

Littler Lightbulb: Highlighting Recent Developments Across Europe



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[Our European practice](#), spread across 13 offices in the region's most robust economies, can provide a single point of contact for clients' global labor and employment needs. Here we highlight significant labor and employment issues in seven European countries.

- **Belgium:** Every four years, employees at Belgian companies with 50 or more employees hold social elections for company representatives to serve on health and safety councils. If the company has 100 or more employees, employees also select members to participate in works councils, which consult on business decisions and how they affect working conditions. Companies have been preparing for the upcoming social elections period in May 2020, by determining whether they meet the 50- or 100-employee thresholds. Employers should also carefully consider their choice of management delegates to participate in these bodies and may also wish to encourage reasonable, reliable employees to run in the elections. Interestingly, during the 2020 elections, employees now may vote electronically from their workstations.
- **France:** Last year France enacted the Professional Future Act to combat the lingering pay gap between men and women. Among other provisions, the law requires companies to report on sex-based pay differentials, based on the average pay of each group and organized by age and job category. On March 1, 2020, French companies with between 50 to 250 employees must publish the results of salary data gathered from the previous 12 months. This equal pay index must also include what percentage of employees received a pay raise during the year after returning from maternity leave, and the difference in salary increases for women versus men. The indexed results of the pay and leadership gap must be published on the company's website. Failure to do so could result in penalties up to 1% of the annual payroll amount for the preceding calendar year.
- **Germany:** European employers are facing stricter enforcement of the requirement that employees carry an A1 certificate for each work trip taken across a state boundary. The A1 certificate is a social security document that verifies employees temporarily working in a different European Economic Area (EEA) remain covered by the social security system of their home country. Employers typically must request this certificate in electronic format for each trip an employee takes to another EEA, even if the work will last only a few hours. Paper forms are available only for employees who regularly work in more than one EEA. As noted in our [recent article](#), European authorities have been auditing companies for noncompliance, which can result in fines of up to 10,000 euros (approximately \$10,950).
- **Italy:** The Italian National Office of Labor Inspections (INL) recently announced plans to intensify its oversight of fixed-term employment contracts. Italy's "Dignity Decree" was amended in August 2018 to discourage employers from using fixed-term contracts. The decree reduces the maximum period for fixed-term contract extensions and renewals to 24 months total and requires employers to justify any renewals to an employment agreement lasting over 12 months. It also increased social security fees for employers each time they renew a contract. Italy recognized a need to better enforce these limits, and the INL published its planning document for supervisory actions in April 2019.



- **Netherlands:** A [Dutch court recently found](#) that companies are not obligated to consult the European Works Council (EWC), *before* their country's works council, during a reorganization. The case involved a Spanish aluminum processing company's decision to dismiss 700 employees in a planned closure of two plants. The EWC raised a claim against the employer after the company initially consulted Spanish works councils about the dismissals. The EWC charged that the company should have consulted it first on the matter. The Rotterdam court found that the EWC was entitled to consultation about the reorganization because of its cross-border repercussions; the closures might affect companies in other Member States. But the court also concluded that the employer was not required to go to the EWC first because no agreement or legal directive set out any specific order for such consultations.
- **Norway:** The provisions concerning whistleblowers in the workplace have been amended in Norway. The amendments clarify the personnel who are covered under the provisions, the definition of "censurable conditions," and how an employee can notify responsibly. They also explain the employer's duty to act upon notification, as well as the internal procedures most employers must institute. Further, the amendments update under what circumstances employees can collect compensation for economic and non-economic damages. The amendments take effect on January 1, 2020.
- **United Kingdom:** While the political drama continues, and the October 31 deadline for the United Kingdom (UK) to leave the European Union (EU) looms, businesses worry that resulting work authorization difficulties will drag down their workers' mobility. Specifically, UK-based businesses are concerned about whether certain employees (such as non-Irish EU nationals) will be able to continue to work in the UK without a visa. Littler detailed these complexities in a [recent article](#), and created [this chart](#) summarizing the work authorization policies likely to apply, whether or not there is a deal when the UK parts ways with the EU.

We will continue to monitor these issues and other events as they impact employers around the world. Readers interested in critical labor and employment developments in Europe may wish to consider attending our inaugural [European Employer Conference](#) in London on November 14, 2019.