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EUROPEAN WORKS COUNCILS

Annexe(s):

- Lessons learned on European Works Councils

Memo on the final draft of "Lessons learned on European Works Councils"

On 23 June 2004 the Social Dialogue Committee (SDC) decided to organise two seminars on the enlargement of European Works Councils (EWCs) as part of the social partners' work programme.

The aim of these seminars was to analyse practical case studies of European Works Councils and other procedures for informing and consulting workers in 'Community-scale undertakings' and to draw lessons from the cases examined.

Two seminars were organised (on 23 and 24 September and on 27 and 28 October 2004), covering nine multinationals (Fortis, Lafarge, EDF, Ericsson, Carrefour, Unilever, Henkel, GKN and EDS). See the annex for a description of these case studies.

After these seminars, at its meeting in November (22/11/2004), the Social Dialogue Committee decided to appoint a drafting group to draw lessons from the case studies examined.

The proposed final draft is the result of the work done by this group.

We believe that some of the points covered in the final draft are of interest, whereas others remain somewhat unclear and/or ambiguous.

METHOD

The drafting group decided to focus solely on the lessons to be learned from the examined case studies and from the actual experiences reported on at the seminars. The group therefore simply made observations without elaborating or adding comments or opinions on the more general aspects of the activity or role of EWCs.

The lessons learned derive from these case studies, which represent just a limited sample of the activities and experiences of more than 700 existing EWCs. As a result, the picture that emerges is very limited and only incomplete.

THE MOST INTERESTING POINTS IN THE FINAL DRAFT

Some points and considerations in the text are of particular interest bearing in mind the contents of the resolution adopted by the Executive Committee in December 2003.

For example, the introduction points out that employers recognise the positive role played by EWCs.

The first observation is that EWCs are useful instruments for improving the flow of information between employees and managers, for enabling consultations to take place on transnational issues that may affect a group, for facilitating and - if necessary - preventing changes and limiting their social impact.

All the cases examined confirmed that developing a climate of mutual trust is important if an EWC is to work well, but the document also stresses that transparent procedures are a prerequisite for such trust. In other words, it is recognised that detailed rules governing the contents and relevance of information are required; that the appropriate time for passing on information to EWCs needs to be clearly defined; and that it is useful for management to communicate this information to EWCs as early as possible so that the search for solutions can begin.

The document highlights the potentially positive consequences of setting up select steering committees in a bid to improve the organisation of information and consultation on specific issues and to allow more continuous relations to be kept up between workers' representatives and the management.

Another interesting point concerns recognition of the need to invest in effective language and technical training programmes to improve EWC representatives' ability to understand and analyse the often complex information they receive. At the same time the document acknowledges the benefits of assistance provided by experts who can help EWCs to analyse and discuss a group's strategy and formulate proposals.

Point 4 highlights the key role played by European sectoral federations both as signatories and/or co-signatories of agreements to establish EWCs with a view to facilitating the synthesis of different cultures in EWCs representing several countries and assisting EWCs during negotiations. This point is particularly important, since the current directive does not formally recognise the role of trade unions.

MISCELLANEOUS POINTS

At the same time, the document also contains points that are ambiguous and/or less clear, especially regarding union aims and proposals.

We have noticed an exaggerated emphasis on the role that EWCs can play in building a 'corporate culture', which clearly is a little more than simply invoking a feeling of belonging based on individual autonomy.

A pragmatic and/or informal approach is often referred to as a positive way of doing things. We are well aware that in some cases informal relations can play a positive role, but at the end of the day the crucial aspect entails respecting legislation and complying with existing regulations.

It was not possible to go further and make detailed comments about the characteristics of the activity of the multinationals also operating in new

Member States. On this point, the document really does no more than provide a snapshot. We know full well that to boost the presence of workers' representatives in groups that are setting up plants in the new Member States, trade union activity needs to be better organised and coordinated at all levels and thereby bolster the realisation that representatives are synonymous with trade union affiliation.

Having said that, we must not lose sight of the fact that several groups are trying to influence the process of identifying workers' representatives in a bid to weaken trade union presence, rather than strengthen it.

THE LACK OF CONCLUSION

The document has an introduction but no conclusion. The other apparent inconsistency is that the seminars are deemed useful, but no follow-up is planned.

The reason for this is the inflexible stance maintained by UNICE and the entire employers' delegation, according to which the organisation of further seminars presupposes recognition of the fact that the current directive has not exploited all potential openings.

If the ETUC delegation had gone along with this, it would have seriously undermined our calls for the directive to be revised.

The ETUC delegation stressed the advantages of organising further seminars specifically aimed at examining how EWCs work and looking at the practical problems they face.

We suggested organising a future seminar specifically on the new Member States.

However, we refused to combine the issue of seminar-related activity with that of the legislative level.

These are two distinct issues that must remain separate, for seminars can provide useful information about the practical functioning of EWCs or provide examples of good practice, whereas legislation and the revision of the directive would effectively establish universal rights for all workers.

Without a conclusion or follow up, the document merely represents an exercise restricted to the nine case studies examined during the two seminars.

However, the lessons learned represent a useful framework for discussing the practical function of EWCs and could provide some inspiration for the European Commission when it presents its proposals for revising the directive. Moreover, conclusions drawn jointly by the social partners may be used by these partners during discussions focusing on the renegotiation of current agreements or negotiations aimed at setting up new EWCs.