



**EUROPEAN WORK COUNCILS  
TEN YEARS OF EXPERIENCE**



**FEDERATION OF INDUSTRIAL WORKERS UNIONS**

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# *Prologue*

*The present book was compiled within the framework of the VALUE program and with the financial contribution of the General Directorate of Employment and Social Affairs of the European Commission*

*The scope of this program was the examination of the current condition of the European Work Councils, in view of the revision of the European Directive 94/45 that determines the elections procedure and regulations governing the functioning of the European Work Councils.*

*The program was implemented by the Federation of Industrial Workers' Union (O.B.E.S.). The members of our Federation are factory-enterprise unions from various business branches and sectors, while the members of these unions are not only blue collars but also white collar employees.*

*During the implementation of this program, many discussions and contacts with Greek E.W.C. representatives were realized, aimed at discussing the current functional condition of the European Work Councils, as well as the collection of suggestions for the future revision of the European Directive 94/45.*

*We hope that the present book, which constitutes a continuation of previous editions of our Federation, will comprise a useful aid for the E.W.C. representatives in order for them to defend the workers' rights. In parallel, we wish to inform every interested party of the function of the E.W.C.s and its current reality.*

*We would like to clarify that this book includes the personal opinions and viewpoints of those who have written each section and these opinions are coming from their experiences as members in the E.W.C.*

*As far as the method applied in order to compile this book is concerned, we considered it appropriate to collect the responses of the Greek members in E.W.C. to particular questions, so that the reader may form an overall impression of the operation of each E.W.C. and to the extent that this may be possible, to compare them.*

*Aristides Hatzisavvidis  
President of the Federation of Industrial  
Worker's Union*



*The original texts have been compiled in Greek.*



# *The European Work Councils of workers in the banking sector*

*By Giannis Mykoniatis  
Vice president of the  
board of the trade Union  
of E.T.E., member of the  
managing board of the  
Athens Labour Centre  
(E.K.A.)  
President of INE-EKA  
and in charge of the  
establishment of the  
E.T.E. E.W.C.*



## **1. Introduction**

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Up to the recent incorporation of the ten new E.U. county members, only the banks with headquarters abroad had the right to establish a European Work Council in the Greek banking sector.

Thus, today the Greek participants in the E.W.C. are from the following banks:

- CITIBANK
- ABN AMRO
- H.S.B.C.
- SOCIETE GENERALE
- AMERICAN EXPRESS
- BNP – PARIS BAS

The headquarters of the above E.W.C.s are in the country where each bank's central management is located.

The Greek representatives at the E.W.C. have, in their majority, been appointed by the union of each bank they represent.

The Greek Federation of Bank Employees (O.T.O.E.) tries to coordinate the presence, participation and activity of all the Greek representatives at relevant E.W.C.s.

From 01.05.2004, upon the full incorporation of Cyprus in the E.U., the Greek banks that fulfill the conditions of the European Directive 94/45 for establishing and operating E.W.C.s are the following three:

- National Bank of Greece (E.T.E.)
- ALPHA BANK
- Commercial Bank

In addition, there are also the following three Cyprian banks, which are expected to establish a E.W.C.

- Cyprus Bank
- Hellenic Bank
- Popular Bank (Laiki)

## **2. The E.W.C. under establishment of the National Bank of Greece (E.T.E.)**

The trade Union of the National Bank Employees is proceeding with the establishment of the E.T.E. E.W.C., under the coordination of the Federation of Bank Employees (O.T.O.E.) in cooperation with the Cyprian Bank Workers' Union (E.T.Y.K.).

Since 01.05.2004 and the full incorporation of Cyprus in the European Union, the E.T.E. fulfills the conditions for establishing a E.W.C. The E.T.E. and E.T.Y.K., on behalf of the National Bank employees in Cyprus, have addressed the relevant letters to the E.T.E. management.

With these letters we announce the workers' negotiation team and request from the E.T.E. management to appoint their negotiators in order to commence the dialogue for the establishment of the E.T.E. E.W.C.

The term of the E.W.C. members is expected to be a three-year one and the representatives will be appointed by the workers' unions.

The agreement has not been reached to this date (December 2004) but it is expected that the weak point in the agreement will possibly be the sparse meetings of the E.W.C., which may hinder the continuation and full information of its members.

Our target for the E.T.E. E.W.C. will be to form a powerful instrument that will consist of representatives from all the working sections, so that the workers' representatives have an overall opinion and picture concerning the future of the bank and the problems workers face in all the counties. These problems must be commonly faced.

In addition, we will not permit possible relocation of the bank activities from one county to another, which will result in reduction of the work positions.

The relationship of the representatives at the E.W.C. with the workers' union will be direct. The E.W.C. representative will bring the information to the Union, will support the better function and effectiveness of the E.W.C. and they will function in a way so as to supplement and not to substitute the trade union.

The matters that must concern the E.W.C.s are mostly the changes in the business activities of E.T.E. and the consequences these may have on the workers.

In addition, the E.W.C. must bring forth the problems that arise from the financial globalization and its impact upon the banking sector.

Moreover, the E.W.C. will request the presence of workers' representatives as observers – from Bulgaria and Rumania, the two counties where E.T.E. is active and which will be incorporated in the E.U. in the year 2007.

As for the current legislation, the European Directive 94/45 must be revised in order to foresee more substantial authorities for the E.W.C. as well as more than one meeting per year.



The future of the E.W.C.s will depend of how well they will play their role. More specifically, they must bring the workers employed in the same company in various countries closer. In addition, the E.W.C. must help the workers understand that their problems are common problems, to inform them properly, and develop among them a sense of solidarity, in order that their common problems are effectively solved.

In the course of this E.W.C. establishment procedure we have used and will use in the future the knowledge and experience gained by O.T.O.E. from the participation of their union members in E.W.C.s.

We believe that the discussions with the E.T.E. management for establishing the E.W.C. will commence soon in an organized and effective manner, with the aid of the president of the O.T.O.E., Mr. D. Tsoukalas, who is also the national coordinator in Greece for the UNI, the international trade union of bank employees.

# *The BDF's E.W.C. case study*

*By Konstantinos Babilis  
Member of the BDF E.W.C.*

**1. Briefly describe the process of establishing the E.W.C.**

The BDF European Work Council was established in 1995, in accordance with article 13 of the European Directive 94/45.

**2. Which is the procedure followed in order to participate in the E.W.C.?**

Greece is represented at the E.W.C. by one delegate who is appointed by the union's Managing Board for a three-year term, which may be extended, if the union's Managing Board does not recall him/her.

**3. Which are the weaknesses in your agreement?**

The weak points in our agreement are the sparse meetings of the E.W.C. In particular, the E.W.C. meets only once a year; a small selective committee has not been set up so as to monitor issues and report to all E.W.C. members in the time that elapses between these yearly meetings. It is worth pointing out that the current Greek representative was only recently appointed and has participated in merely one such E.W.C. meeting to date.

**4. Which are the strong points in your agreement?**

Unfortunately, judging by the course of the E.W.C. to date, there are no strong points in our agreement.

**5. What are the most important achievements of the E.W.C. to date?**

In our opinion, the E.W.C. has not achieved any substantial accomplishments.

**6. What are the greatest problems you have encountered?**

The major problems are the following:

- Firstly, that the meetings held by the E.W.C. are sparse (once a year).
- Secondly, there is no selective committee that would monitor the solutions to the problems discussed in the E.W.C. meeting.
- Thirdly, there is no information during the 12 months that elapse between the E.W.C. meetings.

**7. Which is the relation between your E.W.C. representative and the union?**

The E.W.C. representative is an active participant of our union's activities. More specifically, our current representative was on the union's managing board until the year 2003. Even though there is lack of general flow of information to the E.W.C., our representative informs the managing board, as well as the remaining workers, of what was discussed during the last E.W.C. meeting he participated in.

**8. *Which issues do the workers' representatives usually bring up prior to and during the meeting with employers?***

The main issues E.W.C. representatives of workers discuss before and during the meeting with the company's management are the restructuring of production, salary equation with workers in various countries, etc.

**9. *Which issues should in your opinion be addressed in the E.W.C. meetings you participate in?***

At this point, we would like to clarify that while very important issues, such as cut backs and restructuring of production, are discussed, there are no solutions to these problems because there is no wish on the company's management part to solve them. In addition, in cases of production cut backs, the respective countries workers' representatives do not have common understanding on this matter, so as to promote and contest mutually acceptable proposals.

**10. *Has the incorporation process of representatives from the 10 new E.U. country members in the E.W.C. commenced?***

To date the activity of the specific multinational group of undertakings has been limited to the countries that were part of the E.U. prior to the expansion; therefore, an issue of incorporating representatives from the new country members has not arisen.

**11. *What in your opinion must be changed in the European Directive 94/45 so that the E.W.C.s may be more effective?***

The European Directive 94/45 must be radically changed.

First of all, it should foresee the review of the agreements drawn up based on article 13. Moreover, it should provide for more frequent E.W.C. meetings in addition to the yearly one, as well as the obligation on the part of the company's management to carry out substantial consultations with the workers until their problems are resolved.

**12. *What do you believe is the future of the E.W.C.s?***

Based on our experience to date, the future of E.W.C. is not bright. Only if the E.W.C. gains more responsibilities and the ability to negotiate with the company's management, will it become more effective in protecting the workers' rights and contribute to the general development of Europe.

**13. *Finally, please highlight one important element or result that has been reached by the E.W.C. you participate in.***

Overall, the operation of the E.W.C. to date has not been satisfactory. We would like to point out that the E.W.C. has not managed to promote solutions to the problems that arise from production cut backs, which even if they concern only one country every time they arise, they comprise a frequent and important problem with a pan-European dimension.

# *The DANFOSS's E.W.C. case study*

*By Tina Gravari  
Member of the  
DANFOSS E.W.C.*



**1. *Briefly describe the process of establishing the E.W.C.***

Our company's E.W.C. agreement was signed on 18 September 1996 and it is shielded by article 13 of the European Directive 94/45. The first E.W.C. meeting of our company was held in mid-June of 1997.

**2. *Which is the procedure followed in order to participate in the E.W.C.?***

Elections are held every 3 years and all the employees in the company have the right to vote.

One representative is elected and one in reserve to take over the duties, if such a need should arise.

**3. *Which are the weaknesses in your agreement?***

The weak point in our agreement is that all the representatives meet in order to exchange opinions, discuss and consult with our company's management only once a year. In the period that elapses between these meetings, we can communicate only via e-mail and/ or fax. As a result, the volume of problems that accumulate from one meeting to the other is so great that they cannot be resolved during this single yearly meeting. Therefore, even when there is a solution for a problem, the time required to make a decision and receive the necessary feedback is double.

**4. *Which are the strong points in your agreement?***

The strong point in our agreement is that the company's management is from Denmark, a country with a well-developed social front; therefore, the margins to promote workers' demands are wide. In addition, there is timely updating and in general sooner or later, the company's management follows the community's directives to the letter.

**5. *What are the most important achievements of the E.W.C. to date?***

Our company's E.W.C. has, via timely intervention, managed to hinder mass dismissals of workers, such as in cases of the company's stock restructuring or mergers due to takeovers. The work force of our company remains stable internationally and there is speculation, but also respect for the future of these workers, who may, due to the changes, not be able to keep their positions. The

E.W.C. always tries to consult with the company's managers concerning these latter workers, in order to find the best arrangement for them (whether this involves their transfer to another post within the company, or their final departure).

**6. *What are the greatest problems you have encountered?***

There have been various issues and problems that had to be discussed and agreements reached with the management before attaining the current form of the European Work Council. In particular I would like to point out the following:

1. Since the Directive of 1994 up until the agreement with our company's management to establish the E.W.C. was reached, we had to negotiate and find solutions, so that the differences between the ideas and stances of the workers and the management could be settled.
2. The first two E.W.C. meetings were initially a communication with an one-way character. We had to slowly learn how to take advantage of these meetings, so as to achieve a satisfactory channel of communication and improve our results.
3. During the first two years there were interpreters who helped with simultaneous translation during the meeting. Interpreters are not necessary any more.
4. The first E.W.C. meeting lasted 2 days, while now the duration of the meetings is 5-6 days.
5. The fact that in some countries represented at the E.W.C. the legitimacy of their delegates has been questioned is an important problem.
6. The ability and power of the elected members, who act as representatives of their colleagues, may even today be questioned, especially in the cases of countries whose delegate at the E.W.C. represents additional countries as well.
7. Finally, the communication between colleagues who are represented at the E.W.C. by delegates of other countries is difficult in many countries even today.

**7. *Which is the relation between your E.W.C. representative and the union?***

There is no trade union in our company and the E.W.C. representative is elected with universal suffrage of all the workers.

**8. *Which issues do the workers' representatives usually bring up prior to and during the meeting with employers?***

In the course of our meetings with the company's management, the E.W.C. is thoroughly briefed about the company's financial course, targets, strategic and future plans (takeovers of other companies or mergers). In addition, during this meeting, the E.W.C. can bring up any issues that preoccupy the workers and there is exchange of ideas concerning how many of these issues can be corrected immediately and how many in the long term.

**9. *Which issues should in your opinion be addressed in the E.W.C. meetings you participate in?***

The E.W.C. must discuss all the issues that concern the workers, such as social security, readjustment of salary based on the cost-of-living but also the evaluation of each employee, the potential of professional evolution, training, health and safety, as well as the improvement of working conditions. Moreover, the E.W.C. must always intervene and offer solutions where there are great changes and restructuring in the company, which affect the workers' career.

**10. *Has the incorporation process of representatives from the 10 new E.U. country members in the E.W.C. commenced?***

The Danfoss E.W.C. includes workers' representatives from the 10 new E.U. country members.

**11. *What in your opinion must be changed in the European Directive 94/45 so that the E.W.C.s may be more effective?***

In my opinion the changes that must take place in the European directive so that the E.W.C.s may become more effective are the following:

1. Special attention must be given to the training of the E.W.C. representatives, so that they may carry out their mission correctly and be able to understand the general problems prevailing in the workers' sector, not only on a national but also on an international scale.
2. Given that there are many issues carried forward from the previous meeting, more frequent E.W.C. meetings must be held.
3. Daring individuals must be found who are capable of presenting arguments to the company's management and persuading them to accept the workers' positions and achieve a positive result in the materialization of the workers' demands.

**12. *What do you believe is the future of the E.W.C.s?***

The future of the E.W.C. is directly dependent on the members it encompasses. If there is proper guidance and training, then they will be able to act dynamically towards the solution of the problems. It also depends on many factors, i.e. how ready each company's management is to approach and listen to the workers' demands and how dynamic and charismatic the members of the E.W.C. are, so that they may present the employer with arguments and persuade the management to find solutions to their demands. I believe that for quite a few years to come the E.W.C.s will operate more as a means of exchange of information between the company's management and the E.W.C.

**13. *Finally, please highlight one important element or result that has been reached by the E.W.C. you participate in.***

The participation of the Danfoss E.W.C. in consultations with the management concerning the relocation of production to other countries and the procedures of reduction in the work positions is significant.

# *The HEINEKEN's E.W.C. case study*

*By Hercules Lapas  
Vice-president of OBES  
Member of the Heineken  
E.W.C.*



## **1. Briefly describe the process of establishing the E.W.C.**

The process of applying the European Directive 94/45 for the E.W.C.s in Heineken commenced in 1996 with the initiative of the Dutch syndicates and in accordance with the Dutch law that was then valid and which comprises a transposition of the European Directive to the Dutch law.

At the beginning there were many problems both concerning the context of the first agreement for the establishment of the E.W.C. as well as our participation. Eventually, however, the agreement to establish the E.W.C. was signed in October 1997.

Heineken products are produced in many European countries via subsidiary companies that were either taken over or merged. This fact forced Heineken to broaden the representation of its workers from each country and include in the E.W.C. representatives from each one of the European countries Heineken is active in.

The first agreement for the establishment of the E.W.C. was a 4-year one, it was renewed for the period 2001- 2005 and the process for drawing up a new agreement for the period after 2005 has already commenced.

## **2. Which is the procedure followed in order to participate in the E.W.C.?**

The representative of each union is elected every time by the trade union's General Assembly, for a 4year term, equal in duration to that of the agreement.

## **3. Which are the weaknesses in your agreement?**

We believe that there are no weak points, because when the second agreement was signed in 2001, many of the problems that had arisen from the first were overcome. The E.W.C. meets once a year at the company's headquarters in Holland and then again during the training seminar that is organized in one of the countries where Heineken is active. The participation expenses for the above meetings, which also include the expenses incurred during the seminar, are paid by Heineken.

Except for the E.W.C. plenary meetings, a five-member selective committee is also in operation which meets four times a year.

**4. Which are the strong points in your agreement?**

The strong point of our agreement is the fact that the Heineken management has agreed to offer us timely information concerning the problems created in various countries, due to mergers, restructurings, transfer of production, etc. In parallel, at the E.W.C. important issues, such as working conditions, wage scales (convergence of wages), health and safety, etc, are discussed, issues that are put on the agenda by the small selective committee.

**5. What are the most important achievements of the E.W.C. to date?**

One of the most important achievements of the E.W.C. is the intervention in takeovers, mergers, as well as in labour problems that arise from restructuring of production. For instance, during restructuring in Spain, the dismissals were carried out after consultations and intense juxtaposition with the Heineken management. Finally, the E.W.C. succeeded in limiting the number of workers that were dismissed and managed to reach an agreement with the company's management to transfer workers from one city to another, subsequent to their agreement, so that less posts were vacated.

**6. What are the greatest problems you have encountered?**

There have been no intense interpretation problems; however, the difference in cultures, as well as the fact that the structure of the unionist movement in Greece differs to that of other E.U. countries, are factors that affect the function of the E.W.C.

**7. Which is the relation between your E.W.C. representative and the union?**

As I mentioned above, the representative from each trade union is nominated by democratic procedure, i.e. by election from the General Assembly of the trade union. To this date, the Heineken representatives at the E.W.C. have been the presidents of the industrial unions of the three Heineken factories in Greece. The workers are informed by their E.W.C. representatives during their union's General Assembly where the E.W.C.'s bulletin is handed out for their colleagues' full information. Finally, the E.W.C. representative discusses with the trade union's Managing Board all the issues that preoccupy the E.W.C. and affect the workers.

**8. Which issues do the workers' representatives usually bring up prior to and during the meeting with employers?**

As mentioned previously, the E.W.C. meets twice a year, while on the last day of each meeting, the E.W.C. decides the agenda of the next meeting. In addition, the E.W.C. selective committee in collaboration with the management form the final issues to be discussed during the next meeting. The most important matters that are discussed during the E.W.C. are the company's future, exports, financial condition, as well as more general topics, such as child labour, the environment, etc.

**9. Which issues should in your opinion be addressed in the E.W.C. meetings you participate in?**

The issues that must be addressed by the E.W.C. are the improvement of the working conditions, the securing of working positions in cases of changes and restructuring, the payment equation and in general all the matters that concern the workers.



**10. *Has the incorporation process of representatives from the 10 new E.U. country members in the E.W.C. commenced?***

The workers from the new countries have been participating since the initial establishment agreement of the E.W.C. and, obviously, continue to participate.

**11. *What in your opinion must be changed in the European Directive 94/45 so that the E.W.C.s may be more effective?***

Developments on a socio-economic scale are rapid, especially taking into account globalisation. The removal of borders for the trading of goods and companies has imposed the need for a more coordinated intervention on the part of the European Commission towards changing the European Directive 94/45, in such a way that the E.W.C.s may be more effective.

The effectiveness of the E.W.C. function depends on the more accurate determination of the consultation concept, which must be prompt. It also depends on legislating the substantial participation of the E.W.C.s in company's negotiations on a European scale.

**12. *What do you believe is the future of the E.W.C.s?***

The future of the E.W.C. depends on its legislative fortification as a means of representing the workers with a right to negotiation and intervention in changes. The more the responsibilities of the E.W.C., the more effective and powerful it is.

**13. *Finally, please highlight one important element or result that has been reached by the E.W.C. you participate in.***

Regardless of the limited possibilities the E.W.C. has today, based on the current European Directive 94/45, it plays an important role; it represents the workers of a company on a European scale.

This fact gives the E.W.C. the ability to interfere on a social level and with various means, such as press conferences, and other interventions, so as to secure the working posts in cases of restructuring and factory closures.

More specifically, in cases of factory closures the Heineken E.W.C. intervened and succeeded in transferring workers from one city to another so that their posts were not lost.

Another issue we consider important is the protection of the workers' personal details, a matter that is already being discussed with the company's management without, however, being able to this date to find a mutually acceptable solution. This matter is important and must comprise the topic of conversation of each county's national workers' federation.

# *The Hilton's International E.W.C. case study*

*By Lefteris Nikolaou  
Member of the managing  
board of Athens Labour  
Centre and member of  
the Hilton's E.W.C.*



## **1. Briefly describe the process of establishing the E.W.C.**

The European Council of the Hilton International Group was established in 1997. We would like to point out that in 1996 the management of the Hilton Group tried to negotiate with the workers' representatives the signing of agreement for the establishment of a European Work Council according to article 13 of the European Directive 94/45. The representatives eventually did not agree and the management of the Hilton Group withdrew. Finally, the agreement was signed in June 1997 with a 7-year duration and will be renewed with possible alterations.

## **2. Which is the procedure followed in order to participate in the E.W.C.?**

Up to 2003, the Greek European Council representative was nominated after elections. In 2003, the representative was appointed in an illegal manner and the procedure and way of representation has been pending since then.

## **3. Which are the weaknesses in your agreement?**

The weak point in the agreement is that it provides for only one E.W.C. meeting per year. The agreement also provides for a special meeting, which has been accepted by the Hilton group, but such a meeting has not taken place to date. Another weak point is that the duration of the meeting between the representatives of the workers, and the duration of the discussion held with the company's management are very short. As a result, the workers' representatives receive insufficient information and secondly, the consultation of the representatives with the group's management is not possible.

## **4. Which are the strong points in your agreement?**

The strong point in our agreement is that during the meeting, the workers' representatives exchange opinions and try to achieve even a partial solution to their demands.

## **5. What are the most important achievements of the E.W.C. to date?**

The hotel employee sector often faces problems, due to closure or the temporary cease of business for hotel renovation. In some of these cases, the Hilton group's

E.W.C. succeeded in securing working posts by shifting employees to hotels of the same group but located in neighboring areas or counties.

An additional achievement of the E.W.C. is that employees of the group have holidays at token prices or even for free in other hotels of the same group.

**6. *What are the greatest problems you have encountered?***

The basic problem in the function of the E.W.C. is that the representatives do not have enough time to correctly and effectively be prepared on the issues that will be discussed. In addition, the duration of the E.W.C. meeting is short; as a result, very little time is devoted for the group's management to answer the queries or questions of the workers' representatives. In parallel, many times the group's management does not answer, or, in an artistic manner, avoids answering vital or serious questions of the workers. For instance, the closure of the Athens Hilton hotel to prepare for the 2004 Olympic Games was faced by the group's management as a local problem, to which the E.W.C. had no say.

Problems such as the closure of a hotel arise all the time; therefore, it is an issue with European dimensions. Closures and temporary cessations are a frequent occurrence, thus, the representatives of the workers must adopt a uniform stance on a pan-European scale.

**7. *Which is the relation between your E.W.C. representative and the union?***

The representative of the workers informs the workers during a General Assembly that takes place after the E.W.C. meeting. Furthermore, some times he also informs them via printed announcements.

**8. *Which issues do the workers' representatives usually bring up prior to and during the meeting with employers?***

The most important issues discussed and put forth by the workers' representatives are proposals for giving workers motives, social and labour issues, such as the opening and shutting down of hotels, as well as issues concerning mergers, ecological and environmental matters, and finally, measures for improving workers' health and safety.

**9. *Which issues should in your opinion be addressed in the E.W.C. meetings you participate in?***

The responsibilities of the E.W.C. have been to this date limited. The E.W.C. must be able to achieve collective negotiations concerning the management of the group on a European level.

**10. *Has the incorporation process of representatives from the 10 new E.U. country members in the E.W.C. commenced?***

Representatives of workers from the 10 new E.U. counties have started participating in the E.W.C. of the Hilton group, even though there are weaknesses in the trade union movement in many of these new countries.

**11. *What in your opinion must be changed in the European Directive 94/45 so that the E.W.C.s may be more effective?***

The basic change that must be made to the European directive 94/45 is the strengthening of the E.W.C. role. In addition, the E.W.C. must gain the right, as the workers' representative body, to negotiate with the group's management other issues

such as payrolls, labour issues, etc. In parallel, the E.W.C.s must acquire additional responsibilities and potential in cases of hotel closures, mergers, etc.

**12. *What do you believe is the future of the E.W.C.s?***

The E.W.C.s in their current form have more of a character of discussing rather than a character of representing workers. Their future will depend on how better and more effectively they will represent the workers' interest.

**13. *Finally, please highlight one important element or result that has been reached by the E.W.C. you participate in.***

On a European level, the Hilton group operates 90 hotels all over Europe, except for G. Britain, where there are the so called approx. 100 "local" hotels.

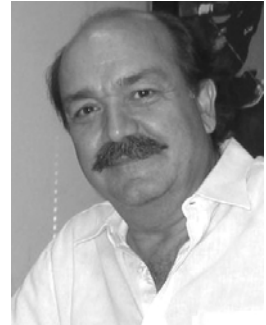
The closure of hotels for a limited period, e.g. 6-12 months, either permanently or for renovation purposes, is a frequent phenomenon in the hotel business and especially in G. Britain.

This fact was put forth at the Hilton E.W.C. and subsequent to negotiations with the group's management, it was agreed that the employees of the hotel unit to be closed will be absorbed in other local hotels in the same or another city.

Moreover, the employee can be transferred to a hotel unit in another country, as long as he/she has a good understanding of the language. These transfers are materialised with the employee's consent.

# *The IBM's E.W.C. case study*

*By Dimitris Economidis  
member of E.W.C. IBM*



## **1. Briefly describe the process of establishing the E.W.C.**

The process of establishing the European Directive 94/95 for the E.W.C.s started in IBM at the beginning of 1997 upon setting up the special negotiating body (SNB), which consisted of representatives from 15 countries.

The agreement for establishing the IBM E.W.C. was signed in June 1999 with a five year duration and possibility for another six year extension.

The first official E.W.C. meeting was held at the beginning of the year 2000.

## **2. Which is the procedure followed in order to participate in the E.W.C.?**

I participate in the E.W.C. as a member of the trade union of IBM Greece, after elections that are held solely for the nomination of an IBM E.W.C. representative.

I was first elected as representative when the E.W.C. was established, and was reelected in 2003.

The term of the E.W.C. representative is a three year one.

## **3. Which are the weaknesses in your agreement?**

There are quite a few points which could be characterized as weak ones. There are many examples, as follows:

- the vague characterization of a piece of information as confidential or not, therefore practically non-exploitable and non-releasable by the workers' representatives when briefing their colleagues;
- the short duration of the workers' representatives meetings without the presence of the management;
- the untimely information of the workers' representatives concerning matters that could be brought up in the official meeting etc.

These weak points are a result of the existing European Directive, which does not allow the more substantial function of the E.W.C.

**4. Which are the strong points in your agreement?**

It could be considered that the strong point of the IBM E.W.C. agreement in comparison with other agreements is the frequency of the meetings (twice a year).

**5. What are the most important achievements of the E.W.C. to date?**

I consider that the major achievement of the E.W.C. is the approximation of the workers' representatives from the European Community country members and, as a result, the confrontation of common problems in a more effective manner.

**6. What are the greatest problems you have encountered?**

An important problem facing the workers' representatives in the E.W.C. are the longwinded, and many times unnecessary presentations, on the part of the representatives of the management of issues that are related to the enterprise, but are not considered important by the workers' representatives.

In addition, the workers' representatives do not have sufficient preparation time so that they may be properly briefed on the issues that will be discussed, in order for these issues to be satisfactorily analyzed during the next E.W.C. meeting.

Another problem is the delayed response from the management concerning the matters and problems the workers' representatives bring forth during the common meeting.

**7. Which is the relation between your E.W.C. representative and the union?**

As a nominated member of the union, my relation with the union is characterized by close co-operation, with frequent exchange of opinions and immediate information of the union's managing board, as well as of the members of the union during general assemblies.

Concerning the E.W.C. representatives of other countries, it should be noted that six countries are represented by members that do not belong to workers' trade unions. In addition, some representatives have been elected by the workers and others have been nominated by the management.

**8. Which issues do the workers' representatives usually bring up prior to and during the meeting with employers?**

First of all, prior to the meeting with the management, the workers' representatives discuss the issues that will be put forth during the meeting to be held between workers' representatives and the management. These issues are usually matters of restructuring, job changes that arise due to mergers with other companies, cutbacks due to activity relocation to countries outside Europe, as well as alterations in the workers' evaluation system. In addition, during their meeting, the workers' representatives exchange information concerning the conditions that prevail in each country.

During the meeting with the management, the workers' representatives proceed with elucidatory questions regarding the matters that have been projected by the spokesmen and at the same time pose queries or state their remarks about the matters that may not have been included in the meeting's agenda.

Finally, it is my opinion that the whole process of the meeting between workers' representatives and representatives of the management cannot be considered as a CONSULTATION.

**9. Which issues should in your opinion be addressed in the E.W.C. meetings you participate in?**

I believe that the E.W.C. should discuss all the matters that concern the workers, such as, financial matters, occupation, training, health and safety, protection of personal data; however, the discussion must be realized in a climate of real consultation and exchange of opinions and not be an one sided presentation of information.

**10. Has the incorporation process of representatives from the 10 new E.U. country members in the E.W.C. commenced?**

The process of incorporating E.W.C. representatives from two new counties, Poland and Hungary, has commenced.

**11. What in your opinion must be changed in the European Directive 94/45 so that the E.W.C.s may be more effective?**

It is my opinion that the European Directive should offer a clearer and more powerful role to the E.W.C. responsibilities, so that there may be a more timely and substantial information of the workers' representatives, as well as true consultation between the workers' and management representatives.

**12. What do you believe is the future of the E.W.C.s?**

In my opinion, the future of the E.W.C.s depend on the following factors:

- The active participation of the workers.
- The democratic election of the workers' representatives and not their appointment by the management (a phenomenon met frequently in many countries).
- The proper training of the workers' representatives by organizations at a national level.
- The unhindered communication of the E.W.C. representatives with the entirety of the workers.
- And finally, the possibility of substantial dialogue between the representatives of the workers and the management.

**13. Finally, please highlight one important element or result that has been reached by the E.W.C. you participate in.**

The most important element in the E.W.C. activity is the preliminary meeting of the workers' representatives, where the problems that concern them are discussed and solidarity is developed.

Finally, the representation of women at the E.W.C. is also important. The fifteen-member committee of the IBM E.W.C. encompasses five women.

# *The KODAK's E.W.C. case study*

*By Athanasios Tsalas  
President of the Kodak  
workers' trade union  
Managing Board and  
member of the E.W.C.*



**1. Briefly describe the process of establishing the E.W.C.**

The Kodak E.W.C. was established in the year 2000. The negotiation of the agreement commenced in 1998 and was completed in 2000. The negotiation team was set up upon the workers' request.

The agreement is shielded by article 6 of the European Directive 94/45 and has a four year duration.

**2. Which is the procedure followed in order to participate in the E.W.C.?**

The Greek representative is nominated by the union's Managing Board, while the current E.W.C. representative is also the union's president.

**3. Which are the weaknesses in your agreement?**

The weakness in our agreement is the short duration of the E.W.C. meeting. More particularly, the E.W.C. meets only for two days. The representatives of the workers meet during the first day, while on the second they meet with the company's representatives. The agreement does not foresee a third day when the workers' representatives could coordinate actions needed to be taken in order to overcome the problems that have arisen.

It should be pointed out that the E.W.C. meets twice a year.

**4. Which are the strong points in your agreement?**

The strong point in our agreement is the participation of an expert from IG Metal, who participates in the E.W.C. meetings and consults the workers' representatives.

In addition, today the interpretation and translation problems that initially existed have been overcome.

**5. What are the most important achievements of the E.W.C. to date?**

The Kodak group is restructuring on an international level, due to the new technological revolution (digital photography, etc.); this fact has brought about the decrease in the working posts and the closure of factories.



The achievement of the Kodak E.W.C. is the establishment of holding dialogue with the company's management concerning the issues that arise from the introduction of new technologies, so as to decrease the loss of work positions and minimize the unfavourable consequences upon workers.

Within this framework, the E.W.C. has introduced the operation of a special office within the company, aimed at re-training and offering counselling services to the workers who lose their jobs.

**6. *What are the greatest problems you have encountered?***

The insufficient preparation time the workers' representatives have for the E.W.C. meeting is a basic problem, given that the opinions and presentations of the company's representatives at the E.W.C. are announced to the workers a little before the meeting.

As a result, the workers' representatives cannot adopt a common stance and carry out effective consultation with the company's management.

**7. *Which is the relation between your E.W.C. representative and the union?***

The E.W.C. representative regularly informs the members of the union. To this date the E.W.C. representative has also been a member of the union's managing board.

**8. *Which issues do the workers' representatives usually bring up prior to and during the meeting with employers?***

The basic issues that are discussed at the E.W.C. are the cutbacks in work positions. For instance, in Spain and G. Britain all the Kodak photography laboratories were shut down; as a result the staff was decreased. This matter was discussed at the E.W.C.

In addition, issues of the company's trading policy and investment are also discussed.

**9. *Which issues should in your opinion be addressed in the E.W.C. meetings you participate in?***

The matters concerning the cutbacks in working posts are very important and must be discussed. However, the level of consultation of the workers' representatives with the company's management is very poor and the workers do not participate in the forming of any decisions. On this point we would like to indicate that the consultation process must be more substantial.

**10. *Has the incorporation process of representatives from the 10 new E.U. country members in the E.W.C. commenced?***

Representatives from Poland and Hungary where the company is active, already participate in the E.W.C.

**11. *What in your opinion must be changed in the European Directive 94/45 so that the E.W.C.s may be more effective?***

The European Directive 94/45 must be revised and the regulations concerning consultation, as well as the role of the workers' representatives in the consultation process must be strengthened.

Furthermore, the European Directive 94/45 currently foresees the discussion of issues that are considered international and preoccupy at least two countries. Many times, however, the company's management alleges that the cutbacks in labor posts

that occur in one country do not have an international dimension. Nevertheless, such cutbacks in every country are not isolated cases, but comprise part of the company's general planning strategies. Therefore, the cutback in working posts in one country and its planning must be discussed at the E.W.C. and decisions must be taken subsequent to satisfactory consultation between the workers' and company's representatives at the E.W.C.

**12. *What do you believe is the future of the E.W.C.s?***

There are two answers to this question. Firstly, what is our estimation of the future of the E.W.C. and secondly, what do the workers expect from the function of the E.W.C.

For the first question, it is our estimation that the function of the E.W.C. is negatively affected by the obstacles set by the company's management, such as, insufficient information, inadequate consultation and the attempt to neutralise the active members of the E.W.C. As a consequence, the role of the E.W.C. is not substantial.

As for the second question, the workers demand and expect an effective function of the E.W.C., the strengthening of its responsibilities as well as the re-negotiation of the establishment agreement to incorporate more favourable terms for the workers.

Finally, we would like to indicate that the E.W.C.s will be more effective if the revision of the European Directive 94/45 determines the E.W.C. responsibilities and consultation procedures that must be applied with greater accuracy.

**13. *Finally, please highlight one important element or result that has been reached by the E.W.C. you participate in.***

An important factor in the function of the Kodak E.W.C. is the active participation of trade unionists and the increased percentage of women.

More specifically, 80% of the workers' representatives at the E.W.C. are unionists, while the percentage of the female representatives is approximately 35%.

The participation of the unionists strengthens the E.W.C. and allows the information of all the workers.

# *The SIEMENS's E.W.C. case study*

*By Christine  
Dimitropoulou  
President of Siemen's  
trade union  
Member of Siemen's  
E.W.C.*



## **1. Briefly describe the process of establishing the E.W.C.**

Following an invitation from IG Metal (German Federation of the Metallurgy Industry Workers' Unions), as well as from the German Siemens Works Council, a preliminary meeting took place in April 1995, in which participated representatives form the Managing Boards of the trade unions and works councils of all the E.U. countries.

This preliminary meeting of the representatives of the Siemens workers was also attended by the European Federation of the Metallurgy Industry Workers' Unions, represented by Mr. Bert Therron.

The agreement to establish the Siemens E.W.C. was signed in October 1995 and is shielded by article 13 of the European Directive 94/95.

The duration of the agreement is indefinite and can be terminated 5 years after being signed. The possibility of amendment is also feasible.

The first E.W.C. meeting of Siemens took place in April 1996.

The agreement does not provide for a mandatory percentage of women's representation at the E.W.C. Today, the participation of women at the E.W.C. is about 10%.

## **2. Which is the procedure followed in order to participate in the E.W.C.?**

The term of the Siemens E.W.C. members is a 4-year one. The members of the E.W.C. are elected with the procedure applicable in each country.

Greece is represented at the Siemens E.W.C. by one member and one in reserve, who are elected by all the managing boards of the trade unions representing the workers from the Siemens subsidiary companies in Greece. The current E.W.C. representatives of Siemens were elected in 2004.

## **3. Which are the weaknesses in your agreement?**

The basic weak point of our agreement is the sparse meetings (one per year), something that does not allow the continuous briefing of the E.W.C. members.

**4. Which are the strong points in your agreement?**

The strong point in our agreement is the participation by representatives of all the countries and particularly the small ones. In addition, during the E.W.C. meetings, the workers' representatives are informed of special issues that concern the workers in countries where there are problems.

**5. What are the most important achievements of the E.W.C. to date?**

The major achievement of our agreement is that today there are contacts and meetings among the workers' representatives on an international scale. As a result, the workers representation on a national scale is strengthened.

Finally, the E.W.C. provides the workers with direct information in respect of labour issues that arise from the industrial changes.

**6. What are the greatest problems you have encountered?**

The basic problem, as mentioned above, is the frequency of the meetings (once a year). In addition, there are communication problems during the atypical exchange of information among the workers' representatives due to language barriers. It should be clarified that the Siemens group offer foreign language lessons for the representatives at the E.W.C. We also think that simultaneous translation is necessary in order to facilitate understanding.

**7. Which is the relation between your E.W.C. representative and the union?**

The president of the E.W.C. is also a member of the Siemens Germany workers' union and cooperates with it closely. The remaining members of the E.W.C. belong, to their majority, to the trade unions of their countries. Furthermore, a representative of the IG Metal (German Federation of the Metallurgy Industry Workers' Unions) also participates at the meetings of the E.W.C. with the Siemens group management.

**8. Which issues do the workers' representatives usually bring up prior to and during the meeting with employers?**

The issues that are discussed at the E.W.C. are mainly the financial condition of the Siemens group of companies, issues related to sales and employment, alterations in the company's organization, as well as restructuring measures.

**9. Which issues should in your opinion be addressed in the E.W.C. meetings you participate in?**

The issues that must be discussed at the E.W.C. are the consequences of globalization and what effects it has on the labour posts. The issues that concern the financial condition of the company must also be addressed.

**10. Has the incorporation process of representatives from the 10 new E.U. country members in the E.W.C. commenced?**

The Siemens E.W.C. has expanded with new members from Switzerland and Norway. In May 2004 new members joined the E.W.C. from the ten new country members of the E.U.

**11. What in your opinion must be changed in the European Directive 94/45 so that the E.W.C.s may be more effective?**

The revised European Directive 94/45 must provide for more than one meeting per year for the E.W.C. members. Moreover, representatives of the E.W.C. must participate in the company's management.

**12. What do you believe is the future of the E.W.C.s?**

As a matter of fact, due to the directive presiding their establishment, E.W.C.s have restricted authorities and therefore restricted possibilities to intervene effectively.

The future of the E.W.C.s will depend on the extent to which the E.W.C. will deal with the consequences of globalisation, will balance the workers' interest with a spirit of solidarity and will support the approach of workers' from various cultural environments.

Our view is that the future of E.W.C. will finally depend **on how much the workers will choose to endorse it and fight for it, in order to improve it and use it as a defense tool in view of a difficult future.**

**13. Finally, please highlight one important element or result that has been reached by the E.W.C. you participate in.**

The results of the Siemens E.W.C. are relatively restricted. The E.W.C. achieved minor improvements in cases of factory relocations from one country, to countries with a cheaper work force, of course only when the E.W.C. received timely information from the management.

As for the participation of women in the Siemens E.W.C., this is considerable high.

Another aspect that concerns the workers is the protection of their personal data. Unfortunately there has been no provision for this problem to date.

The general problem of the E.W.C.s is that the company managements do not take into consideration neither the E.W.C.s nor the workers' unions, if they do not have the power to defend the workers' rights.

# Conclusions

*By Panagiotis  
Katsabanis  
Mechanical and  
Electrical engineer  
Msc in Regional  
Development  
Scientific associate of  
O.B.E.S.*



Almost ten years after the European Directive 94/45 was applied for the European Work Councils, the unionist movement has gained experience of the new institution.

The presentations of the E.W.C.s included in the present book, in combination with the intense speculation developed during successive meetings and round tables where unionists- members of the E.W.C. participated within the framework of the VALUE program, lead us to useful conclusions concerning the function of the E.W.C.s to date and their prospect in relation to the revision of the European Directive 94/45.

Firs of all, the phenomenon of restructuring and activity relocations of the large enterprises to countries with a cheaper labor force, has expanded during the last years; as a result, work positions have been reduced and enterprises have attempted to subvert workers' conquests and rights.

The E.W.C.s can and must play a significant role in these issues. However, the following queries arise:

- How do the E.W.C.s operate today?
- Do the E.W.C.s have the rights and authorities necessary so as to carry out their work effectively?

The basic rights that the E.W.C.s have for information and consultation are circumvented most of the times when put into practice.

The information of the workers' representatives is neither sufficient nor timely; this fact does not allow the substantial consultation of the workers' representatives with the representatives of the management.

At this point it is essential to emphasize that the concept of information and consultation must be re-determined. The respective definitions in the directive for European companies (SE) 2001/86/EC, allow the workers a wider range of uses, as well as substantial rights that derive there from. Information should be offered prior to making decision and there must be enough time for consultation. In addition, the revision of the agreement must foresee that the decisions of the company's management, which are not the result of a valid consultation process with the workers' representatives, are invalid and that the enterprise should be burdened with legal repercussions.

Another point that must be revised in the new European Directive compared to 94/45, is the provision for more than one yearly E.W.C. meeting. The E.W.C.s that meet only once a year, have no continuation to their function and cannot effectively follow up the issues that have been discussed.

A serious problem is also the provisions regarding the revision the agreements of article 13, as well as a provision that in cases of mergers and takeovers, the E.W.C. will continue its function for a reasonable time after the merger. This period must be determined upon agreement between the E.W.C. workers' representatives of the company that is being merged and the management of the new company.

Furthermore, the members of the E.W.C. must be equipped with all the necessary means, so that they may carry out their duties effectively. Indicatively, we would like to mention that they must not only have the means to communicate with each other (via fax, e-mail, telephone, etc) but also the explicit right to proceed with directly informing all the workers and not only the members of the trade union's management or workers' council they represent – depending on the representation system applied in each country.

In consistency with the above-mentioned provision comes the training of the E.W.C. members, so as to improve the level of communication between the works and management representatives.

Another point that must be emphasized is that more than one expert as well as representatives from European or national workers' federations must have the right to be present during the establishment and function procedures of the E.W.C.s. These parties can contribute resolutely in the application of the statutory framework for the E.W.C.s.

Finally, we must not forget that the E.W.C. is an institution with a powerful element of workers' contribution and representation. Therefore, it is logical that the E.W.C. must gain more responsibilities. For instance, it should have the right to negotiate with the company's management and draw up agreements. If the E.W.C.s do not obtain more authorities, then it will be very difficult for them to execute their role satisfactorily, a role that is vital in the creation of a socially unified Europe.

We hope that the above suggestions, which were the result of consecutive meetings and discussions with E.W.C. representatives, will be taken into consideration for the revision of the European Directive and we are willing to contribute with further proposals in that direction.