

European Worker Participation Competence Centre (EWPCC)

**Providing support
for workers' representatives
in the boardrooms
of European Companies**

etui.

A resolution of the European Trade Unions becomes reality

The European Trade Unions paved the way, at their congresses in Stockholm 1988, Prague 2003 and Seville 2007, for the fostering of board-level workers' participation in Europe.

At the meeting of the European Trade Union Confederation (ETUC) Executive Committee on 15/16 October 2008 a resolution was *unanimously* adopted to:

- establish a *European Worker Participation Fund (EWPF)* located

- within the European Trade Union Institute (ETUI); and
- set up the *European Worker Participation Competence Centre (EWPPC)* as part of the ETUI, to be financially supported by the transfer of (part of) the remuneration of workers' representatives on the supervisory and administrative boards of European Companies (SEs).

Make Europe Work for the People — Develop, with the European Industry Federations, a common strategy for the practical implementation of worker participation in the European Company (SE), and ensure European mandating of workers' representatives to managerial or supervisory boards. Ensure that a high level of worker participation will be guaranteed in the European Company. *ETUC Action Programme 2003*

Why Worker Participation in Europe?

- *Worker participation* (such as information and consultation) is a Fundamental Right in Europe laid down by the European Charter of Fundamental Rights (Art. 27).
- *Worker participation* is an essential part of the European Social Model. Worker participation strengthens European democracy in practice and

- the economic competitiveness of European companies at the same time.
- *Worker participation* highlights the important point that a company should not be defined solely in terms of the interests of its shareholders and managers, but also those of its stakeholders (as a principle of Corporate Governance).

- *Worker participation* means that social interests can be asserted in company decision-making.
- *Worker participation* therefore must be underpinned by European legislation in order to ensure that workers' interests are asserted as effectively as those of the shareholders.
- *European legislation on worker participation rights* at transnational level has so far been based on a broad political consensus of the European Parliament and European governments.

"Being a board member opens the doors" – "If we were not on the supervisory board, we would find out an awful lot less. We do not just allow information to rain down on us, but rather follow through with questions. And management is required to provide us with information."

"If anyone knows this company, we do. This means that the questions we raise at supervisory board level are based on expert knowledge of the situation." *Quotes from workers' board-level representatives in Multinational Companies*

The European Worker Participation Competence Centre (EWPCC) of the ETUI

Principle of the ETUC Resolution

(Part of) the remuneration transferred to the ETUI shall be used to promote activities related to worker participation in general and to support workers' board-level representatives in SEs in particular.

Objectives

Support for workers' representatives in European Company (SE) board-rooms can be summarised as follows:

- organising seminars and training to enable European workers' repre-
- representatives on supervisory and administrative boards, as well as on SE works councils and European works councils, to obtain qualifications and skills/know how;
- advisory services and setting up European advisory networks (on legal, social and economic topics, analysis of company accounts, profit and loss calculations, job and health protection, gender mainstreaming);
- research and expertise on the practice and further development of worker participation in Europe;
- advice to workers' representatives on tax issues or liability;

- publication of brochures, handbooks;
- support to stimulate a more worker-friendly business environment.

Organisation

The EWPPC will be organised as a so-called "horizontal task" within the ETUI. In this way all existing competences can be activated. In 2007 and 2008, the ETUI organised pilot events in the area of worker participation at European

level, thereby accumulating more experience and knowledge. A first annual meeting of SE employee board-level representatives for the purpose of exchanging experiences took place in 2008.

Information on research and training, as well as advice specifically related to worker participation can be found at www.worker-participation.eu, which is a topical website of the ETUI (www.etui.org).

On the offensive – For social dialogue, collective bargaining and worker participation "Expose and combat 'casino capitalism' and short-termism more generally, by taxation, regulation and worker involvement." *ETUC The Seville Manifesto adopted by the XIth ETUC Congress, Seville, 21–24 May 2007*

Board of Trustees

The ETUI has established a Board of Trustees composed of trade union representatives.

Competences and Tasks

- Discussion and proposals on how the fund's resources are to be utilised by the first work programme during the period 2009–2011.
- Annual report by the ETUC General Secretary to the ETUC Executive Committee.
- After 2 years, there will be an in-depth audit of the work programme and a proposal to the ETUC concerning the further operations of the Worker Participation Fund and the EWPPC.

Members (2009–2011)

[John Monks](#) ETUC (chair)
[Klaus Beck](#) DGB, Germany
[Sam Hägglund](#) European Federation of Building and Woodworkers (EFBWW)
[Dario Iossi](#) CISL/CGIL/UIL, Italy
[Thorkild E. Jensen](#) LO, Denmark
[Peter Scherrer](#) European Metal Workers Federation (EMF)
[Bernadette Ségol](#) UNI-EUROPA
[Katarina Björk](#) Unionen, Sweden

Declaration

As an SE employees' representative nominated by the European interest representing body as a member of the supervisory board or administrative board of (name of the company)

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I consent:

- to transfer (part) of the remuneration I receive for my activities as a member of the supervisory or administrative board to a trade union or trade union-related organisation in my home country and, correspondingly;
- that 50% of the sum be transferred to the European Worker Participation Fund (EWPFF) set up by the European Trade Union Institute (ETUI), Brussels.

Thereby, I accept the rules laid down by the ETUC resolution on Workers' representatives in European Companies (SEs): proposed regulation for the (partial) transfer of supervisory board remuneration of 15/16.10.2008.

- In accordance with this, employees' representatives on an SE board must:
- transfer 10% of their remuneration, if that remuneration is less than or equal to €3,500;
 - in addition to the deduction described in the previous point, transfer 90% of any remaining remuneration over and above €3,500.

The basis for the sum to be transferred is the value after tax according to national rules.

National affiliates of the ETUC may decide that the part to be transferred shall be greater than 50%.

If I am not a member of a trade union I am responsible for paying (part of) my remuneration to the EWPFF in accordance with the rules explained above.

I consent to the ETUI passing information concerning my transfer to the relevant European Industry Federation and national affiliate of the ETUC (for further information on the ETUC see www.etuc.org).

Name

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Signature

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Place, date

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Name and address of my employer

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Name of my trade union

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Return to

EWPCC

European Trade Union Institute

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Contacts

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www.etui.org

www.worker-participation.eu

**The gateway
to information on worker
participation issues
in Europe**

www.worker-participation.eu

etui.

Transparency **concerning remuneration**

- 1.** The level of remuneration for all members of the supervisory or administrative board is usually decided by a company's General Shareholders Meeting. There must also be transparency in public information about remuneration, certainly at listed companies.
- 2.** Workers' representatives have the same rights and also duties as all other members – consequently, they are treated equally with regard to compensation.
- 3.** Serving as a supervisory board member or non-executive director of an SE entails a readiness to take on additional tasks above and beyond normal working in order to be properly prepared for board meetings. It is not supposed to be a full-time activity for which a workers' representative receives special release from work.
- 4.** The ETUC understands the tasks of SE board-level representatives as a 'European mandate', which means that they are not merely an individual matter. A representative in an SE boardroom should consider the interests of all employees, regardless of their nationality or origin.
- 5.** For this reason the ETUC has adopted rules that apply to all elected representatives in SE boardrooms. However, monitoring the compliance of individual members falls within the competence of the relevant trade union.
- 6.** The ETUI reports once a year on who has contributed how much to the Fund. The report will be available to the trade unions in question.

Principles and rules **for the transfer of (part of)** **remuneration**

In accordance with the ETUC resolution of 15/16.10.2008

- Workers' representatives on an SE Board must, at least, transfer 10% of their remuneration, if that remuneration is less than or equal to €3,500; in addition, transfer 90% of any remaining remuneration over and above €3,500.
- The basis for the amount of the transfer is the value after tax, according to national rules.
 - The resources will be paid to the corresponding member organisations of the ETUC

(or their affiliates) or to trade union institutions (foundations, educational institutions, and so on). These, in turn, are obliged to pass on 50% of the funds to the European Workers Participation Fund (EWPF) set up by the ETUI.

- Affiliates may decide that the part transferred to the EWPF shall be higher than 50%.
- The resources that remain with the trade unions at national level should also be used for activities in the field of worker involvement in the SE.

Information and contact

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www.etui.org
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1000 Brussels
No. 551-4065300-02
IBAN BE32 5514 0653 0002
BIC (Swift) Code GKCCBEBB