

European Works Councils: progress and a long road ahead

Stan De Spiegel and **Romek Jagodzinski** of the **European Trade Union Institute** give a progress report on *European Works Councils*. Although EWCs continue to grow, they suffer from a lack of resources and more of third of them lack training rights in their agreements. Both sides – management and workers need to work together to make them more effective.

In Europe an estimated 19 million employees work in companies with a genuinely European form of employee information and consultation, namely, a **European Works Council** or an **SE Works Council**. These institutions were given a regulatory framework by means of EU directives in 1994 (EWCs) and 2001 (SE works councils); ever since, the number of EWCs and SE works councils has been steadily rising to over 1000 active councils in 2015.

Yet the practice has been fraught with difficulties. The works councils have struggled with insufficient resources, too few meetings, language problems, inadequate expertise, and a general lack of clear competences and rights. These are all aspects that can be negotiated and agreed. So what do the agreements look like and where can we identify (a lack of) progress?

EWCs in 2015: progress...

First the good news. The number of EWCs and works councils in European Companies (*Societas Europaea*, SE) continues to rise, albeit at a significantly slowing growth rate. The EWC landscape, meanwhile, is becoming increasingly diverse in terms of sectors (more work councils in the services sector) and of company types (more works councils in relatively smaller multinationals).

In terms of internal organisation, the presence of a select committee is becoming a standard practice, with almost nine in ten EWCs currently having such a steering group in place, compared to only 62% in 2002. This is major progress as select committees increase the efficiency of EWC work, improve communication, and facilitate ongoing contacts with management. What is more, EWCs are increasingly coming to recognise that one meeting a year is not enough; more and more of them thus aim to hold at least two (23%) or more (3%) meetings a year.

... and a long road ahead

But what about the long road ahead? As EWCs deal with complex financial, organisational and management topics, training for representatives and assistance by an expert (or, more broadly, access to independent specialist advice) are frequently required. The EU directive and its 2009 recast clearly support the provision of such training and the right to include external and freely chosen experts in the meeting.

Still about one in three EWCs lack any mention of training rights in their agreement, while many other agreements include merely general reference to this topic. The same is true of expert assistance. About one in three EWC agreement contains no mention of access to expert assistance.

While there can be no denying that considerable progress has been made on these issues in comparison with the 2000s, the continuing road towards guaranteed full support for all EWCs is unlikely to prove smooth.

The legacy of the first directive



The EWCs lacking clear training rights or access to experts are in most cases those established before September 1996. These EWCs are 'voluntary' and enjoy exemption from the rules and obligations stemming from the directive and the recast. This exemption has a clear legacy in that a large proportion of these exempted EWCs still fail to specify minimum rights on training and expert advice. Though the proportion of these older, pre-directive EWCs is declining over time, 39% still enjoy such exemption. Moreover, half of the exempted EWCs have never renegotiated their agreement even though such renegotiation is a unique opportunity to update and upgrade the EWC's rights and obligations.

Bringing reality into line with the desired outcomes of the regulation is therefore not a matter of policy alone. It also requires practical steps whereby the parties return to the negotiating table, upgrade their agreements to the existing standards, and thereby contribute to creating effective EWCs in companies.

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