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Russia: Multinationals still paying staff



[According to a report in the *Financial Times*](#) multinational companies continue to pay almost 200,000 employees based in Russia despite pledges to suspend or end activities in the country, raising fears of mass sackings or nationalisations. The *FT* says that the 200,000 may be an underestimation as a number of companies have not reported what they are doing.

The *FT*'s analysis comes in the wake of Moscow Mayor Sergei Sobyenin saying that around 200,000 employees of foreign companies in Moscow could lose their jobs due to sanctions following Russia's attack on Ukraine. In a blog post he said that authorities had last week approved a \$41m program to support employment in the Russian capital. *"First of all, the program is aimed at employees of foreign companies that have temporarily suspended their operations or decided to leave Russia,"* Sobyenin said.

Hundreds of mainly Western companies have announced the suspension of their activities or their departure from Russia after President Vladimir Putin invaded Ukraine. Sobyenin said the newly approved program was expected to support more than 58,000 people who have lost their jobs. Around 12,500 of them will undergo retraining, he added.

Unions: O'Grady to retire as TUC general secretary

Frances O'Grady will retire as general secretary of the UK's Trades Union Congress at the end of the year, after a ten-year stint as the first woman to lead the UK's union movement. The 62-year-old, who began her career campaigning for a national minimum wage and on behalf of part-time workers, succeeded Brendan

Barber in 2013 after serving as his deputy for the previous 10 years — a period in which she led on industrial policy in the aftermath of the financial crisis.



While union membership has stabilised during O’Grady’s tenure, it is increasingly made up of public sector workers, with membership in the private sector at its lowest level since 1995. There are few signs that unions are heading for a dramatic revival anytime soon, even as workers are faced with declining real wages and the emergence of the gig economy with its emphasis on self-employment.

Whoever O’Grady’s successor may be, he or she will also have to contend with the fact that UK workers will be cut off from developments in EU employment law because of Brexit. The EU is currently considering laws on: the employment status of platform workers; an adequate minimum wage and collective bargaining coverage; gender pay transparency; and supply chain due diligence. None of these will apply in the UK and the current government shows no appetite for introducing any employment laws of its own, even in the wake of the P&O debacle. What approach a future Labour government would take remains to be seen.

UK representatives are also being increasingly excluded from European Works Councils and even where they still sit on EWCs they are finding that employers are reluctant to discuss developments in the UK as they fall outside the scope of EU law thereby creating unnecessary complications, especially in “exceptional circumstances”.

The successor to O’Grady will have a tough job on their hands trying to guide the union movement in post-Brexit Britain.

Future Work I: The BNP Paribas agreement



On April 6, BNP Paribas signed a framework agreement on telework with its European Works Council, UNI Europe, and FECEC (European Federation of Credit Institution Executives). The agreement applies to the 22 EU countries within the scope of the EWC and covers 132,000 employees. The agreement focuses on 3 main issues: employee work-life balance; BNP’s ongoing push to digitalise and modernise workspaces and work organisations and, the prevention of psychosocial risks related to telework.

You can download the agreement, in English, [here](#)

Future Work II: Two days a week in the office is the “sweet spot”



As the professional services firm, Deloitte, sharply cuts back its London office space in one of the biggest such moves since Covid triggered a shift to hybrid working, new research from the Harvard Business School (HBS) suggests that one or two days in the office is the ideal setup for hybrid work.

The HBS study is based on an experiment in 2020 where 130 administrative workers were randomly assigned to one of three groups over nine weeks. The authors of the study saw such an arrangement as providing workers with the flexibility they want without the isolation of fully remote work.

The paper, co-authored by Harvard associate professor [Prithwiraj Choudhury](#) said: “Intermediate [i.e. a day or two per week] hybrid work is plausibly the sweet spot, where workers enjoy flexibility and yet are not as isolated compared to peers who are predominantly working from home... Intermediate hybrid might offer the best of both worlds”. It also said that “Our results consistently suggest that intermediate levels of WFH may result in both enhanced novelty of work products and greater work-related communication.”

[Bloomberg](#) observes that the study is a rarity because it examines actual hybrid worker outcomes rather than just their preferences. Deloitte will leave a building at its New Street Square complex next month, taking to almost 250,000 sq. ft the amount of office space it has given up in the British capital in the past year. According to the *Financial Times*, a recent internal Deloitte survey found that most staff wanted to come into the office no more than two days a week. Last year the firm told employees to decide for themselves how often they worked from home.

“We are constantly reviewing our office space requirements to reflect changes to our ways of working and our sustainability objectives,” said Stephen Griggs, Deloitte’s UK managing partner, adding that the firm would continue to make investments in its offices across the UK. Deloitte has extended the leases on the two largest buildings in its New Street Square campus until 2036.

As we reported in last week’s newsletter, the move to hybrid work is creating headaches for big cities, such as New York, which are highly dependent on daily commuting to fill office space and support a myriad of small businesses, such as coffee shops, dry-cleaners and hairdressers. However, the move to hybrid work would now appear to be irreversible, as the Deloitte move makes clear, as does the BNP Paribas agreement reported on elsewhere in this newsletter.

Meanwhile, It would seem that UK government ministers [believe](#) that daily commuting and having everyone in the office is the only way that things can work. In this, they are clearly out of step with many major corporations that have decided otherwise. No wonder the minister concerned, Jacob Rees-Mogg, is widely known as the Minister for the 18th Century. He probably also expects civil servants to use quill pens rather than new-fangled computers.



Brexit: New visa routes into the UK



New Immigration Rules were set out by the government to the UK parliament last month, spelling out the details of the new Scale-up and High Potential Individual visa routes due to be launched later this year. [Andrew Osborne and his colleagues at Lewis Silkin LLP](#) take a look at these from the perspective of employers [here](#).

Andrew says that the proposed changes include a number of developments expected to be helpful for businesses seeking to facilitate knowledge transfer within an international group, to set up or expand a business in the UK, or to access a bigger pool of skilled talent from abroad.

Those of you who live in the UK and who have been in the habit of taking your dog, cat, or ferret on holiday with you to France will now have to pay around €180 each time. The EU no longer recognises UK “pet passports”, even if they were issued before Brexit. If you want to bring your pet on holiday with you, you will need a “Animal Health Certificate” which will cost €180 and is only valid for 4 months. Expect people to turn up at UK ports this summer with their pet on board, only to be told that they cannot bring it with them as they do not have valid travel papers.



European Court: Unions challenge SAP over codetermination



On April 28 next, an Advocate General of the European Court (CJEU) will deliver an opinion in an important case touching on co-determination rights. In Germany, co-determination rights give employees' representatives and external trade unions seats on company boards, though the chair of the board is always employer appointed, so assuring an employer majority at all times.

Can a company escape such co-determination rights by transforming from a national public limited company into a European company, a *Societas Europaea* (SE)? This is what appears to have taken place at the software company SAP, which in 2014 converted from a public limited company under German law into an SE, as provided for under a 2001 European Union [Regulation](#). German and Luxembourg trade unions are challenging the accompanying limitation of co-determination rights at the Court of Justice of the EU.

The SE Regulation says that when a company moves from national to SE status it must safeguard previous co-determination rights. The transforming company must set up a Special Negotiating Body (SNB) of employees' representatives to agree with management the terms of future co-determination. For example, a company moving from German status to SE status will have to provide for employees' representatives on its board from countries other than Germany and the modalities of this will have to be negotiated.

It appears that the SNB in SAP agreed with management to abolish the seats reserved for German trade unions on the board. This is what the unions are challenging, arguing that Regulation protects their right to board seats and that the agreement reached between the management and the SNB breaches this requirement.

Read what the unions have to say about the case [here](#).

Unions: When brothers and sisters fall out



Tom Hayes writes: I have been writing about European trade unions and labour relations for close on thirty years. I know that when unions disagree with one another, as they frequently do, they resolve their differences behind closed doors. They rarely wash their dirty laundry in public.

Not this time. UNI Global has been accused by EPSU, the European public services unions federation, of doing a "union-washing" and "back-stabbing" [deal](#) with the French retirement and social care company, [ORPEA](#), which is accused by French government agencies of mismanagement and abuse of public funds, among other charges.

EPSU in a [statement](#) on its website pulls no punches. It puts it bluntly:

The global trade union federation UNI GLOBAL issued a press release announcing the signing of a global framework agreement with the French multinational ORPEA on Friday, 8 April. This agreement lacks legitimacy.

EPSU says it cannot understand how UNI can make a deal with a company "without a proper mandate from the unions concerned and without the involvement of the representative unions from the company's own country."

Jan Willem Goudriaan, EPSU General Secretary says:

“This agreement impacts many unions and the workers they represent in ORPEA - but without their active involvement or consent. This is unacceptable.” He continues, “ORPEA has over 24,000 workers in France, most of whom have learned of this agreement through the press.”

EPSU says that the agreement was negotiated “without the knowledge of CGT, CFDT and FO, the representative French trade unions ... These are the trade union federations representative in ORPEA who can sign the sectoral collective agreement. Other representative unions in Belgium, Germany, Italy and Spain were not involved either.”



For her part, Christy Hoffman, UNI general secretary, says that her federation has “unions representing workers in more than half of the countries where ORPEA operates, even though the EPSU has more members than we do in Europe.” She adds: “It should be remembered that the aim of a global agreement on this issue is to enable employees to organise and develop the presence of trade unions in countries – such as in Latin America and Eastern Europe – where there is not yet robust labour legislation. This is where we get the most positive feedback on the agreement.”

In other words, the deal is being well received in countries where UNI has few or no members. Just not in countries where the unions are well represented. ORPEA has been mired in controversy following the publication of a book entitled *Les Fossoyeurs* (“The Gravediggers”) by Victor Castanet (2022, Fayard), who investigated the nursing home operator’s practices in France.



Since the publication of the book ORPEA’s market capitalisation has declined by almost half, and the former CEO was fired. A report, conducted jointly by France’s general inspectorate of social affairs (IGAS) and its general inspectorate of finance (IGF) resulted in a complaint against the company for “failure to monitor the accounting of surpluses on public funding”. It also found that 52% of residents in the group’s establishments were in a situation of moderate to severe malnutrition.

ORPEA has also been involved in court battles with the French unions.

Does the UNI deal with ORPEA not remind you of that country just south of the US border when unions with no members rock up and sign deals to the detriment of representative unions? The name of the country escapes me, however.

Online Community: Available for BEERG + HR Policy Global members



Members can now access the BEERG newsletter archive as well as accessing the HR Policy Global community of current online discussions: – [available here](#). Click on “My Communities” on the menu, then navigate to HR Policy Global. Recently posted topics include: [Global Benefit Administrative Solutions](#) - [Psychological Safety Training](#)

[You can download the HRPA iPad/iPhone app here](#). It allows all members to network and engage with each other and HR Policy Global staff in a single and easy to access location available across all time zones. If you need help accessing the forum, please contact [Henry Eickelberg](#).

THE BEERG AGENDA:

Best Practices in Diversity and Inclusion Disclosures

Webinar: April 28 at 11am (EST)

HR Policy is holding a Best Practice Guide on Diversity and Inclusion Disclosures, featuring member CHROs on their companies' approaches to demographic and diversity reporting.

[Book Webinar](#)

BEERG Webinar: France's New Whistleblowing Law

Webinar: May 5 @ 1700 CET

In partnership with Flichy Grangé Avocats, BEERG/HR Policy Global is hosting a webinar on the new French Whistleblowing Law. The new law will substantially impact the way HR grievances in France are managed.

[Book Webinar](#)

BEERG/CMS Labor Relations Workshop

CMS office in Frankfurt, May 25 @ 1000H

The rescheduled annual CMS/BEERG Global Labor Relations Seminar is on Wed, May 25th from 10am to 4pm, at the CMS office at Neue Mainzer Str. Frankfurt. Email Tom for details.

[EMAIL Tom Hayes](#)

BEERG Members' Annual Network Summit

Hotel Estela, Sitges Spain: Jun 15 – 17

Our June Summit will have 4 working sessions:

- on EU Employment and Labour Law Legal Landscape,
- Disrupting the Disruptors: A Company Case Study,
- From the Fax to the Cloud - From Working 9 to 5 to Timeless Work and
- Political Perspectives: Europe: Ukraine/Russia; post-election France; A US view

The full agenda, with the list of guest speakers, is now available [online](#)

[Book June meeting](#)

Executive Training: Fundamentals of Global LR

Webinar June 28 – 30

This course of three sessions, over three days, explores the strategic mindset and thought process of a successful global labor relations executive. This course is not an introduction to LR principles, it examines the strategic awareness needed to lead global labor relations.

[Book June Webinar](#)

*BEERG/HR Policy Global Members can self-register online for these events via the links supplied. Members who get the "No Tickets Available for Purchase" message online should contact [Derek](#).

BEERG Dates for your Diary:

| Date | Event | Booking Links | Venue |
|--------------|---|-----------------------------------|--|
| April 28 | HR Policy Best Practice Guide on Diversity and Inclusion Disclosures | Book Webinar | Webinar on Zoom |
| May 5 | BEERG Webinar: in partnership with Flichy Grangé: France's New Whistleblowing Law | Book Webinar | Webinar on Zoom |
| May 25 | BEERG/CMS Labor Relations Workshop | Email for Info | CMS, Neue Mainzer Str. 2-4, 60311 Frankfurt, Germany |
| Jun 15 – 17 | BEERG Members' Annual Network Summit | Book June Summit | Sitges/Barcelona, Spain |
| June 28 – 30 | BEERG Training: Fundamentals of Global Labor Relations: A Training Program for HR Executives | Book June Webinar | Webinar on Zoom |
| Sept 29/30 | BEERG Members' Network Meeting | Book Sept Meeting | Brussels, Belgium |
| Oct 18 - 21 | BEERG Training: "Managing European Employee Relations in Post-Covid Times" | | Sitges/Barcelona, Spain |