorandum, approved by the parties, and it must be respected. The Secretary pointed out that Management wanted to change the rules without first observing the memorandum in force.

The Management said the current rules are nonetheless inappropriate.

The Secretary could understand the Management's wishes and readiness to amend agreements. Nevertheless, he regretted that the draft amendment featured eight points, all of which were disadvantageous to the Staff Representation Body.

The Management said these amendment issues had been discussed by the Bureau.

The Secretary noted that the Management is the driving force behind the plan to alter the Body's way of operating.

The Treasurer said the discussions about a fixed budget for the European Works Council's operations were virtually finalised, regretting that it could not be approved owing to the Group's present situation.

The Management spoke about the history of the relationship with the Staff Representation Body, stressing that exchanges used to be based on trust, until the case that led to the Belgian courts.

The Treasurer recalled that the case in question was based on a report reflecting an audit of the Staff Representation Body's accounts and that this document was never provided to the Employee Representatives Members. This report seemed to be incriminatory, while an alternative analysis could have been sought.

The Management recalled that the facts were tried by a Belgian court, which ruled against the Employee Representatives.



The Treasurer recalled that as the Belgian Works Councils' operating rules do not include any operating budget, the judgment issued about expenses incurred within the framework of the European Body was inevitably misunderstood by the Belgian judges.

The Management admits disagreements about the case but stressed the need to update the Staff Representation Body so it is consistent with the Company's different size.

The participants were also reminded that the Staff Representation Body's role is to exchange information with the Management so that Employee Representatives can circulate it at local level.

While the aim of the European Council is to deal with issues such as the prerogatives of a local Staff Representation Body, the Management acknowledges the need for resources, while saying it did not want the Staff Representation Body to make use of these types of prerogatives.

The Management agreed to pay the budget in order to comply with the Memorandum of Understanding but pointed to the inadequate operating procedures, saying discussions about this subject are set to open very soon.

The Treasurer stressed the need to convene all the Members with a view to opening these talks.

The Management recalled the background to the first discussions, particularly when the Management had wished to open a dialogue with all Members, who then championed the role of the Bureau whose mission was to carry out the preliminary negotiations.

The Management regretted losing about two years as a result of failing to bring this issue to a successful conclusion.

The Treasurer recalled that the Management follows line of command-type rules, facilitating the implementation of projects or the application of guidelines, while the Staff Representation Body is composed of individuals who are not guided by this line of command relationship, thus creating further obstacles to an agreement on the issues being negotiated.

The Management referred to the Bureau's role and its tasks, which needed to be redefined in order to improve the Staff Representation Body's operations.

The Management recalled the Metropolis agreement and the commitment some Members made on behalf of the European Works Council, thereby paving the way to the agreement on the need for this redefinition for the sake of ensuring the Staff Representation Body can operate more effectively.

The Secretary said the draft amendment proposed by the Management was unanimously rejected by the Members of the European Works Council. It is also recalled that all the items being proposed are disadvantageous to the Staff Representation Body.

The Management acknowledged the deep divisions and its aim of **terminating the agreements** governing the European Works Council's operations, while redefining the Staff Representation Body's prerogatives with all the Members.

The Treasurer recalled the background to the creation of the European Company Econocom, stressing that the Management was behind the initiative to make a simple "copy/paste" of existing agreements. This enabled the new Econocom European Works Council to be set up much more quickly in its "EC." version.



The Management repeated its intention of terminating the agreements governing the European Staff Representation Body's operations.

The Secretary stressed the need to honour existing agreements while new agreements were being hammered out.

The Management recognised the need to observe existing agreements during the talks seeking to finalise the new rules. For ten years, the relationship between the parties had been based on trust and the Management had allowed some acts of generosity towards this end.

The Management recalled the background to the Metropolis Agreement, which was not a legal instrument. Nevertheless, the Management accepts that the European Works Council made it possible to support the outsourcing initiative despite the fact that the memorandum governing the European Works Council's operations did not provide for these negotiating prerogatives.

The Secretary recalled that these discussions were the result of negotiations and compromises between the parties. Hence there were no "acts of generosity on the part of the Management. The Secretary called for improved relations and discussions for the benefit of all parties.

The Management confirmed that discussions would be held with all Members if the Bureau is not authorised to carry out these preliminary negotiations.

The Treasurer recalled the reasoning behind the accusations against the former European Works Council Treasurer.

He was accused of earmarking funding to pay for his passport to travel to Morocco, even though he took this step for the benefit of the European Staff Representation Body and in the framework of the Metropolis project. He was also accused of having paid for a full tank of petrol for a rental car that was booked for a workshop organised by the European Works Council.

The means of payment used was that of the Assistant Treasurer and not that of the Treasurer. Hence the decision seems completely inconsistent.

What is more, when a vehicle is rented it is generally cheaper to return it with a full tank of fuel than to let the rental agency charge a higher cost.

The decisions taken by the Belgian courts are absolutely outside the realm of anything that makes sense and incomprehensible.

The Secretary mentioned the case of **Martin Pores** who had been dismissed after being reimbursed for a fine (on the orders of the Secretary at the time, Mr Fabien Pierre) he incurred during a trip to Spain. This visit was made as part of a mission requested by the European Works Council and because **Martin Pores** was the only bilingual French/Spanish European Representative Member.

The Management recalled the purpose of holding talks and called for an effective change in the relationship that would improve the Staff Representation Body's operations and stressed the need for a compromise position to bring about a positive change in the discussions.

The Secretary wanted to know the Management's position on further discussions.



The Management confirmed its intention of terminating the agreements. Nevertheless, discussions must continue in a constructive manner. The decision to terminate the agreements has to be seen against the background of a plan to introduce a timetable that has not yet been set.

The Secretary said that starting the discussions 18 months earlier was a mistake because of the relationship difficulties between the Management and the Staff Representation Body. In the final analysis, they had little chance of success. The present body is now more stable and inevitably more likely to make a success of the organisational discussions.

The Management recalled that efforts are being made by all parties.

The Treasurer pointed out that the present operational approach was approved by Management long ago. Hence the Treasurer is keen to proceed gradually rather than in any drastic way to the detriment of the European body.

The Treasurer wanted to know what key aspect of the Staff Representation Body's mission the Management wanted to reconsider.

The Management said the key concern is the role and tasks of the European Works Council.

The Treasurer suggested drawing up a document outlining the areas of responsibility that Members wish to grant to the European Works Council and presenting it to the Management as a basis for discussions.

The Management is seeking talks with all the Members so as to avoid repeating what happened 18 months ago.

The Treasurer recalled that French is the official language of the Econocom Works Council so discussions with all European Members would require the use of interpreters.

The Treasurer wanted to know if the Management is prepared to release the budget payments.

The Management confirmed it would be releasing the budget payments.

The Secretary was keen to learn the Management's position on the Staff Representation Body's workshop this coming September, pointing out that a €40,000 budget would be needed to organise the event.

The Management considered a €40,000 budget a high price to pay to organise a workshop.

The Treasurer specified that this budget includes all the costs necessary for organising the event. Anything left over would be earmarked for the Staff Representation Body's operating budget.

The Secretary regretted the failure to provide any details about the departure of the previous Secretary. It was thought that the Management was duty-bound to notify the **Assistant Secretary** so that the Staff Representation Body could get organised.

The Management conceded that it would have been better to have offered some information but the **Chief Human Resources Officer** had to contend with a heavy workload and as he thought the previous Secretary was still in touch with the Staff Representation Body did not see the need to provide details about the Secretary's departure.



The Secretary pointed out that as his departure was such a surprise to all the Members, the Secretary's dismissal should inevitably have required some form of announcement, especially for the Bureau Members.

The Management stressed that this was not really a dismissal.

The **Secretary** wanted to know if this was a negotiated departure.

The **Management** explained that it was a mutually agreed termination.

The Chief Human Resources Officer said that it is better to contact him on his mobile phone, rather than send e-mails, preferably in the morning or late afternoon.

The Secretary wanted to know if the Chief Human Resources Officer is the intermediary for getting in touch with the Management.

The Manage spoke about finding it difficult to reply to all the messages received, so has to prioritise his answers.

The Treasurer wanted to know what time frame is envisaged for the next staff elections.

The Chief Human Resources Officer referred to the appointment scheduled during the day for negotiations about the next single Company Labour Committee (**CLC**) and that some proposals from the Employee Representatives had been accepted.

10:45 – End of the meeting

For The Bureau,

David MUNGO

Secretary of the **EWC**

European **W**orks **C**ouncil

Econocom Group