

EUROPEAN COMMISSION

Attn. Mrs Marianne THYSSEN Commissioner for Employment, Social Affairs, Skills and Labour Mobility Email: cab-thyssen@ec.europa.eu

Re: Company law package

Dear Commissioner Thyssen,

The European Commission very recently published its company law package which facilitates transfer of seats, mergers and division of companies in the single market. In the view of the ETUC, two elements, among others, are of particular importance. In the new Directive on company law the Commission should do everything in its power to end the establishment of so-called letter-box companies, and at the same time we ask the Commission to improve information, consultation and workers' representation rights. The ETUC has asked for a horizontal EU framework on information, consultation and board-level representation rights to be adopted in parallel. Unfortunately, so far, the Commission has not responded to our request and regrettably the Social Pillar did not deliver anything in this respect.

In the case of the Commission's proposal for the company law package we are confronted with a situation where the different national rules for the transfer of company seats, mergers and divisions are regulated at **European** level, but there is no similar requirement for workers' representation. The different **national** rules on information, consultation and board-level representation rights are not strengthened or complemented by a European-level framework. The Commission proposal offers only the temporary 'survival' of existing national regulations. This is clearly insufficient. Substantially strengthening workers' participation rights at European level would be a visible sign that the Commission is determined to work for a more social and a more democratic Europe. I am writing to you because I am convinced that your support as Commissioner for social affairs would substantially improve the unbalanced company law package. This opportunity must not be missed by you and your Commissioner colleagues.

The ETUC is working actively from now until the EP elections on a strategy for 'More Democracy at Work'. One element of this campaign is a 'European Appeal' for more democracy at work. You will find the Appeal annexed to this letter. As you can see, it has massive support not only from trade unions, but also politicians, the 'academic world' and various stakeholders: 420 signatures from 30 countries, 60 MEPs, 40 Trade union General Secretaries, 250 academics. It is published by several newspapers.

Please consider this European Appeal as an encouragement to act and to support 'More Democracy at Work'. More Democracy is an antidote to populist and right-wing movements which are unfortunately gaining ground in many European Union Member States. Let us take a significant step towards More Democracy at Work. The ETUC has made important contributions to this debate (such as: <u>https://www.etuc.org/documents/etuc-resolution-strategy-more-democracy-work-0#</u> and in particular <u>https://www.etuc.org/documents/etuc-position-paper-orientation-new-eu-framework-information-consultation-and-board-level#).</u>

It goes without saying that I am at your disposal for further discussion.

Yours sincerely,

Peter Stomer

Peter Scherrer, Deputy General Secretary

Annexes: European Appeal + Article of Newspaper "Le Monde"

CC: Mr Jean-Claude Juncker, President of the European Commission president.juncker@ec.europa.eu