

European Works Councils Some History

Tom Hayes

Executive Director BEERG

tom.hayes@beerg.com

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Pressure

As the “Common Market” developed in the 1960s, while industrial relations remained national, pressure began to grow for European-level employee representation. This increased when Ireland, Denmark and the UK joined in 1973.

Social action
programme

COM(73)1600
24 October 1973

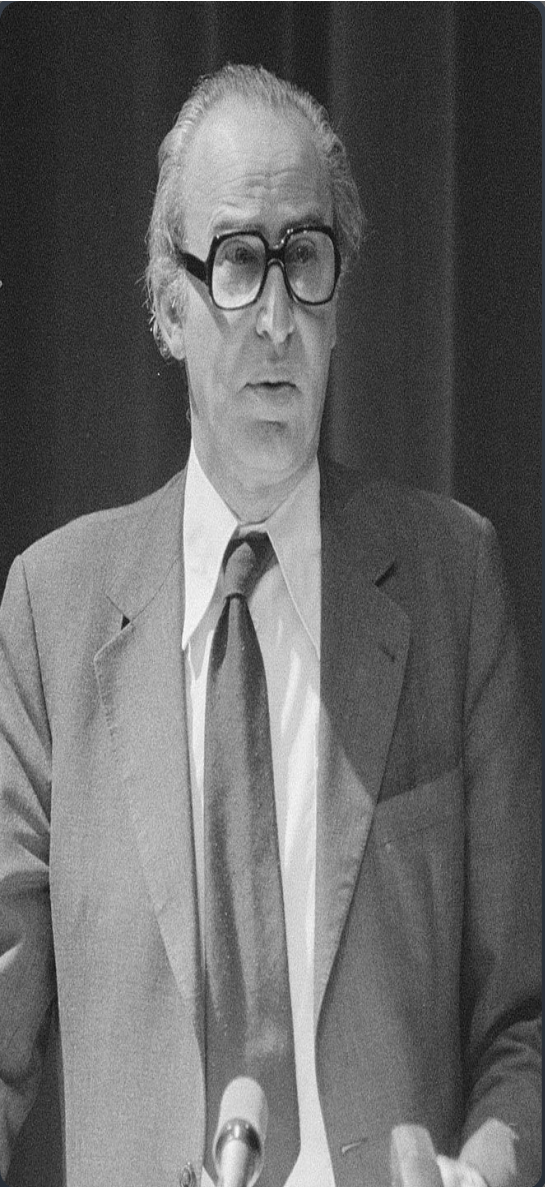
IN THE BEGINNING...

Collective Redundancies

Transfer of Undertakings

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Hank Vredeling

- In the late 1970s Hank Vredeling, from the Netherlands, the Commissioner for Social Policy published a draft Directive on information and consultation in transnational companies.
- What we now know as European Works Councils can be traced back to this Draft Directive



BITTER OPPOSITION

“Vredeling”, as the Directive came to be known, ran into bitter opposition from employer groups.



UK VETO

UK blocked – no return to trade union power through Europe

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The European Social Charter

Social Charter

- In the late 1980s, the Social Charter reopened the debate of European-level information and consultation and set our proposals which would end up as the 1994 EWC Directive



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Some Companies Did Not Wait

While the legislation was stalled because of UK opposition, in the late 1980s, some companies did not wait and went ahead and set up voluntary European Works Councils. **DANONE** is generally regarded as the first company to do so.





AIRBUS



Allianz



Nestlé

Next...

Danone was soon followed by such French and German companies as VW, Airbus, Thomson Grand Public, Allianz, Merloni, Nestle



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1990: Breit – President of the ETUC

The Single Market...will encourage cross frontier mergers and the establishment of new groups of firms. This will shift decision making centres in enterprises. The representation of employees' interests at the workplace, one of the cornerstones of effective social relations and to be found in different but comparable forms in all the Member States of the European Community, will still be subject to the frontiers of national legislation. The Europeanization of the structures of enterprises will thus change the situation on the employers' side without providing for anything equivalent on the employees' side. This will bring the social dialogue within enterprises to a standstill.



New Representation Structures Necessary

The result may and will be social conflicts, some of which will not stop at frontiers. What we are proposing and this above all with an eye to the Statute of a European Company is the establishment of a European body representing employees' interests in enterprises. For this the necessary legal foundations must be laid. Until this is done, the trade unions will try to reach agreement with the employers on such bodies. If this is not possible in a socially peaceful way, the trade unions must try to achieve their objective with the means at their disposal.



European Works Councils

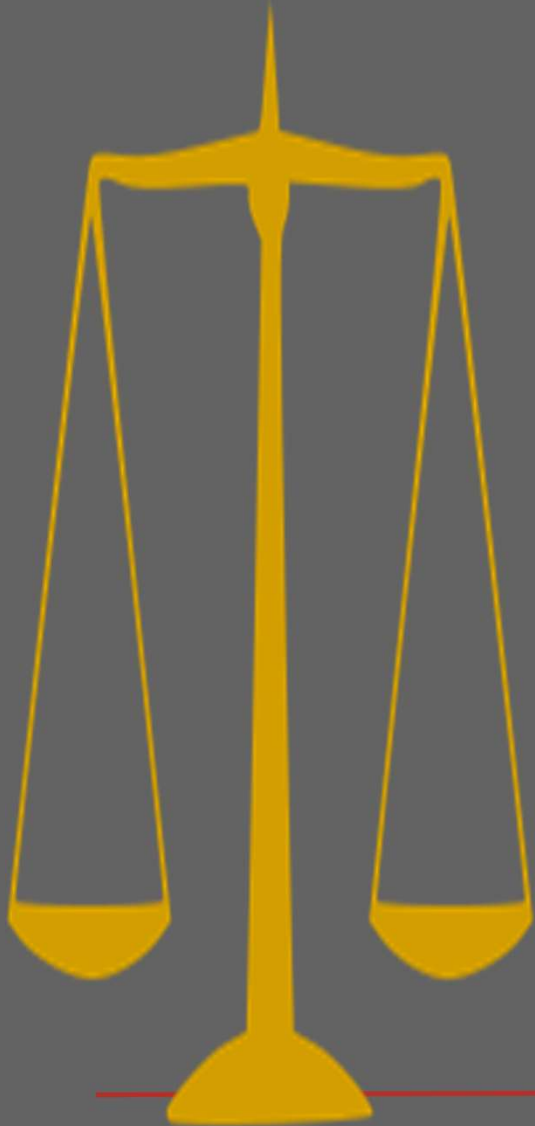
- Breit and his colleagues believed that EWCs, which would be dominated by the unions, would give them a seat at the top table.
- They would be part of European-level decision making, just as they were in Germany.
- They were to be disappointed.

Maastricht Treaty

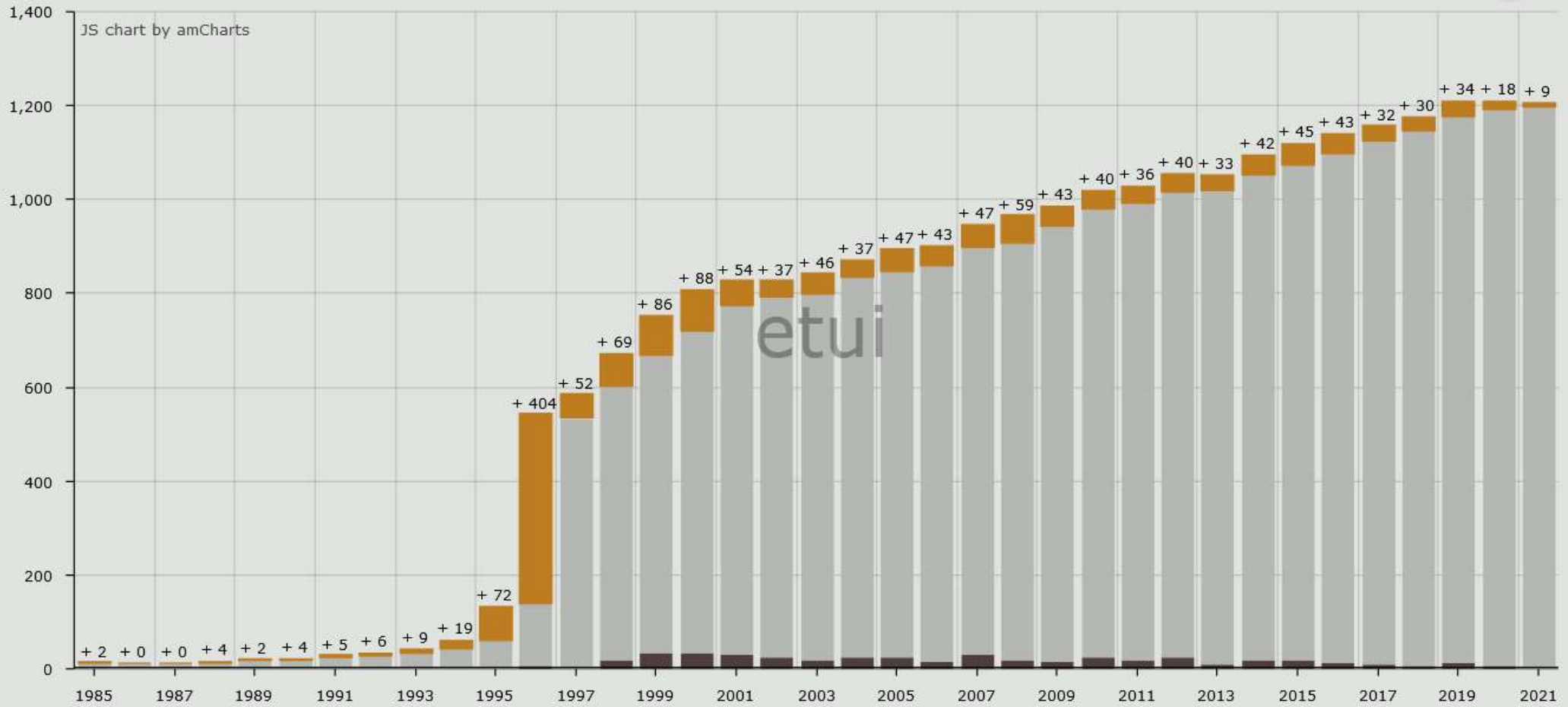
The Maastricht Treaty removed the veto on European-level information and consultation legislation. In any event, the UK had opted out of the social provisions of the Treaty. The 1994 EWC Directive was quickly adopted when the Treaty was finally ratified.

Social Partner Negotiations

The unions (ETUC) and employers (Unice) had the opportunity under the new Maastricht Treaty to negotiate a deal on EWCs in preference to legislation. Talks opened but failed to reach an agreement. It is difficult to negotiate workplace “balance of power” issues.



EWCs and SE works councils growth over time

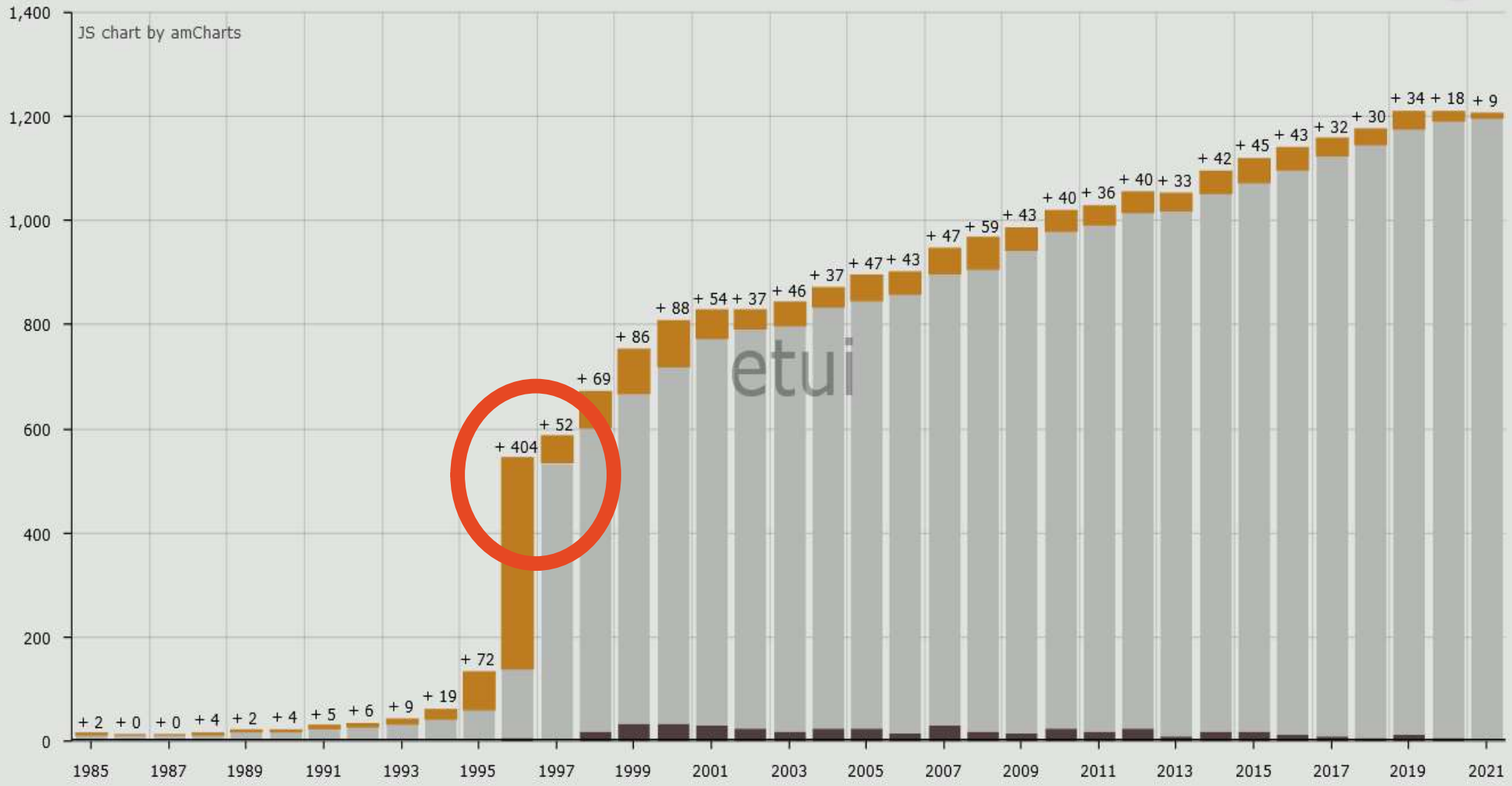




Article 13 Agreements

The 1994 Directive, in Article 13, said that any company (undertaking) that had European-level information and consultation arrangements in place before 22 September 1996, the day the Directive came into force at national level, would be exempt from the scope of the Directive

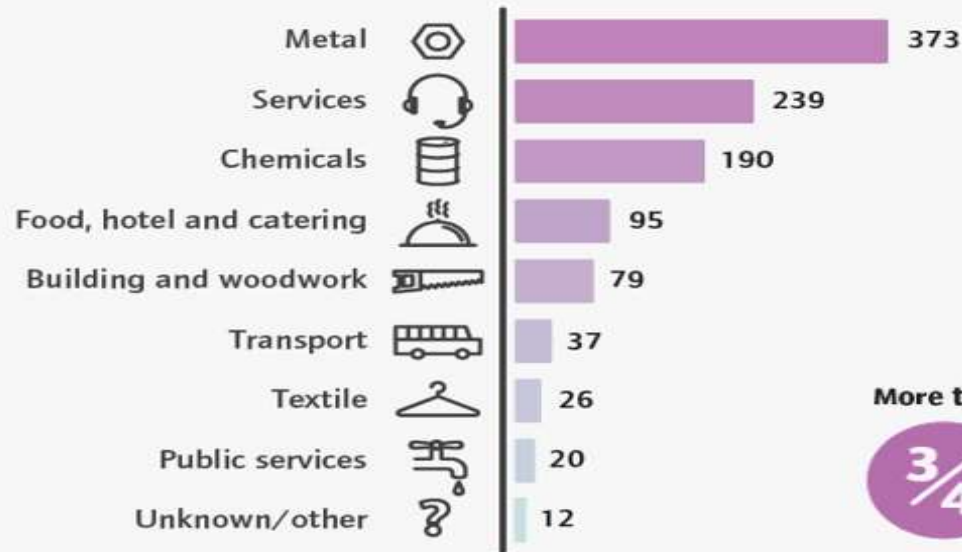
EWCs and SE works councils growth over time



EWC statistics

Main trends in regard to both quantitative as well as qualitative developments: **sectors**

Figure 6 EWCs' sectoral distribution

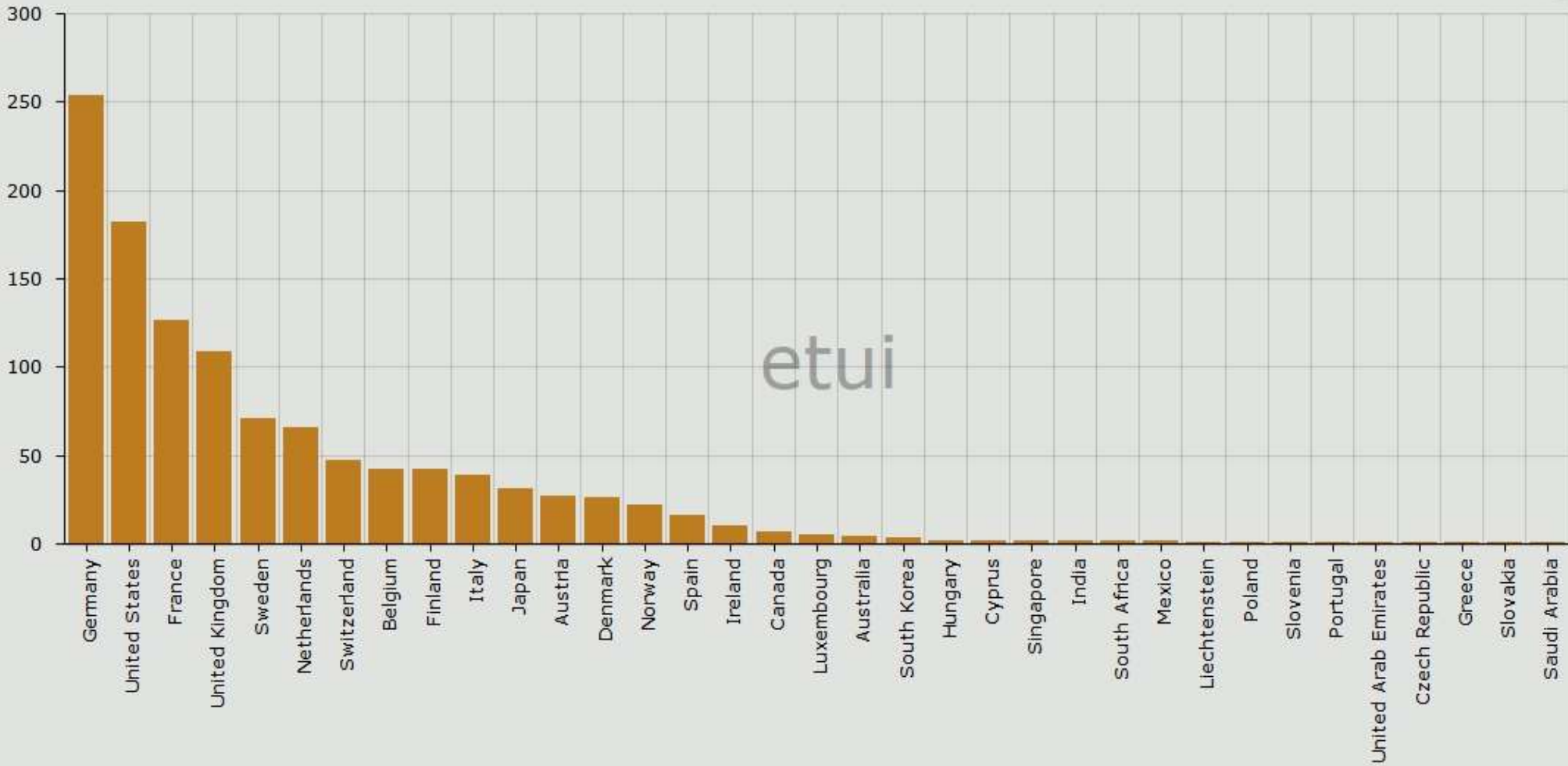


More than

$\frac{3}{4}$

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

EWC bodies currently active, by country of headquarters



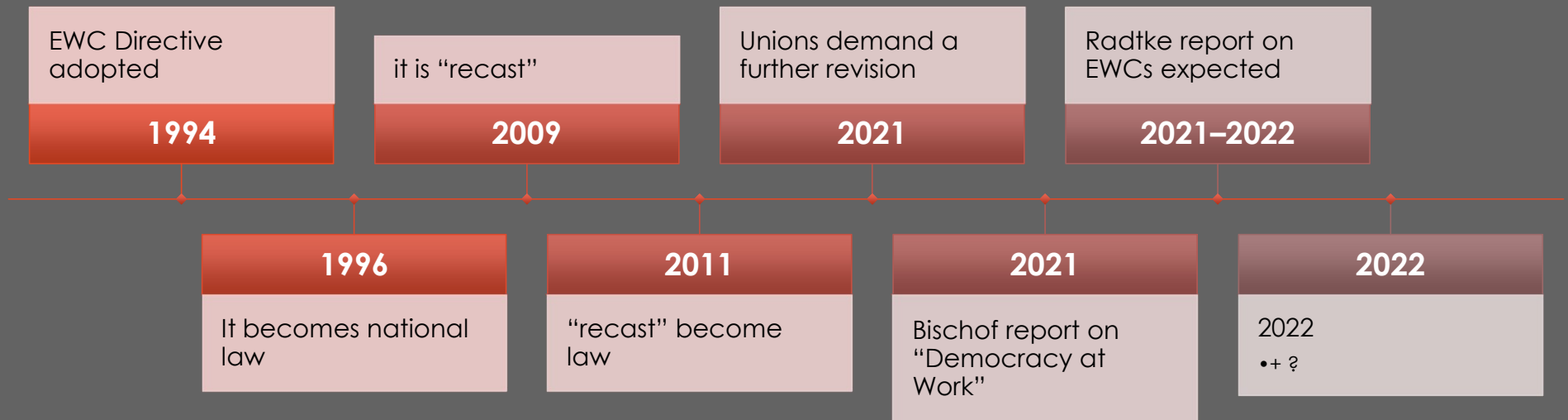
etui

- EWC
- SEWC
- SCEWC

EWC bodies currently active, by country of headquarters



Timeline



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