

Recommendations on how to improve the EWC operations

Recommendations of the participating trade unions and European Works Councils (EWCs) of the project "Electricity networks in Europe"
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The participating project partners welcome the Directive 2009/38/EC as such as it promotes strongly social dialogue at the European level. At the same time participants consider the problem as defined in the recital of the Directive is still acute: "national procedures are not always in line with the structure of supra-national organisations". Therefore the trade unions and European works councils participating in the *Electricity networks* project agree on the following recommendations to strengthen EWC agreements, the EWC directive and the development of best practices:

1. (general recommendations)

- It is important to strengthen the rights and competencies of the EWCs, by efforts made jointly with the European trade union (con)federations for the development of a new EU directive on the one hand, and by the improvement of the agreements on the operation of works councils, on the other.
- EWCs can influence the internal programme, the issues, the discussions and the agenda of the meetings, but in order to be able to influence corporate decisions the dialogue must be improved, too. Should the EWC not be involved in the preparation of certain decisions, management, must be obliged to provide explanation.
- The EWC agreements regulate minimum standards. There should be an agreement made on minimum employment conditions, minimum conditions to be applied during restructuring and on social minimum requirements. Should these standards be breached, EWCs must have the right for veto.
- EWCs should make efforts to conclude an agreement on corporate social responsibility. The core of such an agreement is that the company - while concentrating on production and profit - sets the principles it follows in connection with its employees; under such an agreement parties should be made accountable, as well.
- Corporations should define the scope of classified information EWC-members must handle confidentially; these should not go beyond prospected procurements, sales or relevant items in the budget or any other issue which in case of publication would cause financial disadvantage to the corporation. The term confidential business information should not be used as an excuse for not providing primary information to the employees.
- Members of the EWC in the different working committees should receive co-determination competencies on issues basically concerning employees. Agreements

should stipulate that management must consult with the EWC on certain issues before their implementation.

- EWC agreements should provide for procedures that improve the co-operation with European trade unions and develop social dialogue. The strategic and practical co-operation between employers and their European organisations on the one hand, and the employees and their European organisations on the other, must be promoted. In line with the practices of some multinationals, if the EWC requests so, representatives of the European sectoral federations should be constant invitees to EWC meetings; the relevant national trade unions should be invited to EWC meetings when issues concerning their country are discussed. Trade unions from the member states should have the possibility to consult with their representatives before the EWC negotiation.
- The agreement should define the exact information and consultation rights of the EWC. These rights in the agreement should cover: the economic and financial situation of the multinational; sectoral developments that have an impact on the employment situation; major changes in the structure and organisation of the company; key investments and developments. The company management should provide the EWC its quarterly and the annual business reports.
- As decisions on the strategy and the implementation are taken at the central level the EWC expects to come to an agreement on the standards of implementation of the decision irrespective of the country of implementation.
- EWCs must retain their role of being a multicultural communication forum and part of corporate culture and must strengthen competencies that counter-balance management in the protection of the safety of employment and of the social interest of the employees. In the practice of successful European works councils the borderline between the legislative and the company agreement or collective agreement becomes vague as trade unions behind the EWC have a major role to play and it is their elementary interest to make collective agreements with a transnational scope as a result of the consultations and negotiations. The national and the international levels must both be involved into the consultation at the level of the corporation.
- Joint efforts must be made with the international trade union organisations to establish a EWC consultation forum in which all EWCs belonging to the scope of the international trade union organisation would be represented. The forum could be appropriate platform learning about the activities and the achievements of the others and for the exchange of best practise.
- Similarly important would be the establishment of a Trade union round table with the participation of the local trade unions of the coverage of the EWCs. Trade union representatives and members of the EWC could exchange views on the issues the EWC had discussed at its meetings.
- Trade unions should make steps to create and strengthen a trade union coordinator function. Such a coordinator could be responsible for the coordination of the activities of all EWC members at the national level. This would not primarily mean EWC members of the same company but EWC members belonging to the organisation are of the same trade union. The coordinators could also be a reference point for information and pass on latest information and best practices on the activities going on in the different EWCs.

- Next to the territorial- regional governance several multinationals set up a functional management system. Decisions on strategy and implementation are taken at the central level. Companies define exactly at which management level different decisions shall be taken and negotiations with the European Works Council or its working groups shall be made. EWCs have difficulties with identifying the decision making competencies within the company. All this undermines the participation of employees in the decision making. The challenge for the works councils is to identify the person or the body that makes the decision.
- Representatives of non-EU member states with operation units of the company should also get an observer status in or be standing invitees to the EWC meetings.
- Employee representatives should initiate the expansion of the relevant ILO conventions to the „global works councils“.

2. (operational issues)

- The EWC must have an office, a secretariat, technical facilities, its own budget and the possibility to involve external experts.
- EWC agreements must cover the set of relations between the EWC members and the board of directors and also the trade unions.
- The board of the EWC should meet on regular basis, possibly Every month.
- The EWC should establish working groups for specific task. The setting up of such a committee can be initiated both by the EWC and the employer. The working groups should report on their activities in the EWC board meeting and the plenary. The EWC must have standing committees, as well to deplore specific issues in depth.
- The president or the standing committee of the EWC should regularly consult with the economic management. The president should inform the board and the plenary about such consultations. Depending on the issues, the national EWC members concerned and the local management should also participate at the consultation.
- The multinational providing for the operation of the EWC should promote the further training of its members, especially language training but should provide for interpretation at the meetings, too. Interpretation should possibly cover the follow-up meeting, as well, not only the main meetings themselves.
- EWCs should develop problem-resolving structures. There must be sanctions and procedures in place in case of the partial or improper implementation of the agreement.
- The management should pay attention to the content of the information it is passing on, and its timeliness.

- Without taking over the responsibility of the local trade unions, European Works Councils should promote equal treatment of the companies in the different member states and the implementation of the agreement outside the mother company, as well.
- Sectoral unions should support the trade union network and the EWC operations. The diversity of institutional channels can be exploited with appropriate coordination only. Trade unions should coordinate in both companies and provide for a smooth operation and representation. This trade union role cannot be limited to the company level as the sectoral organisations also actively support the works council network and the EWC operations through their international contacts. Next to the European federations the national sectoral unions should also participate at the EWC meetings.

3. (communication)

- The improvement of the information and communication flow is an important responsibility of the EWC. The knowledge and information gap that exists between the works council and the EWC needs to be overcome by more regular information and the improvement of the information flow. This requires a communication protocol at the central level.
- As every member of the EWC is required to report to the national level, the central management should provide for the communication instruments for all members.
- The communication of the EWC must be strengthened with all stakeholders of the consultation process. We must make efforts to have a two-way information flow if the EWC wants to take decisions in connection with issues discussed with management on the basis of the opinion of the greatest possible group of employees or if it wants to pass on their views to the management. The development of an information channel with the trade unions and a regular flow of information are of great importance in passing on these views and opinions from employees to the EWC members with the help of the trade union information network. It is indispensable for employees to know about the work of the EWC and see clearly its content and the issues it tries to resolve.
- The Internet must be part of this information and opinion making process because most employees can be reached with it.
- EWC members must receive timely information if they want to influence management decisions. There must be guarantees for timely information in written form so that members can appropriately prepare for the meeting.
- We have to overcome the practice of a typically vertical, mainly top-down communication between the EWC and the local workers representatives. Workers representatives in the member states address their questions and remarks to the top level of their organisation and do not consult with each other. Trade unions have the responsibility of passing on information not only after the EWC meetings but also of setting up an organic communication that is independent of the meetings.
- Trade unions should consider to improve their cooperation, but also consider the possibility of establishing trade union confederations at the level of the multinational company.

