

**OPINION**

# Is there more than coffee for European Works Councils?

By **STAN DE SPIEGELAERE AND ROMUALD JAGODZINSKI**

GHENT, 21. JAN, 07:03

The 'birth' of the European Works Councils can be traced back to Hoover's factory in Scotland, on January 25th, 1993.

Without the factory's trades union knowing, and against their will, they would be catalyst in becoming a cornerstone of a 'Social Europe'.

For the time being, their minds were occupied with a proposal for a collective agreement from the management. Well, a proposal is maybe too much to say as it was really more of a dictate. If they didn't sign, their plant would close, meaning almost 1,000 employees would lose their job.

The 'agreement' was simply humiliating: first, the number of trade union representatives had to go down and four senior shop stewards were laid-off. Breaks would become unpaid, and the workweek would be extended by one hour (without an increase in pay).

Current pay levels would be frozen for roughly a year. New recruits would get flexible contracts for less pay, and

would be excluded from the pension scheme for the first year.

As a nice cherry on top of the cake there was a strong social peace clause stating that anybody taking industrial action would be immediately dismissed.

In return, the Scottish factory would remain open and the French Hoover factory, employing roughly 700 workers would be closed.

In their own words, the trade unionists were "negotiating with a gun to their heads" and their signature was the death sentence for their French colleagues.

Europe reacted with outrage and disgust. One thing was clear: the economic integration of the EU was giving the multinationals ample power to divide and conquer but the nationally-organised unions didn't have an answer ready.

This striking example of unbalanced power relations loosened the deadlock on an old proposal in the EU and the 'European Works Councils' were born in 1994.

Essentially, the EU decided that at the very least, the employee representatives of a multinational were to meet each other and the management from time to time. In these meetings, the management had to inform and consult the employees about transnational issues.

Clearly, European Works Council wouldn't keep companies like Hoover from trying to play their employees, but if nothing else, the Scottish trade unionists would have the phone number of their French colleagues to talk, discuss and just maybe, come to a common position.

In 1994, the EU passed a directive on European Works Council.

After more than 25 years of experience, the [European Trade Union Institute \(ETUI\)](#) has made a report evaluating EWCs. For this, we surveyed over 1,600 EWC representatives of more than 350 different EWCs, the largest survey of employee representatives of EWCs so far.

## **Is a Hoover debacle still possible?**

First the good news: there are currently about 1,000 European Works Councils active in multinational companies with over tens of thousands employee representatives.

All these meet each other from time to time, enabling them to close the ranks against the multinational management if needed.

All the while, they are informed about the companies' projects and plans on the transnational level and get insight in what's happening in other countries.

If information indeed is power, the EWCs surely increased the power of employee representatives in European multinational companies.

The other good news is that when looking at the evolution over time, there are some visible improvements.

If we compare the current results with a survey or to roughly ten years earlier, we can see that EWC members are more satisfied with the information they receive and the way they are consulted and seem to meet more frequently per year.

Despite the fact that there is some progress to be noted, the overall evaluation is not entirely positive.

The objective of the European Works Councils was to provide employees with timely information and consultation on transnational issues.

Yet only one-in-five thinks they are in generally informed or consulted before the final decisions are taken and only one in two thinks that they are being consulted on transnational matters.

While specific training for employee representatives is commonly seen as absolutely crucial and a clear legal right, still more than one in three representatives didn't receive any training in the last three years.

So, is a Hoover debacle still possible today? Most probably.

The representatives of the Scottish and French plants would at least have each other's contact information which, in theory, would mean they could come up with a common strategy.

They would be able to call a special meeting of the EWC with representatives of both plants to discuss the overall strategy.

At the same time, the odds that they would be really consulted, based on detailed information and before the final decision was taken on the plant closure are still quite slim.

While the European Works Councils clearly are an essential part of social Europe, they stay far from really balancing the power in multinationals.

One of the problems mentioned earlier and by the employee representatives is the enforcement of the rules. The rights are there, but it proves a real challenge to get them applied in the multinationals.

One could say, with only slight exaggeration, that currently meeting for coffee with the representatives of other countries is more important than the conversation with the management.

And obviously, that coffee is important as it puts the basis for transnational solidarity, trust and action as we have seen in GM, Caterpillar, Renault, Eurostar and others.

However, if only half the EWC members think their meetings are effective for being consulted, that means the EWCs hardly pass the effectiveness test (let alone efficiency).

The European community knows this, but the political will to act is currently missing and Europe here misses an opportunity to create a real social Europe in multinational firms.



### AUTHOR BIO

Stan De Spiegelaere is a researcher at the [European Trade Union Institute](#) and a guest professor at [Ghent University](#).  
Romuald Jagodzinski is a senior researcher at the European Trade Union Institute.



### DISCLAIMER

The views expressed in this opinion piece are the author's, not those of EUobserver.

### SHARE ARTICLE

[Twitter](#)[Facebook](#)[LinkedIn](#)[Reddit](#)[Mail](#)

**INTERVIEW**  
**Belgium's  
trade  
unionist  
running**



**Integrating  
refugees  
will  
also  
benefit**



**Why  
EU  
minimum  
wage is  
actually**

## to replace Juncker

17. MAY  
2019, 08:54

The refugee from Franco's Spain, who ended up working for an arms manufacturer, is now running to replace Jean-Claude Juncker as EU Commission president. He tells EUobserver why the Left are 'idiots' for not joining forces at the May elections.



## The bright side of 'Brexit Day' for the rest of the EU

TODAY, 07:00

## trade unions

18. JUL 2016,  
11:15

By helping refugees being full members of the labour market, unions will adapt to changes in society and will be better prepared to face the future.



## Second- hand cars flaw in EU Green Deal

24. JAN,  
07:34

## bad idea for workers

13. JAN,  
07:01

As president of one of the largest trade union confederations in the EU, I see the need for good working conditions and decent pay in all member states - but an EU-wide minimum wage could be used to lower wages.



## Eastern Partnership must now improve media freedoms

23. JAN,  
07:04

Britain's withdrawal from the Union on the 31st of January is a good thing for the EU, even if Brexit as such is not.

The moment Europe revels in its carbon-free transport system, most of the cars that emitted too much for EU standards will still be driving around for years somewhere else in the world.

The EU can hardly criticise Eastern Partnership countries for disrespecting media freedom. Five EU member states, including current presidency Croatia, came below Armenia and Georgia in the 2019 RSF Press Freedom Index. Bulgaria ranked nine places behind Ukraine.