

# Industrial relations, social dialogue and workers' participation in Europe

Romuald Jagodziński  
[rjagodzinski@etui.org](mailto:rjagodzinski@etui.org)

European Trade Union Institute  
[www.etui.org](http://www.etui.org)

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**etui.**

# Overview of the presentation

1. Introduction: the European Trade Union Institute
2. Part I. A 'macro' picture
  - industrial relations systems in Europe
  - unions, political parties and social dialogue in Europe
3. Part II. Workers' involvement at the plant/company level
  - Workers' participation rights and structures across Europe
  - ETUI resources on industrial relations and employee participation

# the European Trade Union Institute



**« to support, reinforce and stimulate the European Trade Union movement »**

- Established in 2005 through a merger of ETUI, Education and H&S institutes
- Independent research and training centre (vs. Think tank)
- Cooperation with universities, networks, unions & stakeholders
- Multiple audiences
- EU financed

# Output: Publications

## Books



## Working papers



## Reports



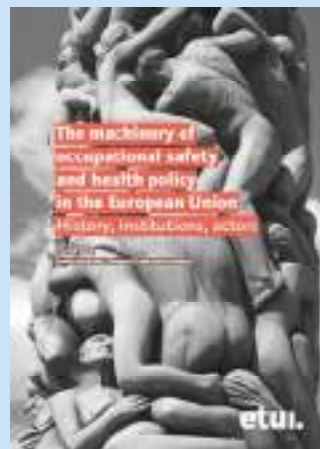
## Websites

[www.etui.org](http://www.etui.org)  
[www.ewcdb.eu](http://www.ewcdb.eu)  
[www.worker-participation.eu](http://www.worker-participation.eu)  
[www.labourline.org](http://www.labourline.org)  
[www.ecdb.worker-participation.eu](http://www.ecdb.worker-participation.eu)  
[www.esddb.eu](http://www.esddb.eu)  
[www.ewc-training.eu](http://www.ewc-training.eu)

## Policy briefs



## Guides



## Background analysis



## Infographics



## Output: Events

### **Monthly Forums, Lunch Debates & Foresight debates**

- Organised by the ETUI in Brussels
- Bring together academics, practitioners and policy-makers over themes the ETUI is working on
- Monthly events attended by +/- 50 participants

# Thematic conferences



ETUI-ETUC  
Conference  
27-29 June  
2016  
Hotel Thon Europe  
1040 Brussels,  
Belgium

Shaping  
the new world  
of work  
The impacts of  
digitalisation  
and robotisation



- 3-day conference
- More than 500 participants
- 150 speakers
- 7 plenaries and 24 panels



# Output: Web sites

Etui.org

The screenshot shows the homepage of the European Trade Union Institute (ETUI). The header features the ETUI logo and navigation links: 'etui web sites', 'Contact', 'Job vacancies', 'Call for tenders', 'Sitemap', and 'EN | FR'. Below the header is a secondary navigation bar with links: 'About Etui', 'Topics', 'Publications', 'Training', 'Services', 'Networks', 'News', 'Risk', 'Events', 'Media', and 'Newsletter'. The main content area is divided into several sections:

- HIGHLIGHTS:** A list of key topics including 'How to avert the risk of deflation in Europe: rethinking the policy mix and European economic governance', 'Towards a social-ecological transition. Solidarity in the age of environmental challenge', 'Foreign investment in eastern and southern Europe after 2008. Still a lever of growth?', 'The "variable geometry" approach to "better legislation"', 'Variations on a theme? The implementation of the EWC Recast Directive', 'European Works Councils and SE Works Councils in 2015. Facts and figures', 'Board Level Employee Representation in Europe', and 'The EU Programme EaSI - Employment and Social Innovation'.
- PUBLICATION:** A featured article titled 'Growth Theodosisopoulos (2/2015)' with a thumbnail image and a brief description: 'This policy brief discusses the risks of deflation for the European economy. It critically evaluates the European economic governance for not having averted the risk...'
- VIDEO OF THE DAY:** A video player showing 'The European Trade Union Institute (ETUI)' with a 'More videos' button.
- EDUCATION:** A section for 'Publication Course Programme 2015-2016' with a 'More info' button.

At the bottom, there are sections for 'NEWS' and 'PUPUPUP'.

# Output: Web sites

## Worker participation.eu

The screenshot shows the homepage of worker-participation.eu. At the top, there is a navigation bar with language options (EN, FR, DE, ES, PT, IT, NL, PL, SK, SL, EL, BG, RO, HU, CS, DA, SE, NO, FI, SV, IS, LU, MT, CY, EL, EN, FR, DE, ES, PT, IT, NL, PL, SK, SL, EL, BG, RO, HU, CS, DA, SE, NO, FI, SV, IS, LU, MT, CY) and a search box. The main header features the website's logo and tagline: "worker-participation.eu the gateway to information on worker participation issues in europe". Below this is a horizontal menu with categories: "About WP", "National Industrial Relations", "European Works Councils", "European Company (SE)", "Company Law and CG", "EU Framework for I-C-P", and "EU Social Dialogue".

The main content area is titled "Welcome to worker-participation.eu" and contains a featured article: "Statutory worker involvement in company decision-making strengthens a democratic, social and competitive Europe". The article text states: "worker-participation.eu gives you access to what is happening at European level in the field of workers' rights to information, consultation and participation and provides you with information on the national background to industrial relations in the EU member states."

Below the article is a "What's new?" section with a list of updates:

- Map and table: Board-level representation in the European Economic Area
- Update: Arbeitnehmervertretung in Europa (deutsche Fassung)
- Mise à jour: La représentation des travailleurs en Europe (traduction française)
- Updated collections of national industrial relations laws
- New country reports: Health and safety representation of workers in Europe

At the bottom of the main content area, there is a statement: "The ETUI is financially supported by the European Union." and "The launching of the website was financially supported by the Hans Böckler Foundation."

On the right side of the page, there is a "Further ETUI Resources:" section with several links and logos:

- ewcdb.worker-participation.eu: European Company (SE) Database
- SEEurope: SE Research network
- www.ewcdb.eu: European Works Council Database
- News Bulletin worker-participation.eu: Newsletter on Worker Participation
- labourline: Documentation Centre

A left-hand sidebar menu titled "About WP" contains the following links:

- What's new?
- About the website
- Why Worker Participation?
- European WF Competence Centre
- European Participation Index (EPI)
- Scenarios WP2020
- Publications
- Links
- Legal texts



# New EWC training website

[www.ewctraining.eu](http://www.ewctraining.eu)



The screenshot shows the homepage of the ewc training website. The header features the 'ewc training' logo and the ETUI logo, with the tagline 'tailor-made training for your EWC, SE works council and SNB'. A navigation menu includes 'training offers', 'right to training', 'what's new', 'about us', and 'contact us'. A search bar is also present. The main content area features a large banner with German text: '01 Effiziente und erfolgreiche Sitzungen' and '02 Organisierte Kommunikation'. Below the banner, a text block states: 'The ETUI's education department offers tailor-made training for European Works Councils, Special Negotiation Bodies (SNB), and SE Works Councils.' Two columns of content follow: 'Full service seminars' with an image of a seminar and text describing full logistical support, and 'On-site seminars' with an image of people in a meeting and text about training in connection with their work. On the right, there are sections for 'Latest EWC resources', 'News' (including a link to a new book on EWC Recast Directive), and 'Publications' (with a book cover image).

# The Documentation Centre

The screenshot displays the Labourline website, which is the on-line catalogue of the etui documentation centre. The page features a navigation bar with 'Home' and 'Login' links. A search bar is located at the top left, with a 'Quick search' section and an 'OK' button. Below the search bar, there are sections for 'Search' (Basic Search, Guided Search), 'New acquisitions' (Articles, e-Articles, Books, e-Books, Book chapters), 'Periodicals' (Issues received in December 2015, January - November 2015, Archives 2014, 2013), 'About' (ETUI documentation centre, Collections, Practical information, Ask a documentalist), and 'Network membership' (Europe Direct, French ERDF - ERDF).

The main content area is titled 'Labourline' and includes a description: 'Labourline is the on-line catalogue of the documentation centre of the European Trade Union Institute - ETUI. Labourline contains more than 66,000 references in both printed and electronic format related to the world of labour.' A 'Special topic: DIGITALISATION' section highlights a new page on the website providing a selective list of resources available at the Documentation Centre on this topic, with a 'Read more' link.

The 'New books' section displays a grid of book covers, including 'LE TEMPS DES RÉVOLTES', 'Why Are We Waiting?', 'Race Against The Machine', and 'LA TERRE PLURIMA'.

The right sidebar contains a 'Topics' section with a list of categories: EU institutional development, Economic trends & policies, Health & safety, Labour market, employment & social policy, Social dialogue and collective bargaining, Sustainable development, Trade union renewal and revitalisation, and Workers participation. Below this is a 'Special features' section with links to 'Ruffi (Regulatory Fitness and Performance Programme)' and 'Digitalisation and the future of work'.

# Social media



ETUI\_org  
Company ETUI  
[www.slideshare.net/ETUI](http://www.slideshare.net/ETUI)



etuivideos

[www.issuu.com/etui.org](http://www.issuu.com/etui.org)



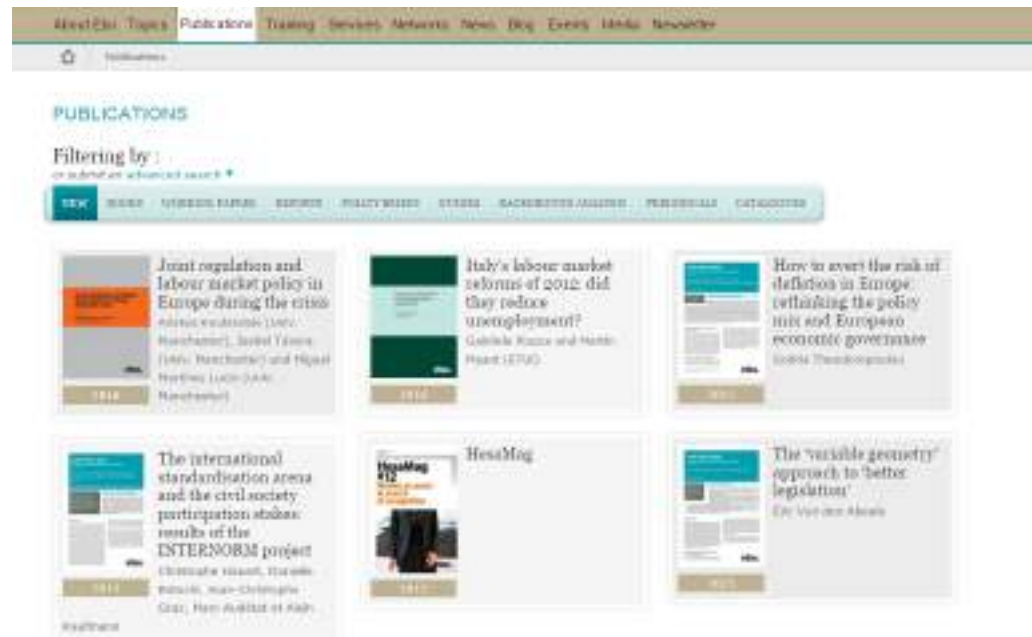
[https://medium.com/@ETUI\\_org](https://medium.com/@ETUI_org)



ETUIBrussels

# Where to find our publications?

[www.etui.org/publications2](http://www.etui.org/publications2)



- [ResearchGate](#)
- [Academia](#)
- [Social Science Research Network](#)
- [REPEC](#)

## Education and training



[www.etui.org/Training](http://www.etui.org/Training)

- Courses for trade union officials on topical subjects, in Brussels and Member States
- Annual programme – Pedagogical committee
- Annual event: EduDays

## Networks

- GoodCorp - the research network on Corporate Governance
- Trade Union related Research Institutes (TURI)
- Workers' Participation Europe (WPEurope) - the research network on WP and IR in Europe
- The Transnational Trade Union Rights Experts Network (TTUR)
- Netlex – the ETUC network of trade union legal experts
- Network on psychosocial risks
- Workers' Interest Group of the Advisory Committee for Safety and Health at Work (of the EU Commission)

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## Post-war 'European Social Model'

- set of values, norms and policy instruments constituting a uniquely European approach to the socioeconomic policy-making
- core elements: basic universal social security systems, collective bargaining institutions and structures of socioeconomic interests' representation (Ferrera et al., 2001)
- combining economic efficiency with social cohesion (Vobruba, 2001)



## Main pillars of industrial relations systems in Europe (Visser, 2008)

1. relatively strong trade unions
2. a degree of solidarity in wage setting thanks to collective bargaining coordination
3. worker participation structures at the plant-level
4. social partners' involvement in policy-making

BUT

considerable variety of industrial relations systems across Europe

# Industrial relations systems in Europe: an overview

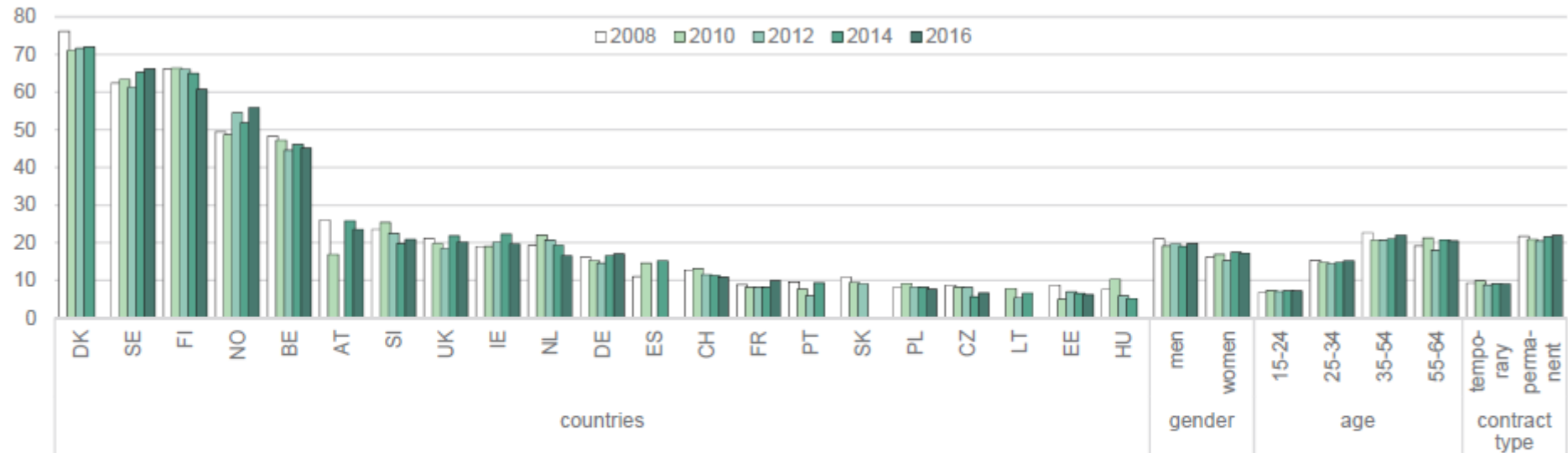
Regime Dimension	North European	Central-West European	South European (Mediterranean)	Liberal-West European (Anglophone)	Central-East European (CEE)
Trade union density (2000-2009)	73.1	33.9	23.5	33.2*	19.8
Collective bargaining coverage (2000-2009)	88.4	83.3	74.7	42.1*	36.3
Predominant level of collective bargaining	sector	sector	sector (FR : company)	company	company
Predominance of MEB <sup>a</sup> or SEB <sup>b</sup>	MEB	MEB	MEB	UK, MT: SEB IE, CY: MEB	SEB
Practice to extend collective agreements	No (except FI)	Yes**	Yes**	No	Limited
Statutory minimum wage	No	Yes (DE soon)	Yes (except IT)	Yes	Yes
Role of social partners in policy making	Institutionalised	Institutionalised	Varying, politicised	Ad hoc, issue-specific	Politicised; social partners weak
Role of state in collective bargaining	Limited	Limited; strong legalism	State active, clientelistic relations	State strong but its interventions rare	State dominant, strong legalism,

Notes: \* without Cyprus and Malta; \*\* in Austria and Italy: functional equivalent to extension; <sup>a</sup> 'Multi-employer bargaining'; <sup>b</sup> 'Single-employer bargaining'

Sources: Marginson and Traxler (2005), ICTWSS (2011), and ETUI (2011).

# Trade union density: 2000-2008 vs. 2009-2012/13 and the trend since 2000

Figure 4.8 Union density across countries and different groups of workers (2008-2016) (%)

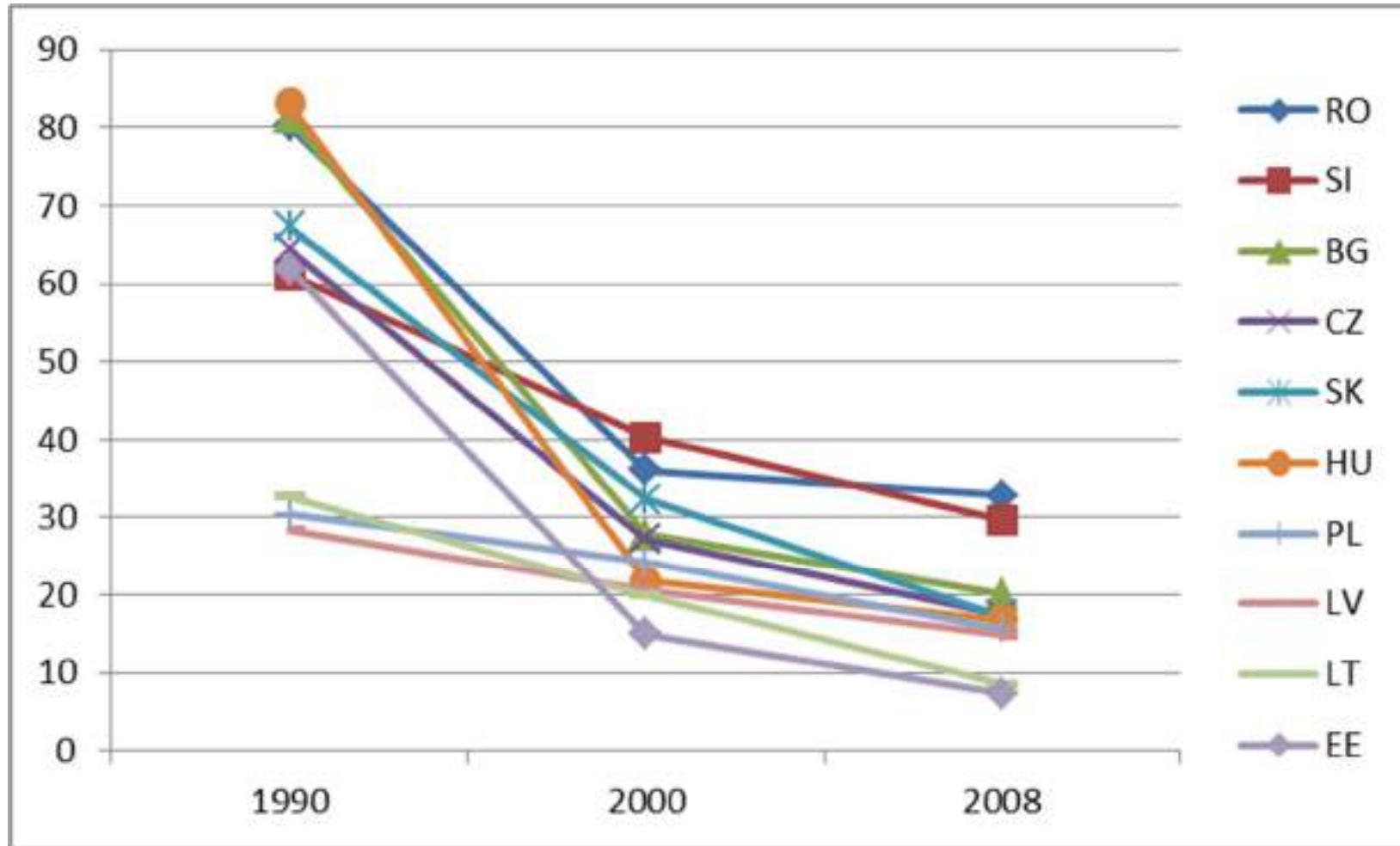


Source: European Social Survey Cumulative File, ESS 1-7 (2016). Data file edition 1.0. NSD - Norwegian Centre for Research Data, Norway - Data Archive and distributor of ESS data for ESS ERIC; European Social Survey Round 8 Data (2016). Data file edition 1.0. NSD - Norwegian Centre for Research Data, Norway - Data Archive and distributor of ESS data for ESS ERIC; ESS Round 5: European Social Survey Round 5 Data (2010).

Note: Sorted by 2016 figures. Union membership is defined as being a member of a 'trade union or similar organisation' for employees aged between 15 and 64 years. Unionisation for different groups of workers is based on data from BE, CZ, CH, DE, EE, FI, FR, IE, NL, NO, PL, SE, SI and UK. Survey weight used: dweight for country unionisation and dweight and pspwght for unionisation among different groups of workers.

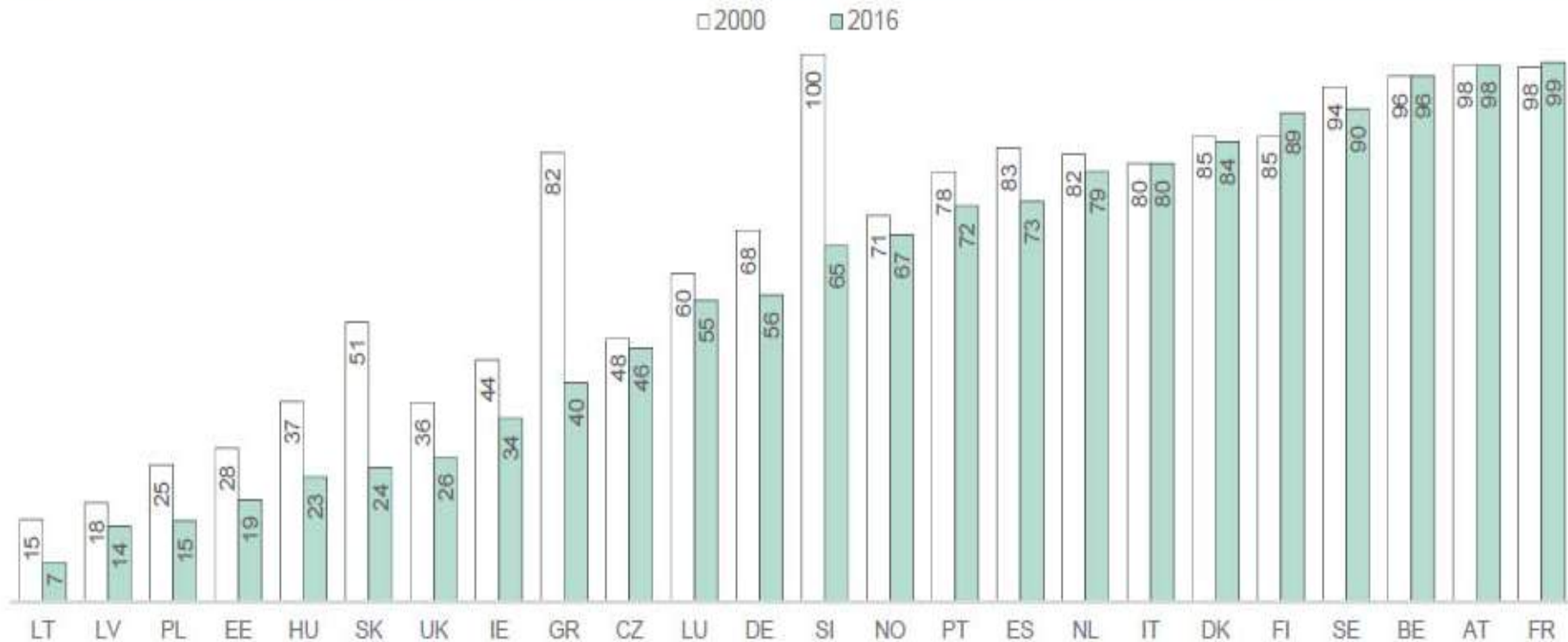
Source: Müller and Vandaele (2015)

# Union density in CEE countries, 1990-2010



# Collective bargaining coverage, 2000 and 2016

Figure 4.7 Collective bargaining coverage (2000 and 2016) (% of employees covered by a collective agreement)



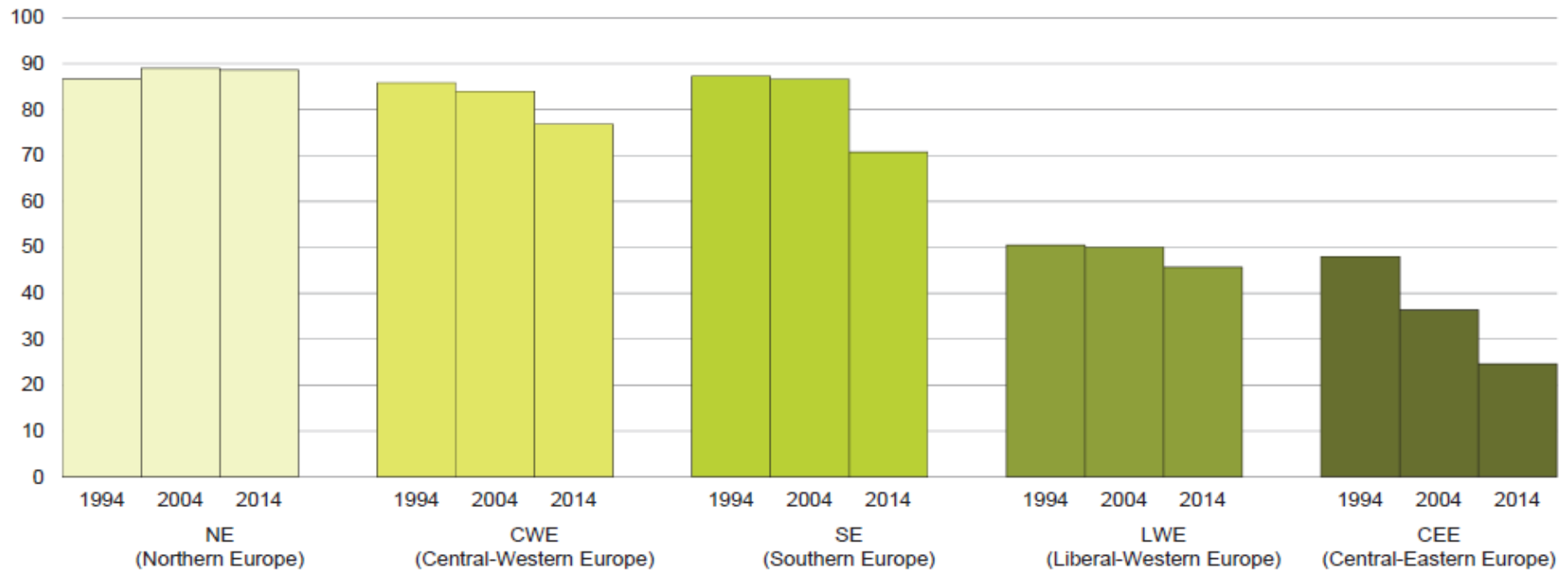
Source: OECD Stats.

Note: data for EE for 2001; for FR, LV, NO and LT, 2002; for CZ, DK, ES, FI, IT, PT, SI, SE and LT, 2015; for FR, HU, IE and LU, 2014; for GR, 2013; for PL, 2012.

Source: Benchmarking Working Europe 2018

# Collective bargaining coverage in various IR models, 1994-2014

Figure 3.6. Development of collective bargaining coverage within EU (1994, 2004, 2014)



Source: author's calculations based on ICTWSS (2016). If no data was available for the given year, data from the closest available year was used.

# Unions' political involvement and social dialogue in Western Europe

- union-party links in Western Europe: traditionally strong - Pizzorno's (1978) 'political exchange' - but weakening due to:
  - secularisation trends
  - change of social democratic parties' agenda and the rise of neoliberalism
  - growing diversity of political preferences among workers
- 1980s and 1990s: social pacts and 'competitive corporatism'
- austerity and the erosion of 'social partnership' in crisis-ridden countries

BUT

- new European conditionality (fiscal discipline and country-specific recommendations) → re-nationalisation of negotiations and trade union action (Erne, 2015)
- Social dialogue at EU level 'frozen'

# Politics and social dialogue in CEE

- political parties and unions in CEE : *liaisons dangereuses*?
  - 'illusory corporatism' in the course of the systemic transition (Ost, 2000)
  - crisis: social dialogue revival or 'PR corporatism'?
  - reforms in Hungary and Romania: weakened and 'diluted' social dialogue structures
- ⇒ unions moving away from politics towards direct mobilisation and economic unionism (but still politicization + populism);
- ⇒ ↑ of bipartite negotiations, use of campaigns and direct democracy tools



# Variety of challenges to industrial relations systems in Europe

- **common challenges:**

- decline of large-scale manufacturing industries
- Falling unionisation
- rise of 'atypical' employment forms
- 'globalisation' and weakened capacity to regulate employment within national boundaries
- Digitalisation

- **... and threats specific to particular industrial relations systems:**

- Nordic countries: loosening of union-party bonds; European Court of Justice jurisprudence clashing with the CB mode of wage regulation



- Southern European countries: austerity and crisis-related reforms considerably weakening CB systems
- CEE countries: low union density and dwindling resources; identity problems in the aftermath of the systemic transition

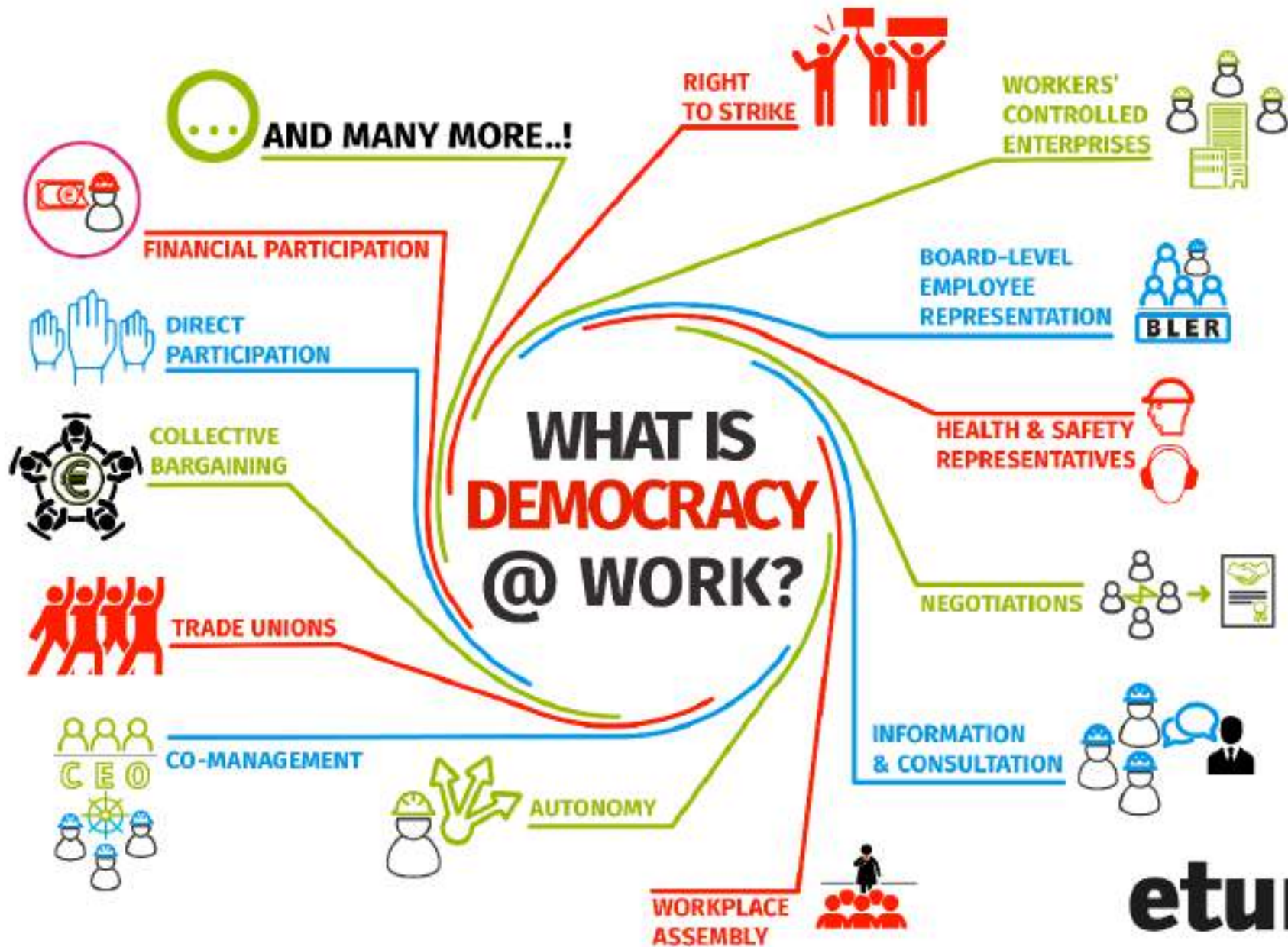
- 2008 crisis and legacy – common and country-specific dimension
- Transnational Collective Bargaining



Part II:

# Workers' participation in Europe

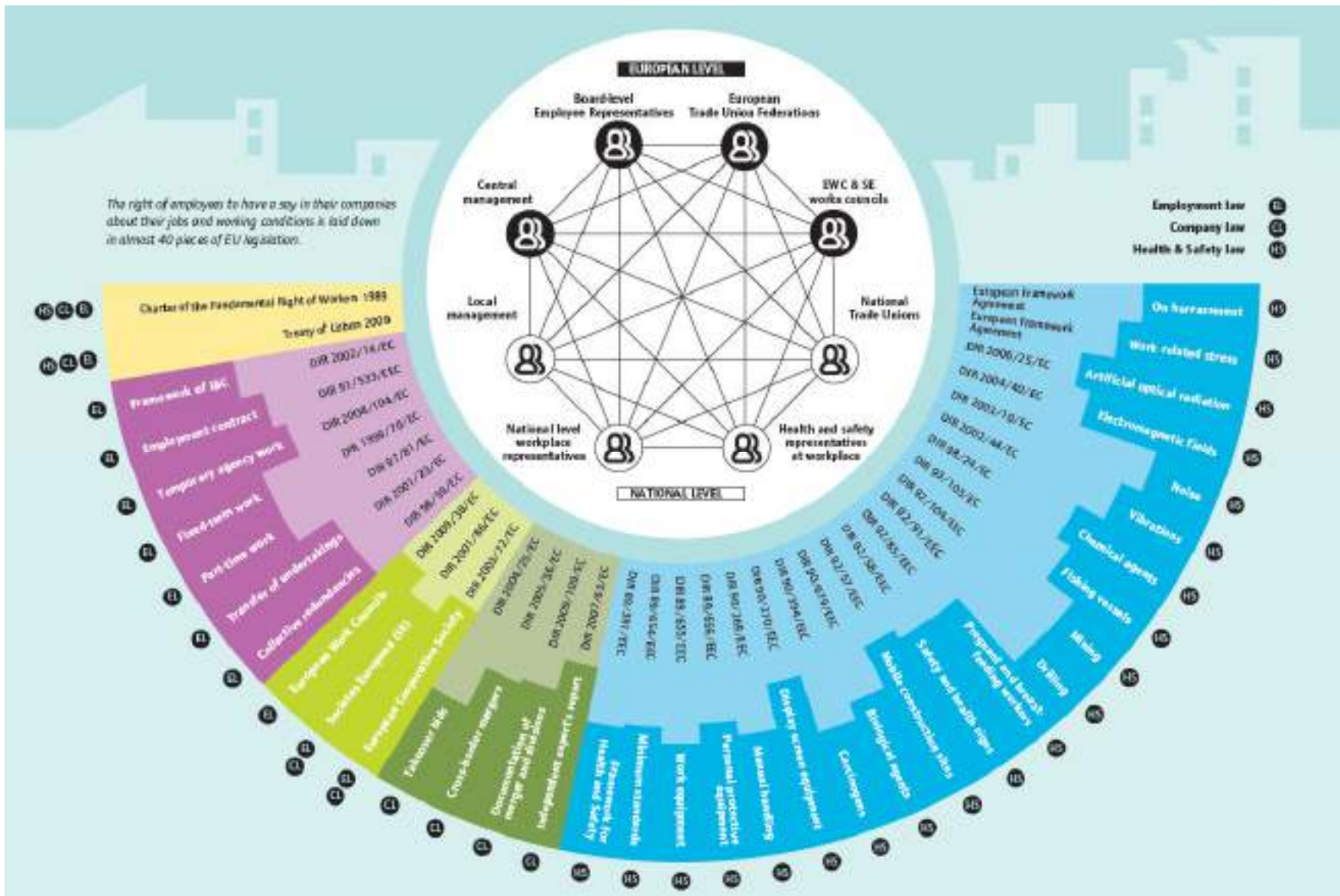
# Democracy at work



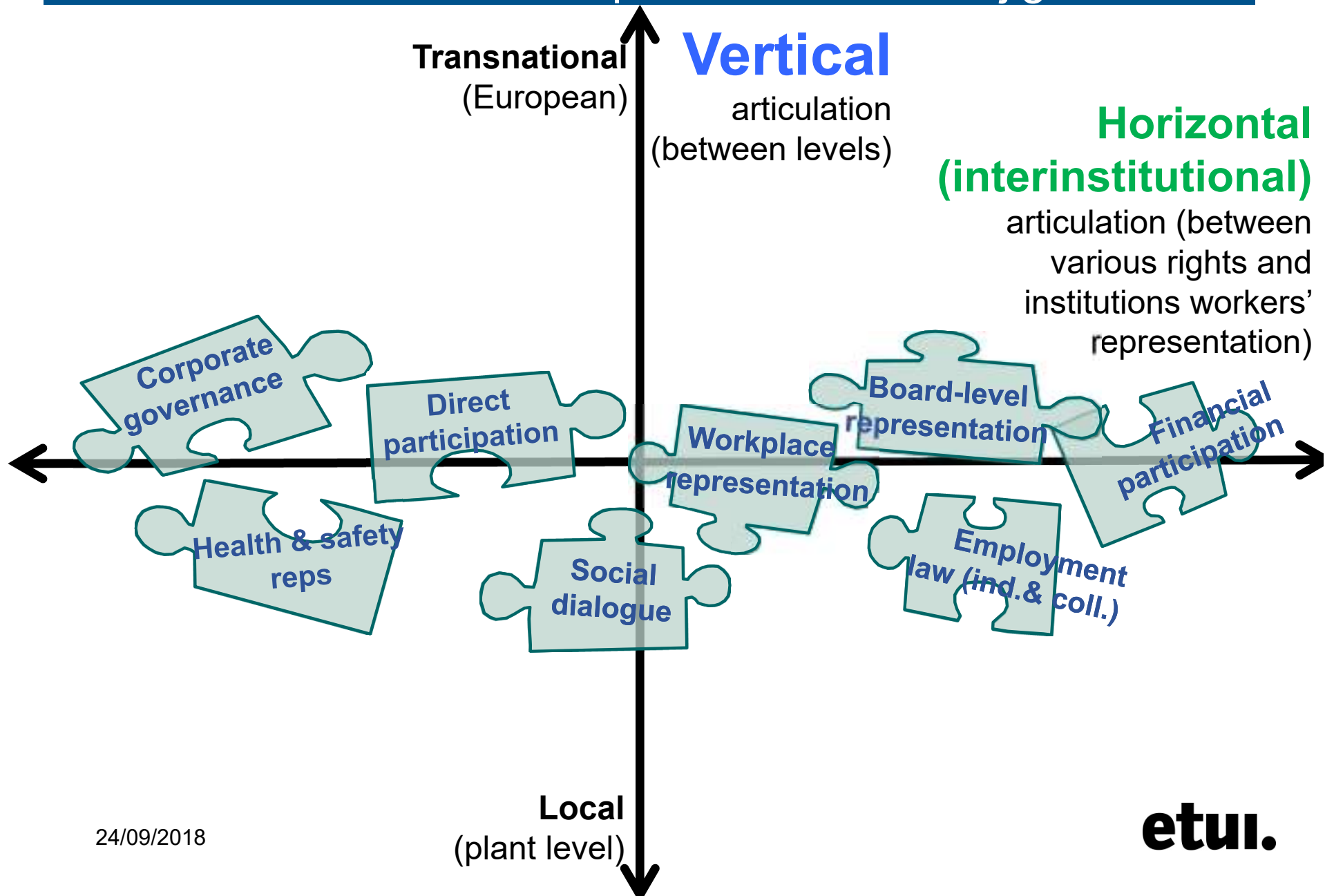
# Information, consultation and participation rights in the EU

- The existing Community rights of employees (Charter of Fundamental Rights 2000/2009)
  - to be **informed and consulted**
  - Representation on the company's **supervisory or administrative board** (participation)
- **Still fragmented**: in total, some 14 EU Directives deal with information and consultation in some kind (general or specific) + 20 on health & safety
  - a clear expression of the willingness at European level to make employees citizens at their workplace.
  - → also mirrored in the **EU Charter of fundamental rights** (referred to in the Lisbon Treaty) which gives information and consultation rights the status of a **basic right of European citizens**.

# The palette of workers' information and consultation rights



# Worker involvement in Europe – an unfinished jigsaw



# Why worker participation?

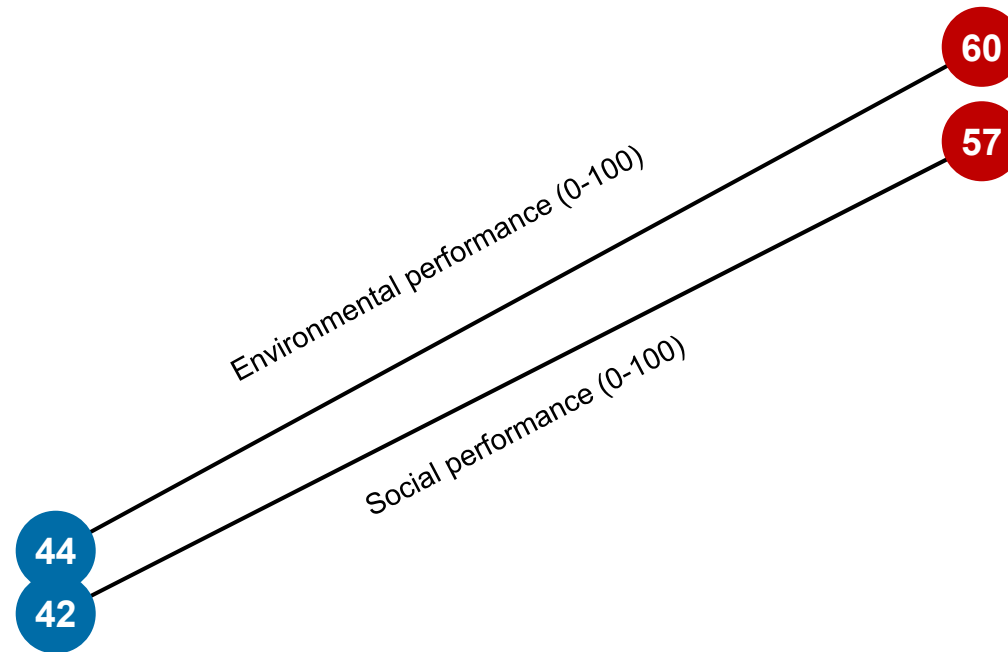
- ***‘accumulating evidence from north-western Europe shows that well-functioning employee representation can play an important role in the modernisation and performance of a workplace’*** (EU-Commission 2006: 77), even if some managers still regard employee involvement as an unnecessary burden;
- **company decisions are becoming increasingly centralised**, leaving little space for autonomous management action at local or national level
  - **EWC I&C** rights provide worker reps with access to first hand information with the central management + to consult with competent management
  - **Issues dealt by central management are of transnational nature** – the need to match the levels of management and worker representation
  - **The SE directive** on employee involvement opens the door for labour to be able to have an organised and serious voice at the central level
    - social interests to be considered in management decisions, not only the interests of shareholders and investors.

## Added value of social dialogue at company level

- Stakeholder vs. shareholder approach
- Democracy at work strengthens **political democracy**
- Workplace democracy and sustainable use of property
  - **Social sustainability** of companies
- Democracy at work keeps **inequality** at bay
- Democracy at work means **better jobs**
  - Employees' life satisfaction
  - Higher wages
  - improves **health & safety** of workers + **working conditions**



# Impact of democracy at work



**Companies with very low democracy at work**

**Companies with very high democracy at work**

Democracy at work means more sustainable companies

**Note:** Data on social and environmental performance based on ASSET4 data of 534 companies. Number refers to the average company score on composite indicators on the social and environmental performance of the companies. Democracy at work here measured by presence or absence of a European Works Council (EWC) and Board Level Employee Representation (BLER). Low = No EWC and no BLER. High: EWC and BLER.

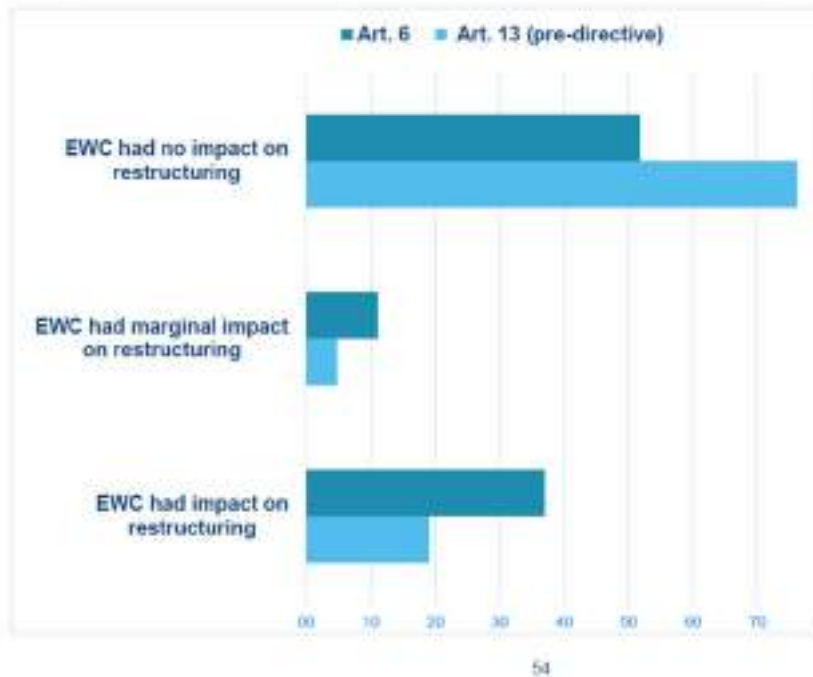
# Added value of transnational dialogue

## What is 'Added Value' of the EWC

- ✓ The range of issues regarded by managerial interviewees as constituting added value appears to be broader now compared to the range observed in earlier studies.
- ✓ In particular, more sophisticated mechanisms to promote bottom-up communication are reported as developments in added value:
  - ✓ facilitate change,
  - ✓ enhance a better understanding of what business is,
  - ✓ create a constructive counterweight to Mgt,
  - ✓ promote preparation among managers,
  - ✓ facilitate corporate restructuring,
  - ✓ create leverage between the EU and local levels to facilitate the introduction of strategic initiatives

# Added value of social dialogue at company level - reality

Does the article of EWC operation affect its impact on corporate restructuring decisions?

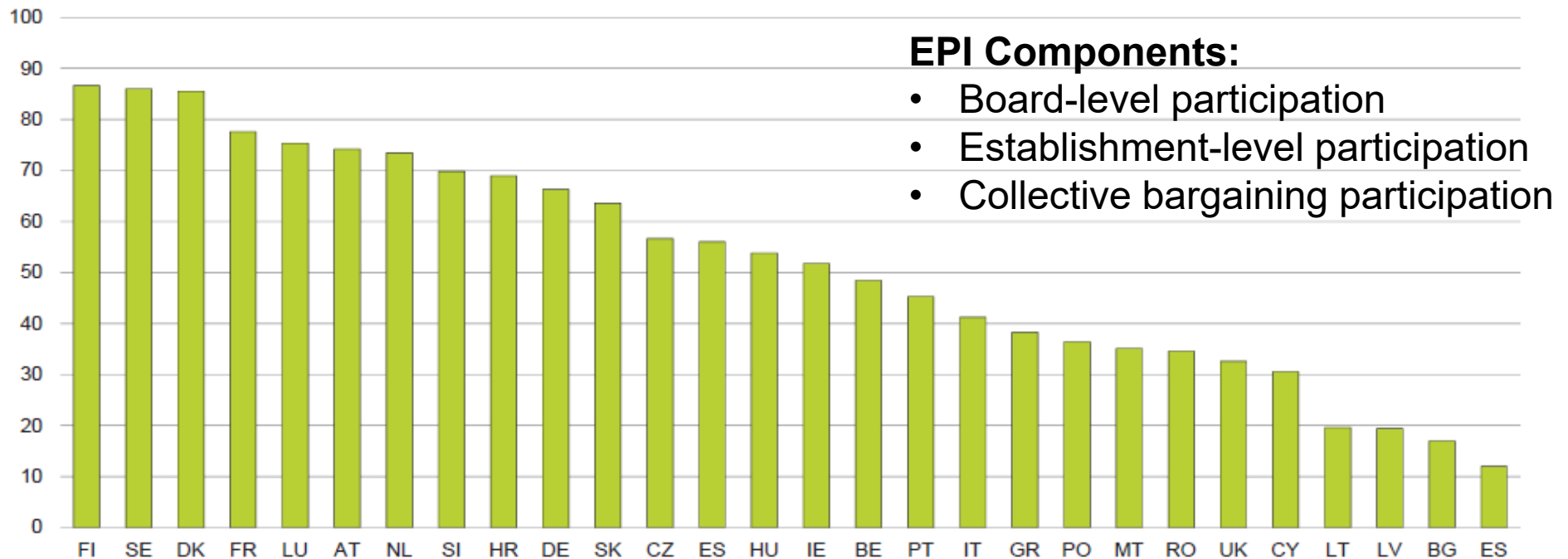


## Corporate Restructuring Impact of EWC – Symbolic or active EWCs

- ✓ SAMPLE - 49% of companies which either informed or consulted the EWC with regards to restructuring event:
  - ✓ 61% indicated that consultation had no meaningful impact on the proposal
  - ✓ 10% indicated a marginal impact
  - ✓ 29% reported impact

# WP in Europe: we are very different

Figure 4.9. European Participation Index (EPI) in 2013, by EU28 country



Source: Vitols (2017).

- Source: ETUI and ETUC (2017) Benchmarking Working Europe (p. 58)

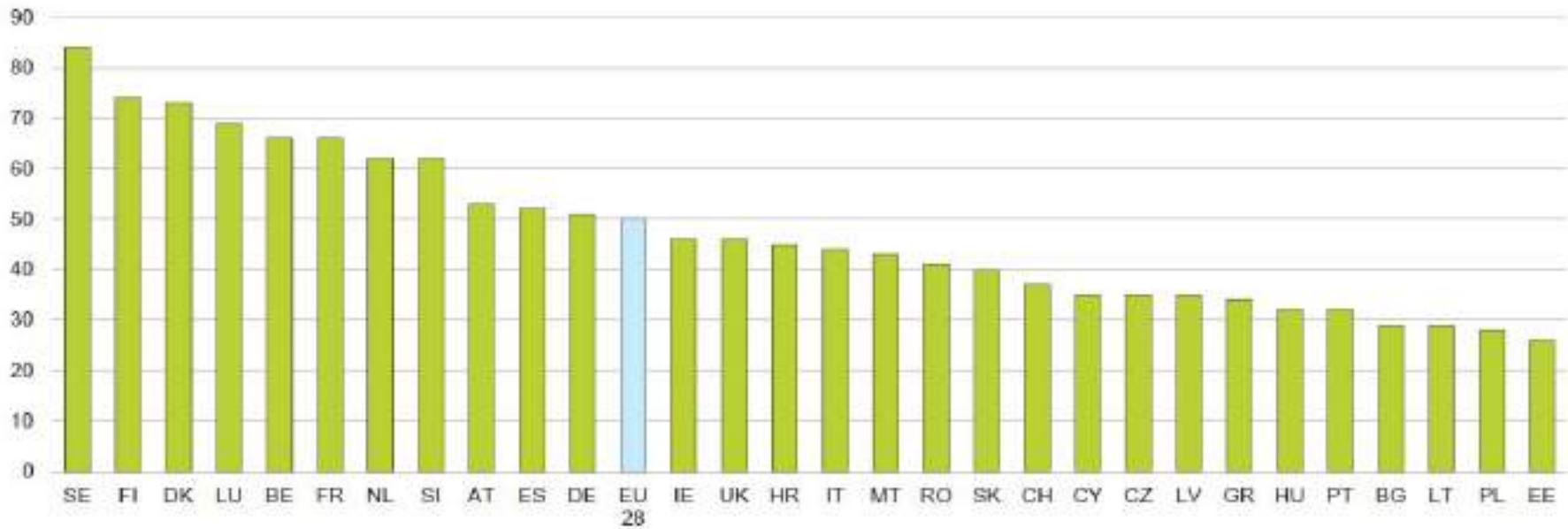
Figure 8.14 Comparative performance of countries with stronger vs. weaker worker participation rights (based on EPI 2.0) on the eight Europe 2020 headline indicators

<b>Europe 2020 Headline Indicator</b>	<b>Group 1: Countries with stronger participation rights</b>	<b>Group 2: Countries with weaker participation rights</b>
Employment rate, age group 20-64, 2009	72.1	67.4
Gross domestic expenditure on R&D (GERD), 2008	2.2	1.4
Greenhouse gas emissions (reduction in baseline between 2003-2008)	4.7	4.2
Share of renewable energy sources in gross final energy consumption, 2008	12.3	6.1
Energy intensity of the economy, 2008	171.2	181.7
Early leavers from education and training, 2009	14.0	16.1
Tertiary educational attainment, age group 30-34, 2009	36.6	31.1
Population at risk of poverty or exclusion, 2008	19.1	25.4

Source: Benchmarking 2011. Own calculations based on the EPI 2.0 and data from Eurostat [ec.europa.eu/eurostat](http://ec.europa.eu/eurostat).

# Company level employee participation

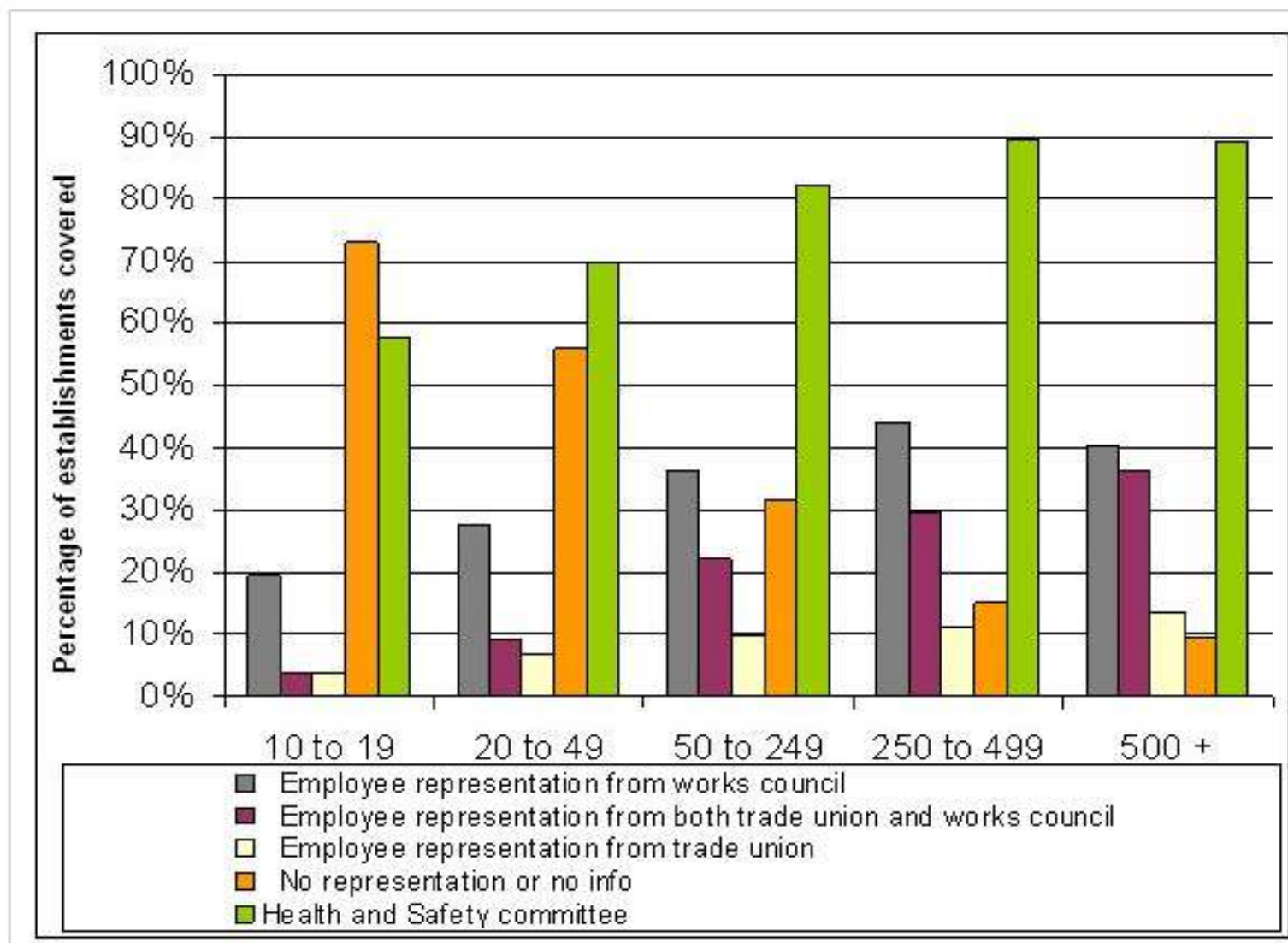
Figure 4.7. Company-level employee participation in Europe



Source: European Working Conditions Survey 2015 (Eurofound).

Note: proportion of employees answering 'yes' to the question: 'Does your organisation have a trade union, works council or a similar committee representing employees?'

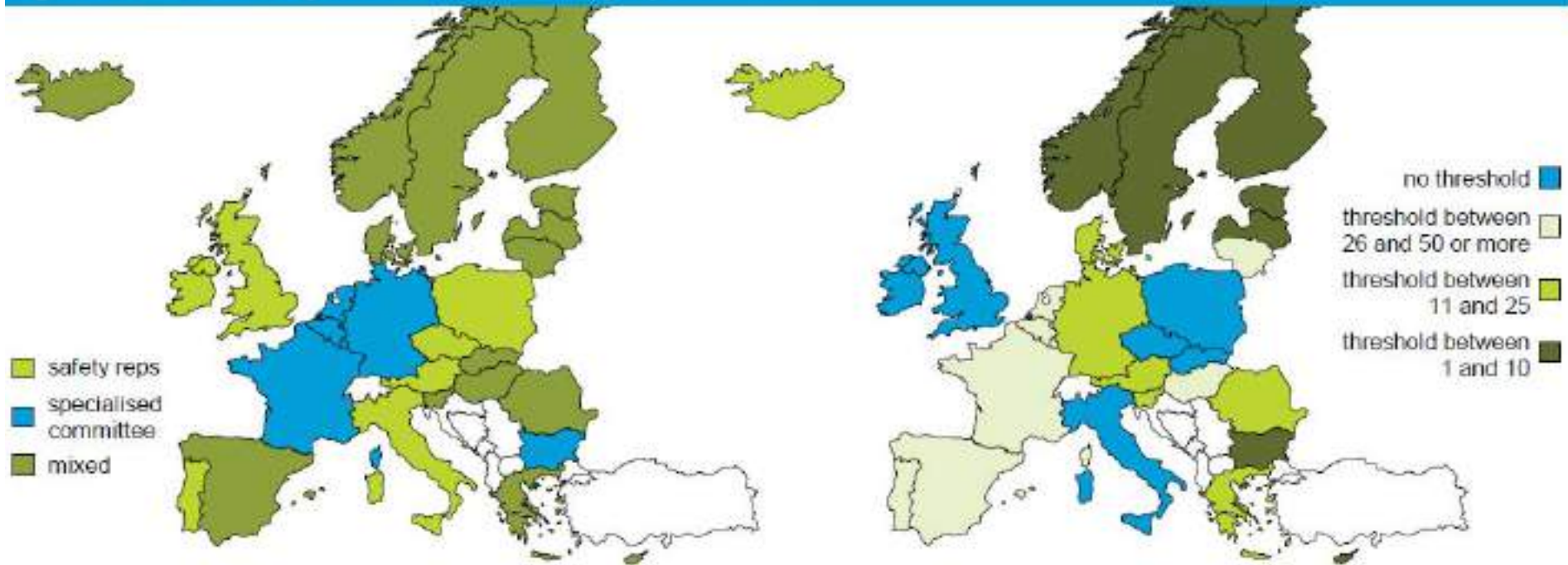
**Figure 1: Percentage of establishments having different forms of employee representations, EU-27**



Source: European Company survey (2009). Data refer to establishments, not companies.

# Health and safety representation

Figure 4.7. Forms of specialised health & safety representation



Source: ETUC ETUI Secafi 2014.



# Worker participation on European level

## Information and Consultation directive

(from March 2005)

National minimal standards on information and consultation

## Directive on establishment of European Works Councils

Transnational information and consultation rights in community scale undertakings

Directive 94/45/EC and 2009/38/EC

## Directive on employee involvement in the European Company (SE)

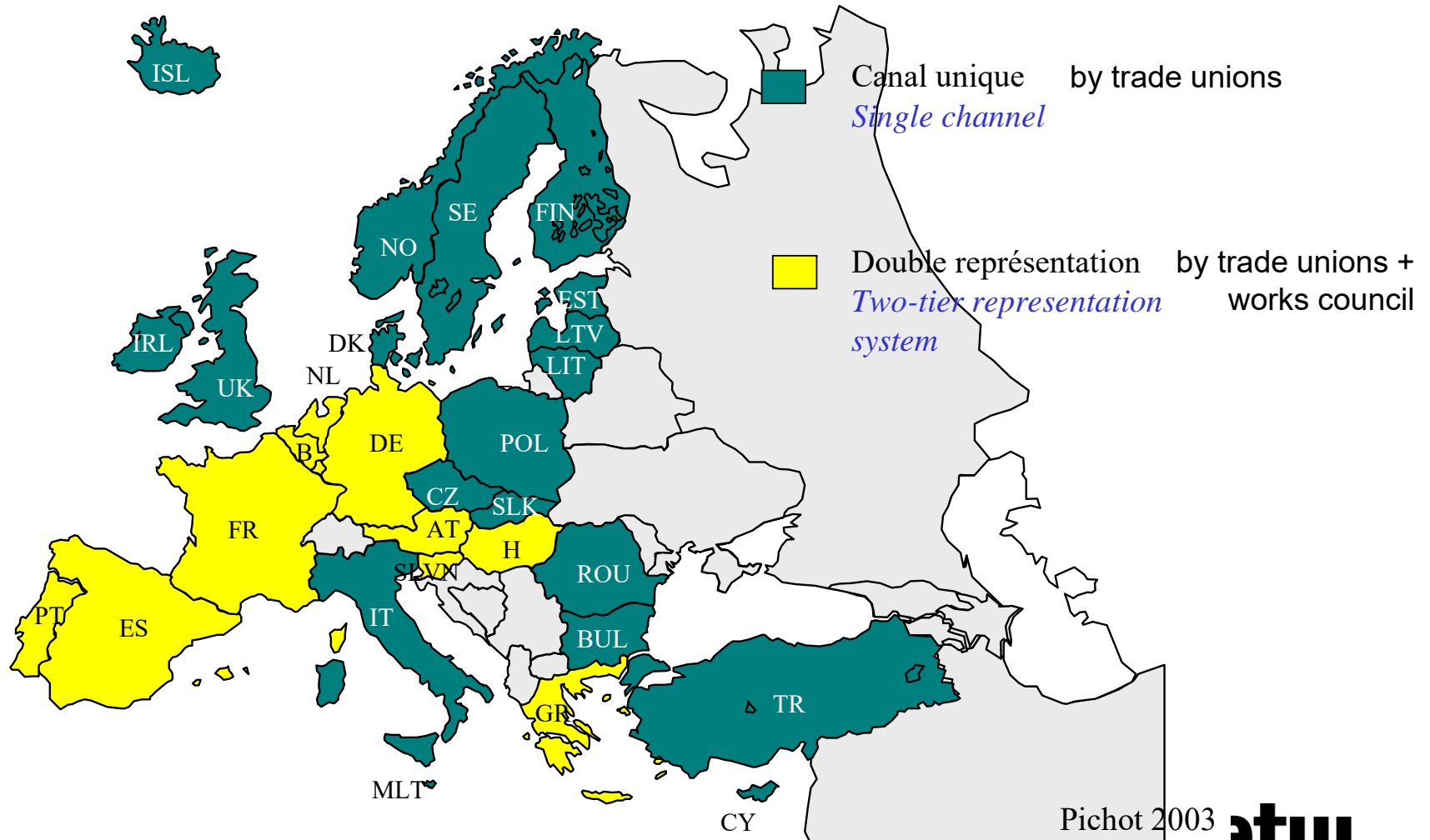
(from October 2004)

Obligatory worker involvement:

Information, Consultation and co-determination

# Interest representation (plant level) systems in Europe

- I&C framework directive 2002/14/EC
- Competition potential between unions and works councils
- Problem in SMEs: no union, no works council



# Interest representation across the EU

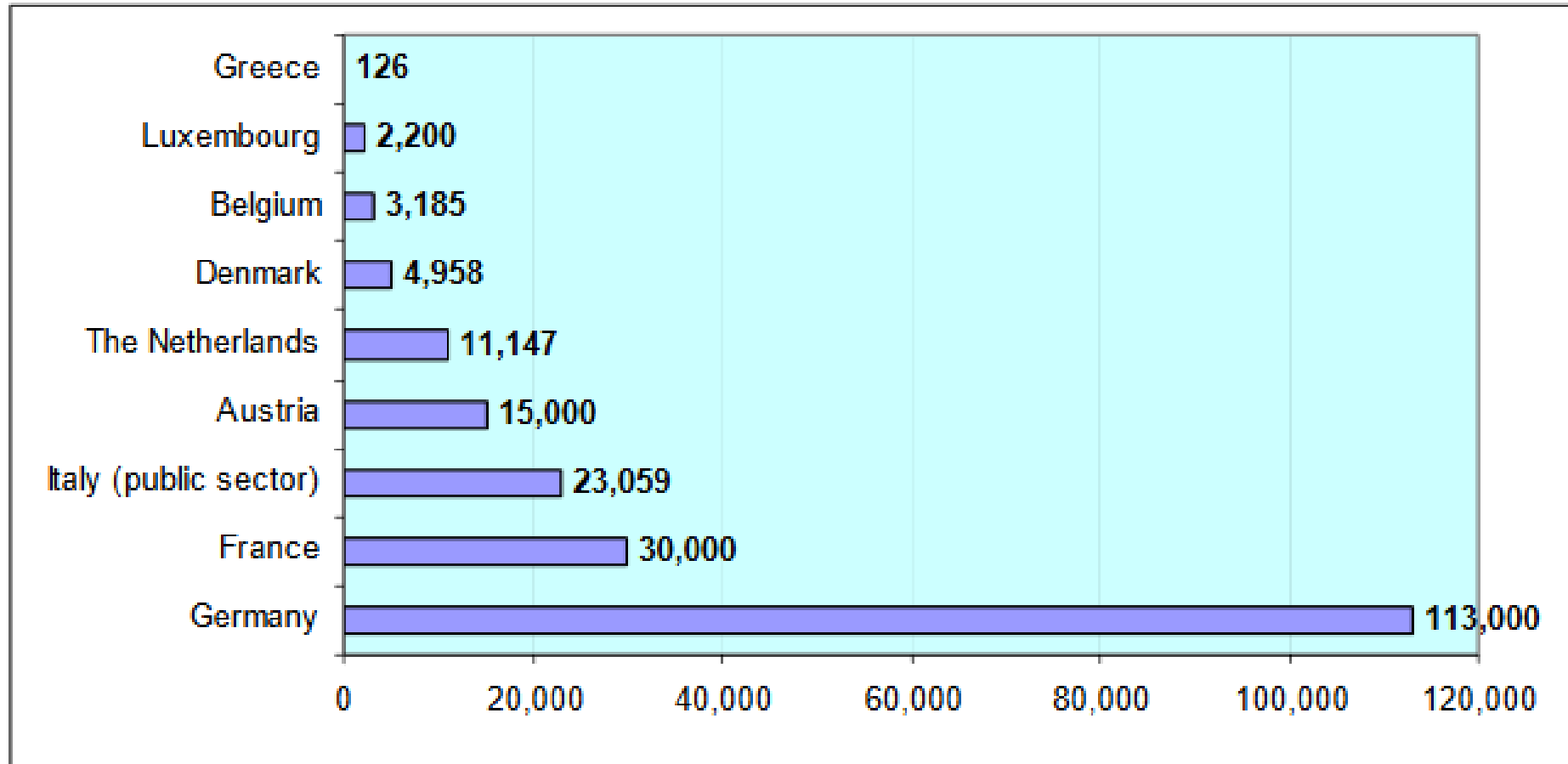
## In the 28 EU states + Norway:

- main representation is **through works councils with no statutory provision for unions at the workplace** (Austria, Germany, Luxembourg and the Netherlands), elected by all employees
- **Representation essentially through the unions** (Cyprus, Denmark, Finland, Italy, Lithuania, Malta, Romania and Sweden)
- **mixture, although sometimes unions dominate** (Belgium, Croatia, the Czech Republic, France, Greece, Hungary, Norway, Poland, Portugal, Slovakia, Slovenia and Spain – by law; Norway, by collective agreement)
  - major differences between the countries:
    - In Greece, Portugal, Poland and others works councils **more in theory than in practice**
    - Works councils rare in Czechia, where, for a period, works councils could only be set up if there was no union.
    - In Hungary, Slovakia and Slovenia, the rights and duties of the works council and the local union body **overlap to some degree**
    - In Croatia, possible for the rights & duties of the works council to **be taken on by the union representative** if no works council exists (common)
    - Belgium and France, the union is clearly the **dominant** partner
- **unions have been the sole channel, but legislation now offers additional options** (Bulgaria, Estonia, Ireland, Latvia and the UK)

In many countries, national legislation implementing the EU's information and consultation directive has complicated the picture.

One common feature of most states is that unions play a central role.

# Works Councils in Europe



Source: EIRO 2014 (Carley et al.)

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(from March 2005)

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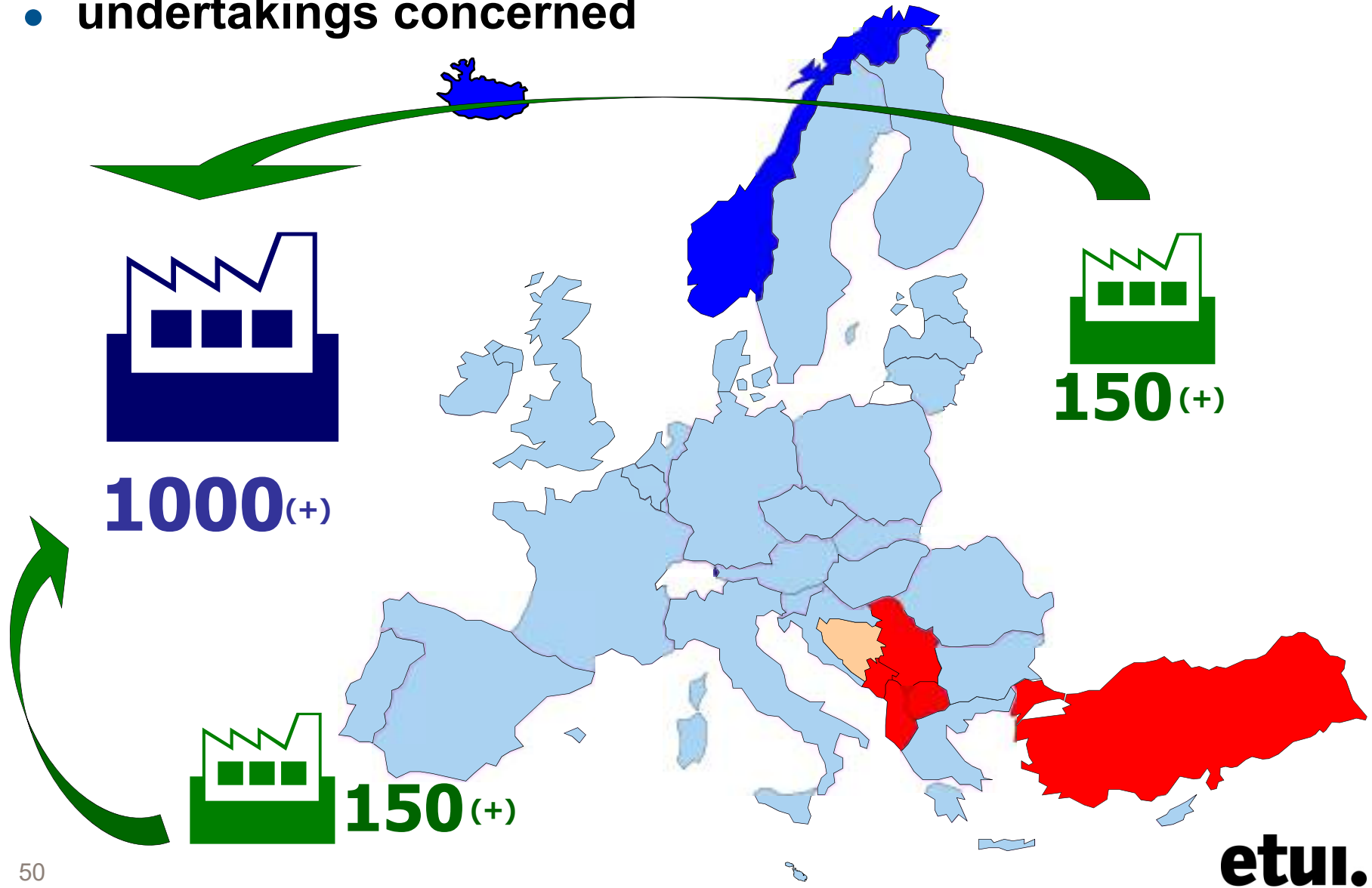
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Obligatory worker involvement:

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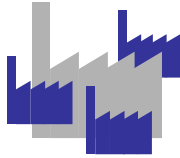
# the 2009/38 legal framework

- undertakings concerned

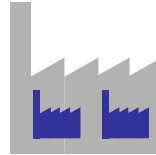


# the 2009/38 legal framework

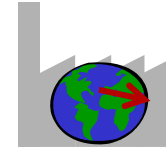
- **subsidiary requirements : competences of the EWC**



structure of the group



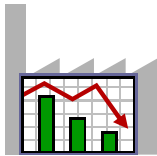
changes in the organisation



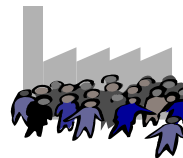
transfers of production



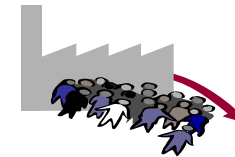
investments



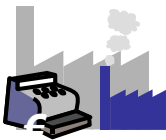
economic and financial situation



situation and trend of employment



collective redundancies



development of activities, production and sales



new working methods



mergers, cut-backs or closure of undertakings

**information**

**information + consultation**

meeting with management, obtain a motivated response to any opinion

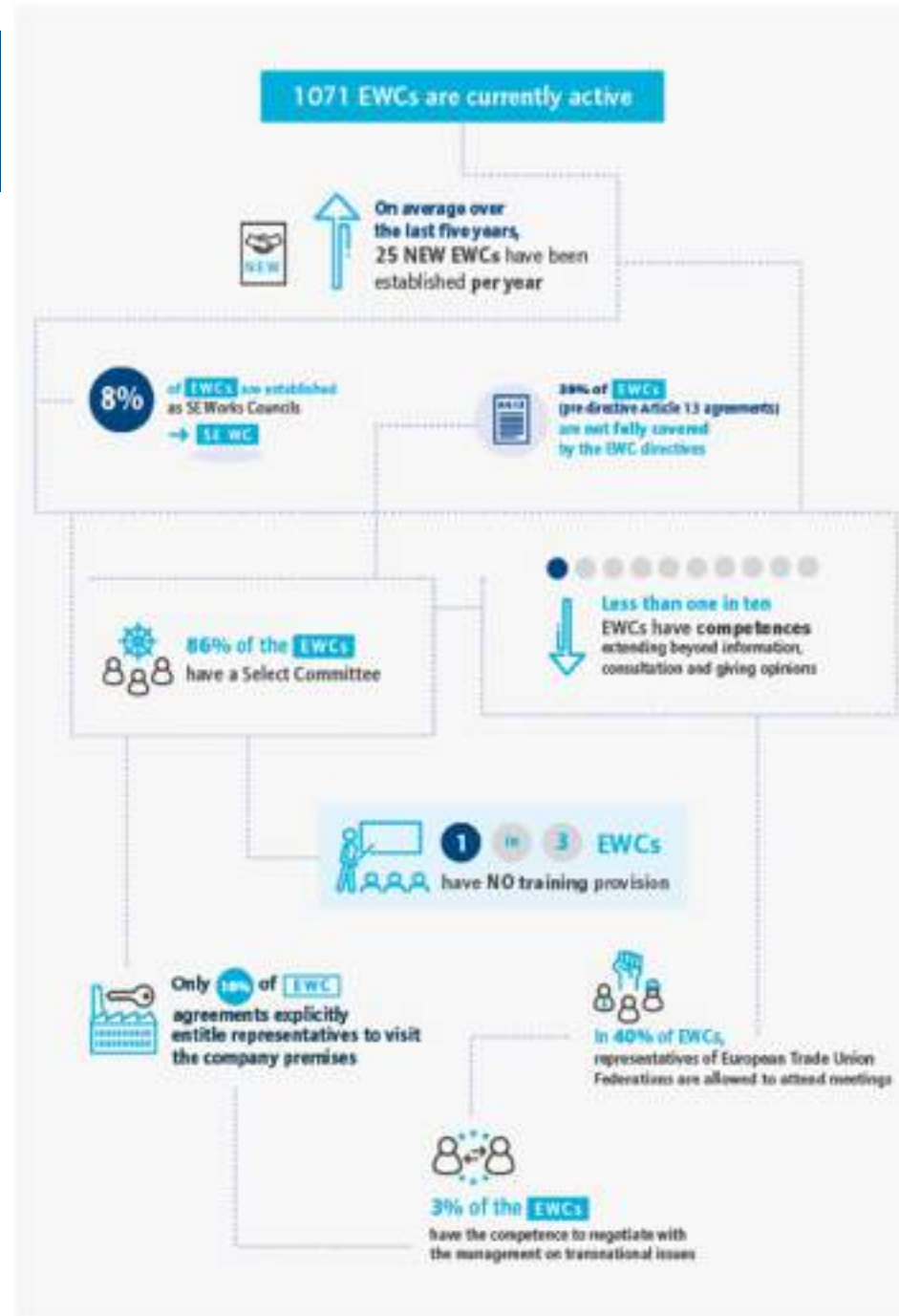
# In practice I&C exchange

## New areas of I&C:

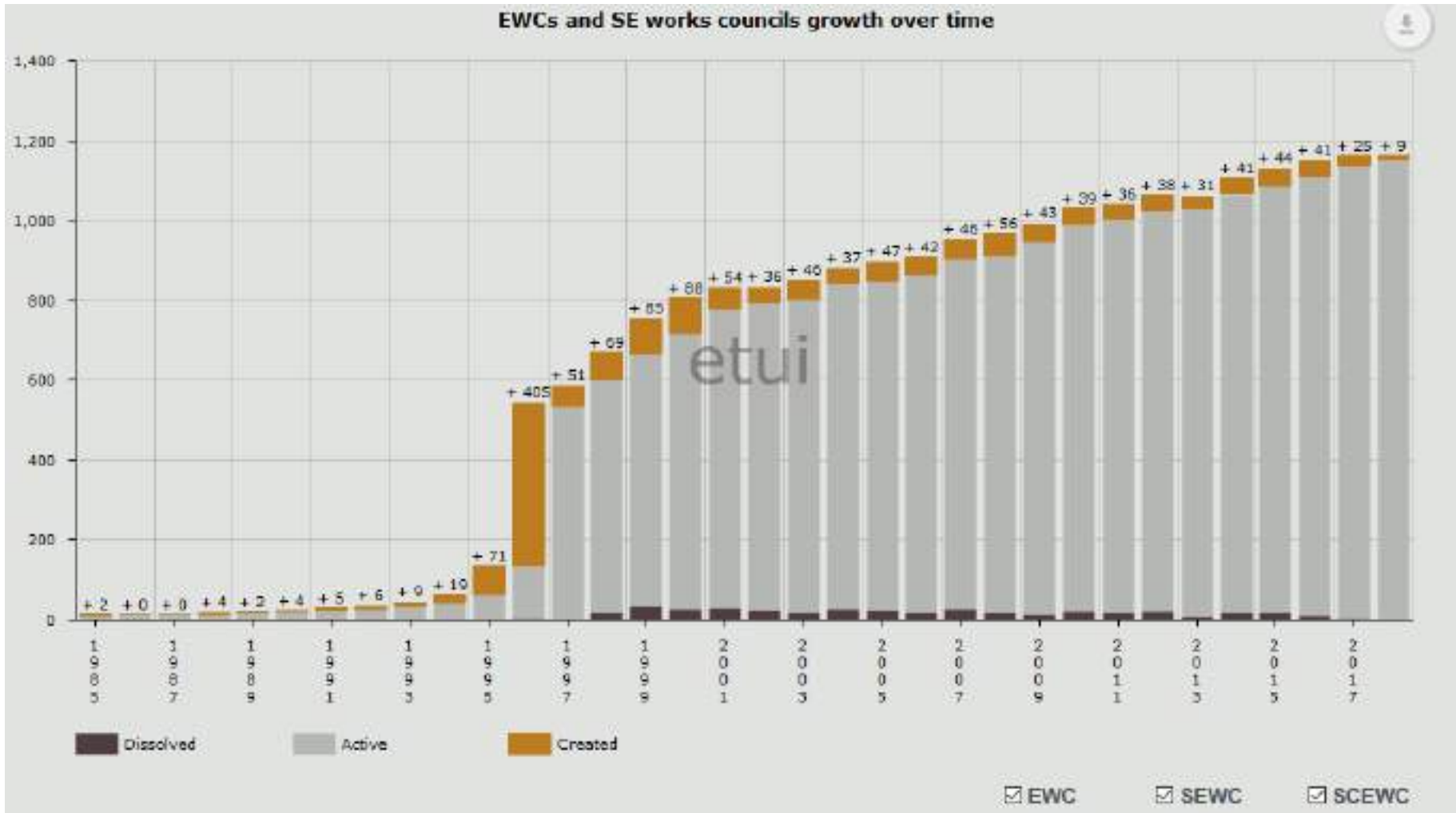
- Changes to working methods / organisation
- Company structure
- New technology policy
- Reorganisation of production
- Research and development policy
- Collective redundancies
- Vocational training
- Equal opportunities
- Health and safety
- Environmental protection
- Trade union rights
- Working time
- Corporate social responsibility / Sustainability
- Human resource management practices
- Data protection
- Profit sharing/financial participation
- Pensions
- Parental leave
- Pay



# EWCs: at a glance



# How did EWCs grow over time?



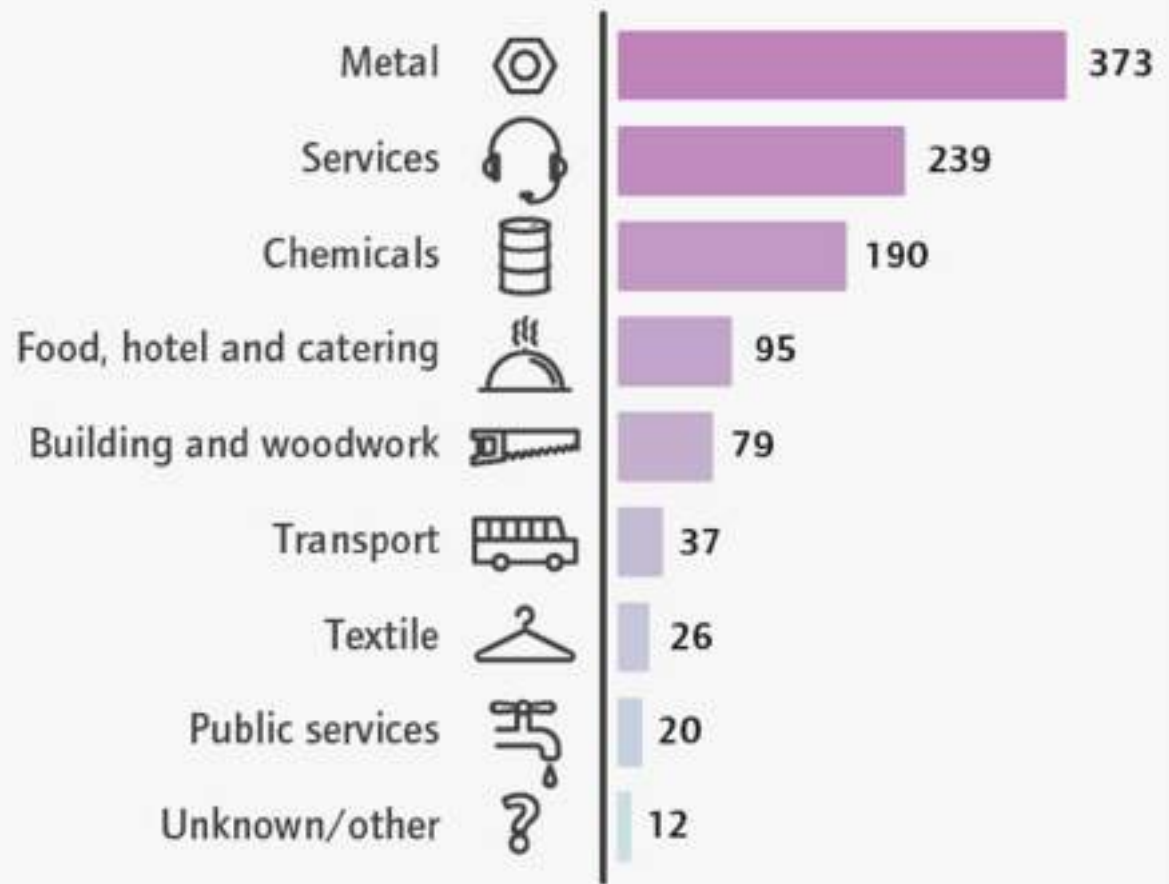
# EWCs: what sector do they come from?

More than



of all EWCs are in the metals, chemicals and services industries

Figure 6 EWCs' sectoral distribution



# What country do they come from?

Figure 7 EWCs' headquarter countries

Number of EWC



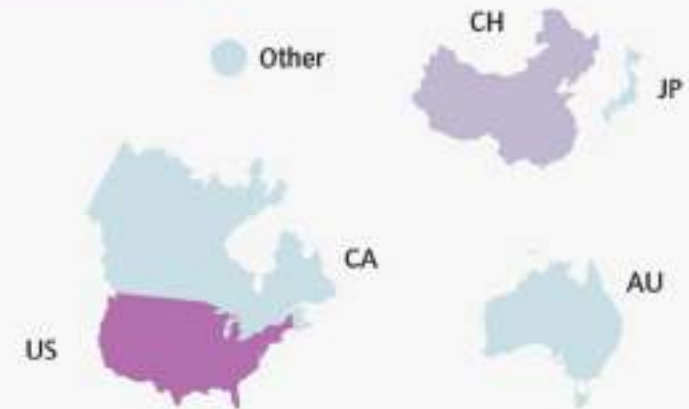
EEA

Other



NON-EEA

Other



EEA = EU28 + Iceland + Norway + Liechtenstein

151

EWCs

have been set up in companies with their HQ in the US

20%

of EWCs

are established in companies headquartered in Germany

# EWCs: how frequently they meet?

Figure 21 Plenary meetings



**1/4** of EWCs meet more than once a year in a plenary meeting

In **50%** of the EWCs the plenary meetings are spread over more than one day

Figure 22 Preparatory & debriefing meetings

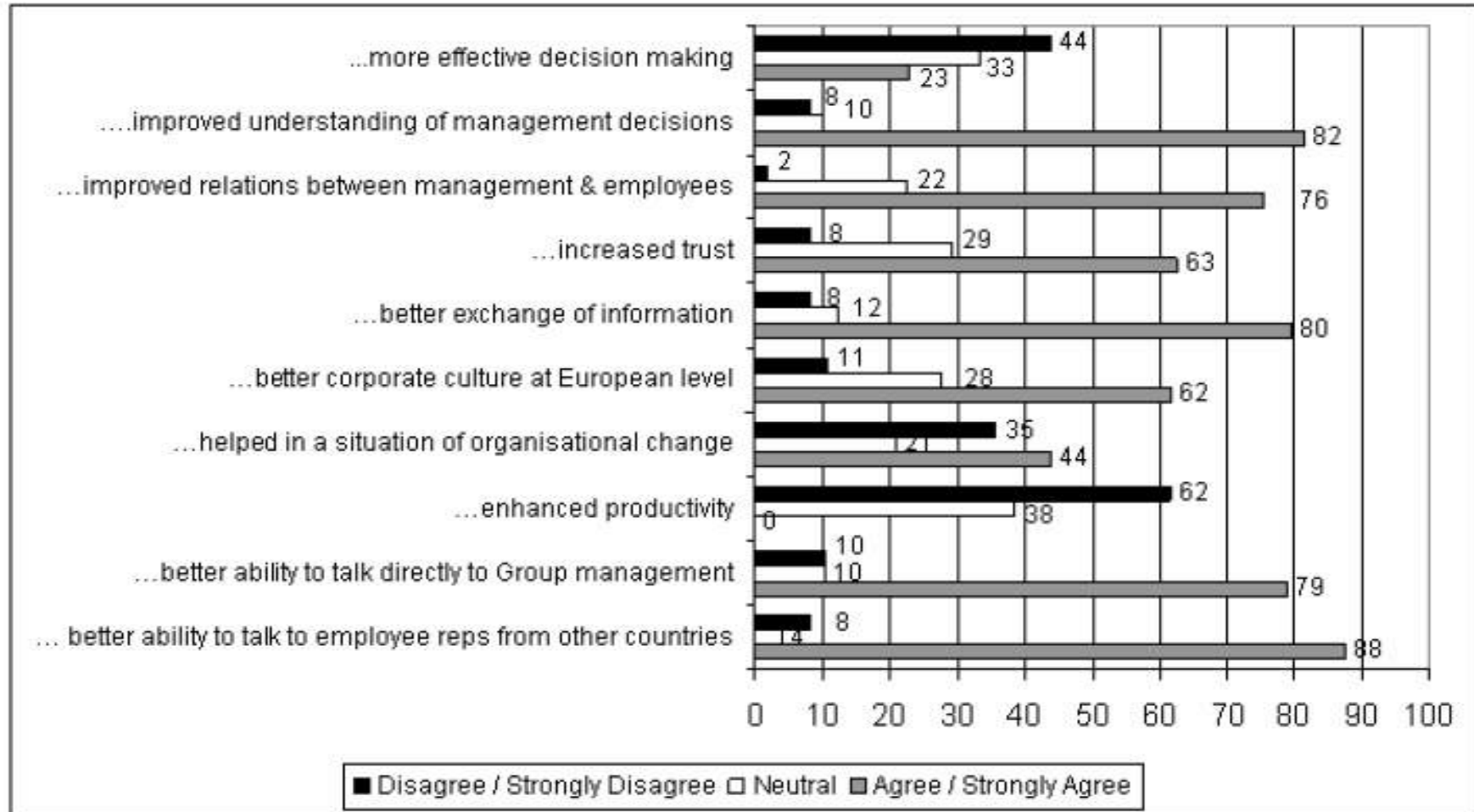


Figure 31 Minimum guaranteed select committee meetings



# Employers' assessment of EWCs potential

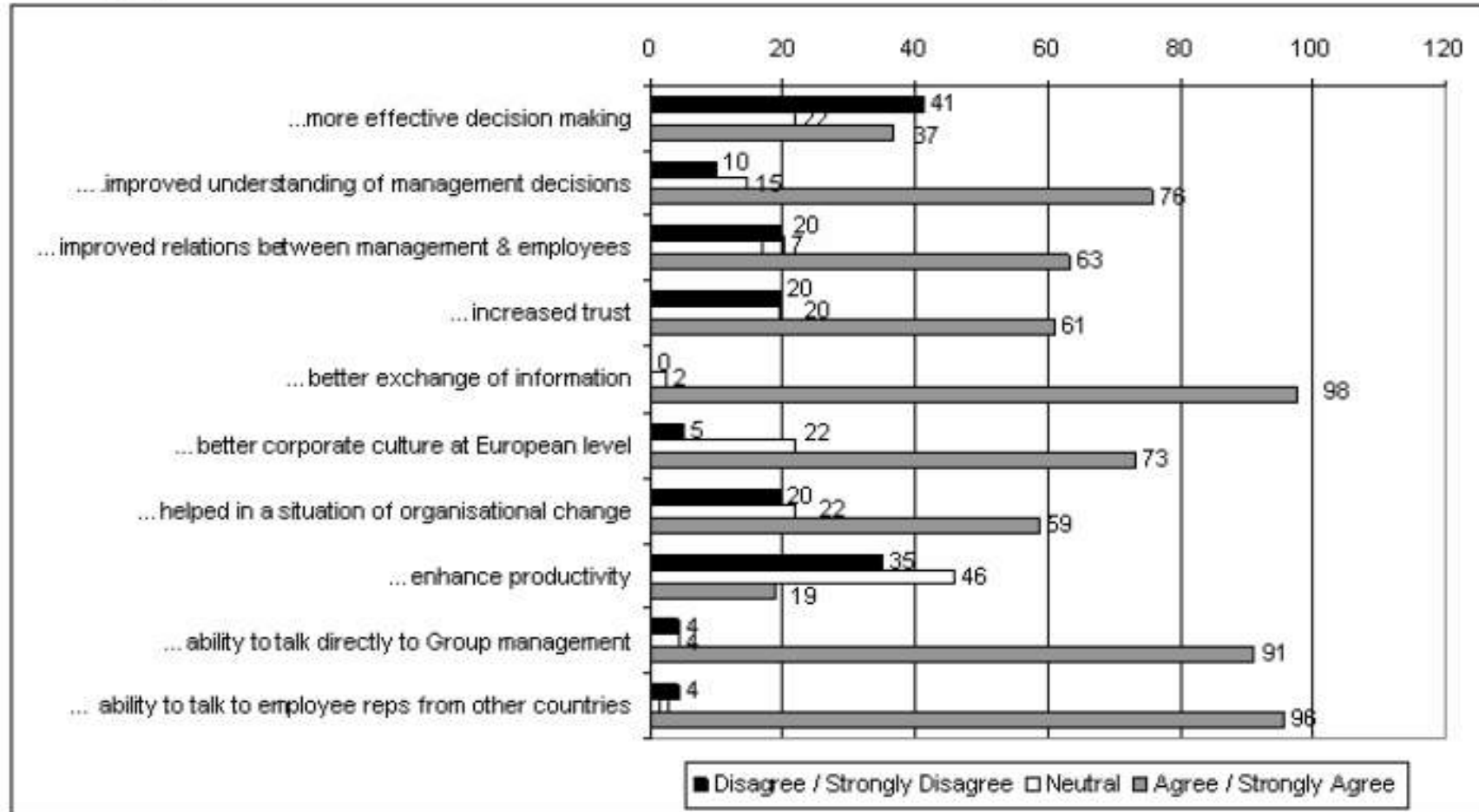
Figure 27: Overview of views of companies on benefits associated with operation of EWC (%)



Source: GHK survey based on responses from 49 companies

# Worker representatives' assessment of EWCs

**Figure 28: Overview of views of employees on benefits associated with operation of EWC (%)**



Source: GHK survey based on responses from 41 EWC employee delegates

# Worker participation on European level

**Directive on establishment  
of European Works Councils**

**Transnational information and consultation  
rights in community scale undertakings**

**Directive 94/45/EC and 2009/38/EC**

**Information and Consultation  
directive**

**(from March 2005)**

**National minimal standards on information and  
consultation**

**Directive on employee  
involvement in the  
European Company (SE)**

**(from October 2004)**

**Obligatory worker involvement:**

**Information, Consultation and co-determination**



# What is a European Company (SE)?

## ◀ new, supranational company form since October 2004

- ↪ Stock company
- ↪ Scope: EU and EEA („EU-28 + 3“)
- ↪ Common EU standard, but for many questions national law continues to apply
- ↪ It's an option, not an obligation
- ↪ Over 30 years long project (since the 1970s)

## ◀ Goal: increasing/facilitating the cross-border flexibility

- ↪ Cross-border mergers, transnational company structure, transfer of seat (HQ), European image/reputation...
- ↪ Taxation
- ↪ EU image

# Co-determination / participation in Europe



## Participation (*Mitbestimmung*) is

*„right, to nominate a part of members of supervisory or executive boards“*

(SE-Directive)

### „Scope“:

#### **Comprehensive participation**

**State-owned and private undertakings  
(11 MS + Norway)**

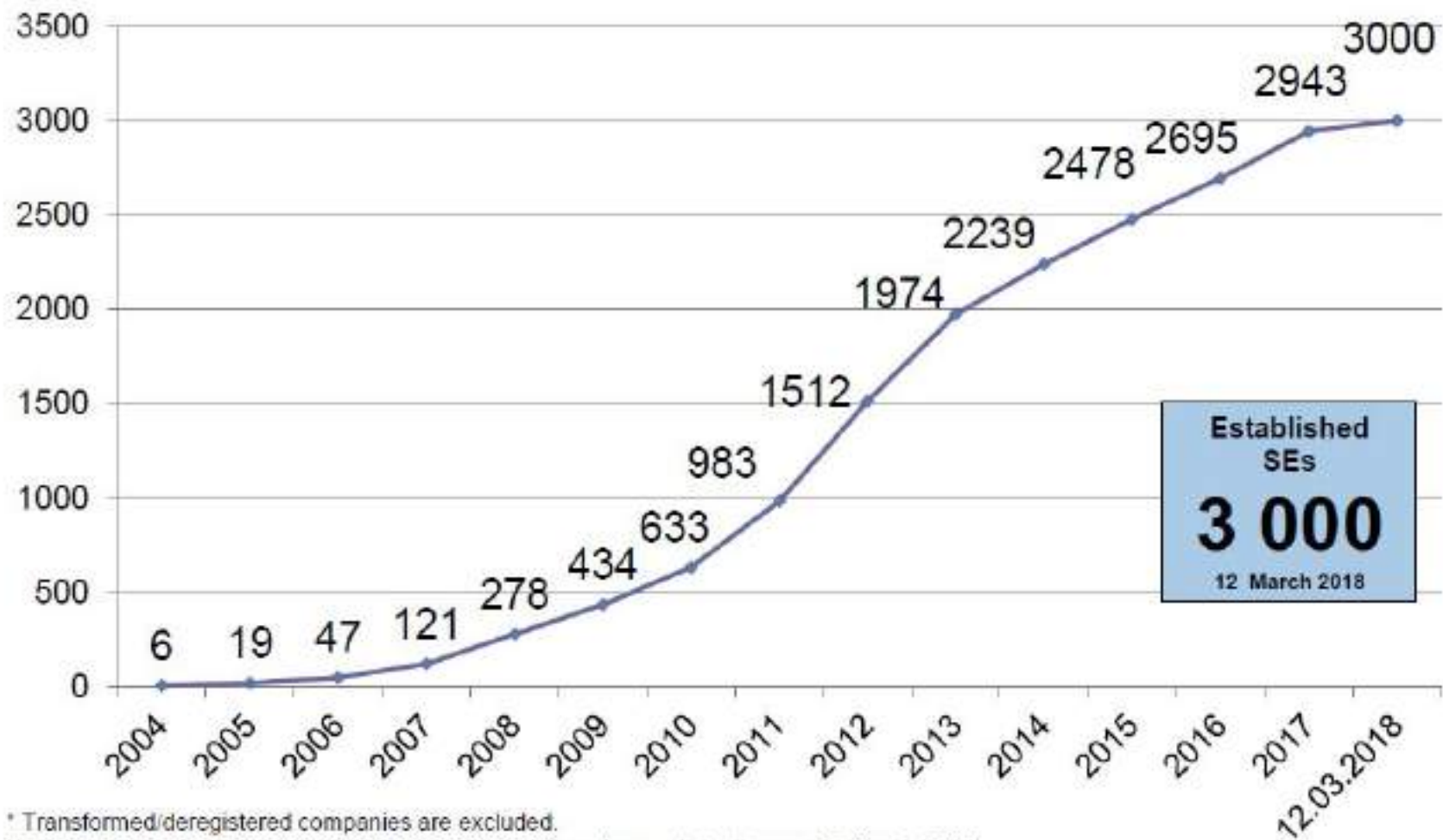
#### **Limited participation**

**State owned or private undertakings  
(7 MS)**

#### **No / very limited participation**

**No legal or collective agreement based regulations (only occasional)  
(7 MS)**

## Total number of registered European Companies (SEs) by year of establishment (2004 – 12.03.2018) \*

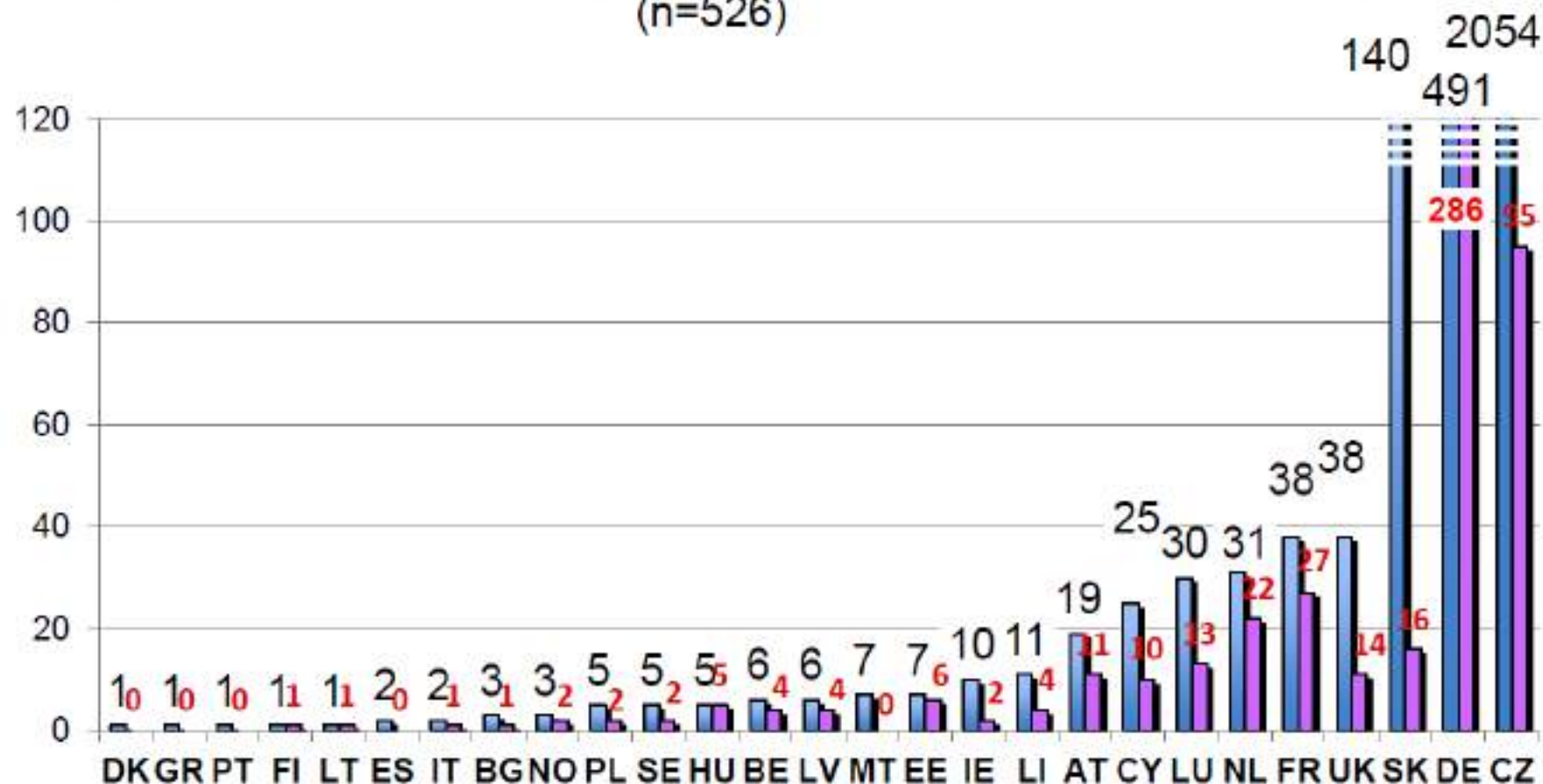


\* Transformed/deregistered companies are excluded.

Data: European Company (SE) Database, <http://ecdb.worker-participation.eu> (12 March 2018)

## 2 943 European Companies (SEs), registered in 27 countries

■ Number of SEs per country ■ Number of identified SEs with >5 employees (n=526)

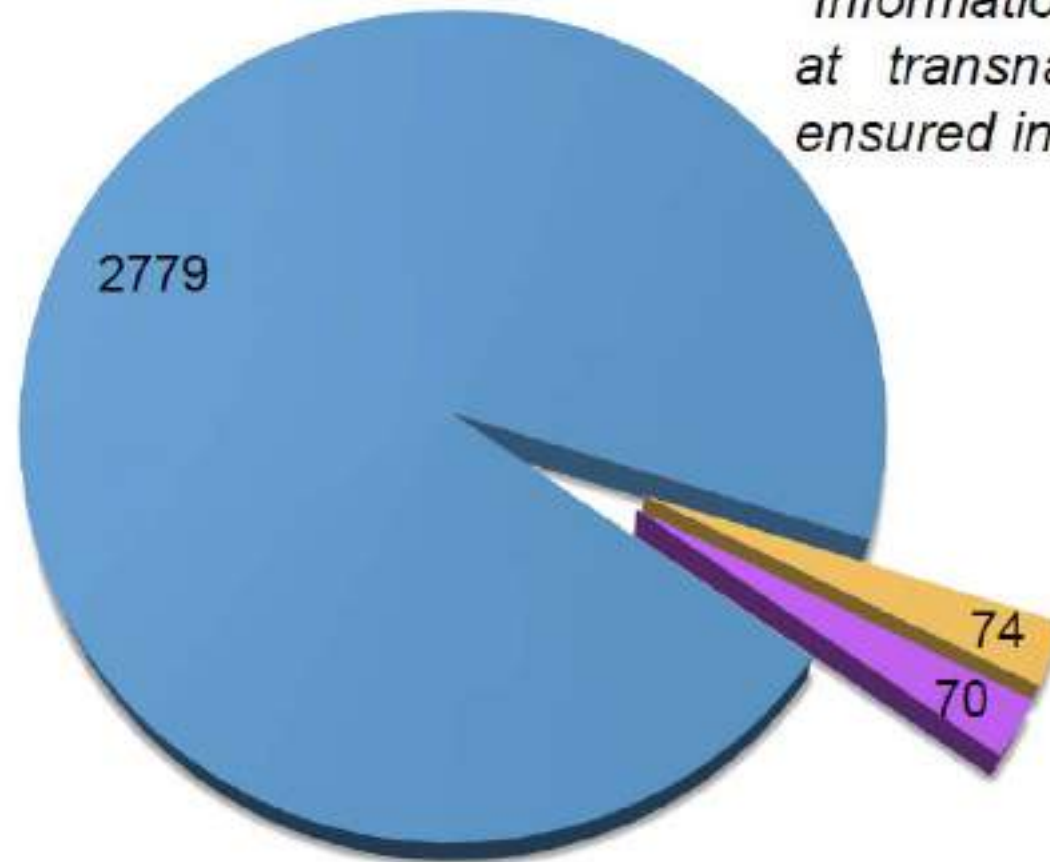


Data: European Company (SE) Database, <http://ecdb.worker-participation.eu> (31 December 2017)

## Employee involvement in SEs (n=2 943)

*“Information and consultation procedures at transnational level should (...) be ensured in all cases of creation of an SE”*

SE Directive, recital 6



■ SEs with no involvement rights or unknown

■ SEs only with information and consultation rights

■ SEs with information, consultation and participation rights

**Employee involvement is the exception, not the rule in SEs.**

Data: European Company (SE) Database, <http://ecdb.worker-participation.eu> (31 December 2017)