

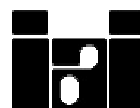


Trade Unions and EWC

Project int.unity – building up an international trade union community in the net



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1. Introduction

The Internet not only brings companies closer together, the trade unions ver.di, CWU and UNI Europe have also started a joint project to overcome national borders and language barriers and to test and improve new ways of cooperating. The project is called int.unity¹.

This report refers to the int.unity project team “European Works Councils, Organising and Recruiting”. Therefore its main purpose it is to go through the activities of the respective project team. Those include the issues under debate, the main documents up-loaded for discussion in the BSCW platform as well as the contributions and the discussions around the documents. In addition, we will try to highlight or summarise some of the main issues referred in those documents, either because of its informative content or as they may have a special interest for further debate/discussions within the project in the future, in some cases, i.e., the discussion around the revision of the European Works Councils Directive, overview of developments between Article 6 and Article 13 agreements, problems that concern the establishment of EWCs and latest EWCs figures. In what respects to Organising, the discussion goes from the definition of “what is organising and recruiting” to other areas such as: why organising and recruiting became a priority and the future for Trade Unions in the new economy. Those main points will serve to enhance the debate as well as to create awareness of the importance of the above issues, both for workers as well as for trade unions.

This Report will also cover other aspects of trade union activity, such as:

- Problems, challenges and opportunities for trade unions in Germany and in the UK
- The Telecommunications sector and European Works Councils
- The issue of Trade Union recognition
- Strategies and results of organising activities with a special focus in the telecommunications sector.

Although the above points were not part of the project team main areas of discussion, we will try to give an overview on those points, stressing, nevertheless, that this is not the main focus of this report.

At the end we will put forward some recommendations concerning the issues generally covered by this report.

¹ <http://www.intunity.org>

2. Employees' interest representation in the telecommunications sector

2.1. Problems, challenges and opportunities for trade unions in Germany and in the United Kingdom

Since the early 1980's the move to liberalisation of telecommunications and privatisation of the old established telecommunications providers, have dominated the telecommunications scene. In the European Union, telecommunication services have been fully liberalised in a vast majority of European Union countries, since January 1998². The results, among others, were the entry of many new operators in the sector³.

New companies started to invest considerable capital resources in new communication infrastructures and services in Europe as well as creating new jobs. Incumbent operators, which were being challenged in their traditional domestic markets, also begun to expand their activities outside, shading jobs and downsizing in their home countries. At the same time both trends paved the way for further competition, deregulation and liberalisation in the following years.

Which were the major implications for trade unions resulting from this new environment ? Trade Unions over the last 20 years moved from a situation where most of the telecommunications companies in Europe were very highly unionised to one where there is a very patchy position. There are two main causes of this. First, in the established companies much of the new work, marketing, sales, software, was falling outside or was moved outside the traditional areas of union organisation. (This tendency was even made worse by outsourcing.); Secondly there was the problem of the 'new' competitors. Here the difficulty was in establishing a trade union culture in areas where it did not previously existed, as well as organise a new workforce with different demands.

In result of new technological developments we saw the emergence of a new workforce, the IT workers, usually highly qualified, quite well paid and with no real or apparent interest of becoming union members. We saw a trend to individualisation in opposition to the traditional collective bargaining offered by trade unions. Therefore, one of

2 The 1987-1998 regulatory framework for telecommunications is based on a set of article 100a Directives and Decisions from the Council and the European Parliament and on the Article 90 Directives from the European Commission.

3 According to the European Commission, in 1998 there were already 300 operators authorised to provide national voice telephony services in the 15 EU countries against just 100 at the end of 1997;

the major identified problems for trade unions was related to the fact of not having members to support their arguments. Within this context it was rather difficult to understand why either the employers with whom Unions had to deal, or the governments and international bodies with whom they seek to influence, should take them seriously. Within the above scenario trade unions in the telecommunications sector in the UK and Germany saw themselves confronted with the same common problems which one could summarise as follows:

- Organising telecommunications workers in both the old and the new competitors throughout Europe and devote more resources to organising and recruitment. Organising and Recruitment had to be at the centre of trade unions priorities and unions needed to devote more resources to organising as well as to create an organising culture;
- Adapt structures to the New Economy – The New economy required trade unions to change. Unions needed to modernise their structures, to meet the new demands of a "new workforce". With new expectations and new demands. Unions also needed to use new technology to develop their trade union work, to devote more resources to train trade union leaders in basic IT skills and to integrate more women and young people in their structures.
- Develop a New Bargaining Agenda – with the raise of a new IT workforce and change in corporate attitude, unions had to change as regards their traditional attitude in respect to collective bargaining. They needed to modernise collective agreements, to promote initiatives in the field of training, life-long learning, skills portability and certification of skills across Europe. In addition confronted with more flexibility and mobility they had to give special attention to the need of negotiating specific agreements to safeguard the rights of teleworkers, atypical workers and "freelances".
- Find a system of transferring experience and lessons from privatisation and liberalisation from one country to another and from one union to another;
- Find a system for building effective union alliances to match the international organisation of the employers;

At the same time that Unions were facing globalisation and liberalisation, they saw the development of new ways of communication such as the mobile telephony and the internet. This transformation led to radical changes of working methods and had a major impact on workers in the telecommunications industry. As a result of

changes in technology, regulation and ownership, traditional distinctions between sectors and industries disappeared. In particular, a new multi-media and information services sector was being created. This convergence trend led to creation of the so-called “information society”. This overall transformation represented for trade unions, both in Germany and in the UK a huge challenge, which is still underway, as it had a major impact on how they had to change in terms of attitude, structure, priorities and focus, as well as in terms of their long term strategy.

One could identify those main challenges falling into 5 distinct areas:

The Social challenge

Here unions had the most significant challenge of achieving universal access to Information Society services. If Unions were to avoid information rich and information poor, they had to ensure that the emerging pattern of high grade access to the Information Society being more readily available to a handful of people with only low grade or non at all to others is avoided. This was a major social issue and the challenge for unions was to put themselves into the position of highlighting this and leading campaigns by way of an alliance with social groups.

The Industrial Challenge

One effect of convergence was that telecommunications swept up into the communications industry together with several other industries. Traditional telecommunications employers rapidly re-styled themselves as communications companies because they do not see any future if they were restricted to merely running the pipes down which communication for the Information Society flows.

Marketing

As a result of that industrial change, everyone who had a brand felt that could sell communication services, including telephone services, whether they run their own systems or buy capacity from re-sellers; everybody and anybody could sell communications services. This posed challenges for the traditional employers and for the unions who represent their employees.

Cultural

Here, the two recurrent major questions appear again in the light of the new technology. Who controls the delivery systems for communication services and information to all? Who controls the content that

is carried through these systems?

Global

The global challenge is the final challenge. How do values and cultures developed on a national basis respond to a global industry? In particular, how do unions build a company/international multi-union framework to replace the previous national telecommunications undertaking/national unions arrangements. At the centre of this, is the effect on telecommunications of becoming the communications industry. It covers both the changes to the traditional telecommunications companies, where so many of the traditional trade union members work, and the way in which new competitors approach the market. With liberalisation, deregulation, privatisation and globalisation, telecommunications became an industry dominated by multinational companies. This process led to a consolidation of telecommunications companies and saw the emergence of large well resourced global multinationals. Unions had to seek to develop structure and actions to recruit and organise workers in such companies and to promote and encourage Multinational Trade Union Alliances in order to defend workers in such companies⁴. In addition unions had to ensure that multinational companies would comply with minimum standards wherever they may operate in the world. This covers issues such as: trade union rights, employment rights, consultation and issues of concern regarding the company's operations in its host country.

Unions needed to know:

- How many companies there were in their respective countries, in Europe and the growth of their numbers;
- How many of these are part of global concerns?
- What is the split between traditional and new skills and between sub M&P and professionals and managerial skills?
- How workers were employed: were they directly employed? Were they working on an out-sourced basis for a different company or are they contractors or agency staff?

Above all, the main problem for trade unions was and still is the need to know if and how those workers were organised amongst existing unions. But along with the above problems and challenges one could also identify new following opportunities for trade unions:

⁴ see the cases of the creation of Multinational Trade Union Alliances in Telefonica, OME-OTE, cable & Wireless, France Telecom, Vodafone, WorldCom/MCI/Sprint

- The opportunity for Unions to build alliances with consumers in order to advance the social objectives;
- The opportunity for unions to expand the telecommunications industry, and the union role in it, to the communications industry with a similar role in it;
- The opportunity to organise new companies in the communications sector;
- The opportunity for unions to work with unions in other union sectors (finance or distribution) as their employers were competing in selling communications products;
- The opportunity to focus on the cultural issues, which again has a direct possibility of building social alliances, as well as on the establishment of European Works Councils;
- The opportunity of creating networks to exchange information, rapidly and efficiently;
- The opportunity to encourage and facilitate additional training, where necessary, to assist its members;
- The opportunity to work towards establishing E-mail and Internet information networks for the sharing of information;
- The opportunity to allocate resources to develop greater capability to monitor the activities of multinational corporations in order to reinforce common actions;
- The opportunity to develop its computer networks to allow better access to the information available on the Internet and for the sharing of information with its members and other trade union organisations;
- In conclusion, the opportunity to change and to modernise themselves towards the creation of the “E-Union”.

Looking back to 1998, when liberalisation took place all across Europe (only 6 years are gone), we are forced to acknowledge that we live in a New World. Trade Unions have already done a lot through restructuring, modernisation and adaptation of their structures and attitude. Today's CWU and Verdi, compared to what they were in the past, are difficult to be recognised as they changed so much. Through change and mergers CWU and Verdi are today in a position to respond to the challenges that workers are facing in the communications industry.

The E-Union is already there. Let us take the most advantage of it to better serve workers in the communications and services industries.

In this regard int.unity can be of utmost importance as it provides an opportunity for Trade Unions to overcome the problems and challenges they are confronted as well as to take advantage of the opportunities given by the use of modern technology.

3. The Telecommunications sector and European Works Councils

Following the liberalisation and deregulation trend in Europe we saw a trend of multinational telecommunications corporations to increase their world-wide activities. In this context trade unions and their representatives had also to seek ways to better represent and defend workers' interests. The initiative of the European Union in setting up European Works Councils, with the aim of ensuring consultation with and information from these corporations, did not had, so far, a major contribute to better working conditions and trade union representation, within those multinational corporations.

Two fundamental reasons have contributed to this situation:

First, the new comers to the European markets, mainly large American Multinational corporations such as WorldCom, MCI and Sprint were anti-union companies and Secondly, the traditional Telecommunications Operators were still, in most cases, in a process of transformation from public to private ownership and concentrated on the best way to expand their activities across the European and American markets. We assisted to the creation of alliances in the telecommunications sector which, in fact, did not last very long. That was the case of BT with and ATT and later with MCI, or the case of France Telecom with Deutsche Telekom, or still the case of the creation of UNISOURCE (a joint company created by TELIA, KPN, TELEFONICA from Spain and SWISSOM) or GLOBAL ONE (which was the result of an alliance between Deutsche Telekom and France Telecom with the American Company SPRINT. Trade Unions basically tried to follow up through each one of the alliances and on what was going on in the major players' operations throughout Europe and tried, one must say not very successfully, up to now, to set up European Works Councils. One could see that Trade Unions across Europe, in the Telecommunications sector, were not really prepared to the challenge of establishing European Works Councils. In other cases, they seemed not to have real interest or motivation either as they did not saw any immediate advantage in it or create EWCs was not part of their priorities.

The history of the establishment of EWC goes back to the 7 October 1985⁵, when the first EWC agreement was signed at Thomson. Part of the symbolic value of this first EWC agreement lies in its approach and conception, as these were reflected in the proposal for a European directive presented five years later. In September 1994 when the EWC Directive was adopted, 46 companies had already established 49 European works councils. This Directive aimed to encourage the conclusion of such voluntary social partner agreements as a method of creating EWCs. None of those 49 EWC agreements belonged to the Telecommunications sector. Article 13 of the Directive exempted all companies that had set up a EWC on the basis of an agreement before 22 September 1996, the date on which the national transpositions of the Directive came into force. This two year period exemption was enlarged in the case of the United Kingdom. In fact, the European Council Directive 97/74 of 15th December 1997 extended to the United Kingdom and Northern Ireland, Directive 94/45/EC on the establishment of EWC or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purpose of informing and consulting employees. This new directive gave the companies in the UK and Northern Ireland the possibility of making voluntary agreements till the 15 of December 1999, deadline for the transposition of the Directive into the UK legislation. Almost all the EWC agreements in the Telecommunications sector were established on the base of Article 13 of the Directive, the so called “voluntary agreements”.

The first EWC to be established in the telecommunications sector was in 1996 at UNISOURCE, a Dutch based company, almost two years after the adoption of the European Directive 94/45/EC. It is worth noting that at this global telecommunications alliance, trade unionists were involved in the negotiations to set up the works council which consisted of employee representatives only and its meetings with management were to be chaired by the council’s chairperson. Following on UNISOURCE steps, another agreement on the basis of Article 13 was established at British Telecom (BT), the British Telecom European Consultative Council (BTECC), in result of negotiations between the Communications Workers Union (CWU), the Society of Telecom Executives (STE) (today’s CONNECT) and the British Telecom Operator. This agreement, signed 9 December 1998, was created with the intent to *“provide an appropriate forum for the exchange of information and views between management and employee representatives with the aim of establishing a trans-national*

⁵ European Works Councils – facts and figures by Peter Kerckhofs
ETUI Brussels, November 2002

*dialogue*⁶. As to the scope of the agreement (Article 2), the BTECC covered the “*BT operations in Europe irrespective of whether a particular country is a member of the European Union*”(Paragraph 2.1). In what concerns its membership, the BTECC agreement establishes that it is chaired by the Group Chairman or the Chief Executive and in addition the Group would be represented by appropriate senior executives as necessary (paragraph 3.1). As for the employee side the BTECC is composed of 25 representatives (14 from the UK, 2 from France and Netherlands each, and 1 from Belgium, Italy, Sweden, Germany, Spain, Switzerland and Ireland). Out of the 14 UK representatives 9 are from CWU, 3 from CONNECT and 2 employee representatives. In addition, paragraph 3.6 of the BTECC, provides for full time Trade Union Officials (2 from CWU and 1 from CONNECT) accompanying employee representatives. In spite of the efforts of the European Federation of Industry, Communications International (CFI), today's Union Network International (UNI), to promote the establishment of EWC in major Multinational Telecommunications companies such as: Global One, Telecom Italia, Deutsche Telekom, Telia from Sweden, Teledanmark, Vodafone and other new players expanding across Europe like UPC, TELE 2 or Talkline one did not really see major developments. The difficulties were huge. On one hand there were still legal obstacles (that was the case of the UK where only in 1997 the EWC Directive was adopted). In other cases, companies such as Vodafone or Cable & Wireless had an anti union attitude. There were situations where, due to the lack of trade union representation in those new companies, it was hard to see how to start even a dialogue with the management. Finally, in result of the fact that many of those new companies or multinationals did not last very long. By the time that trade unions were prepared to start a dialogue with management and had established a strategy the companies had already changed either ownership or had even disappeared. Therefore, up to now and in addition to the already mentioned EWC established at UNISOURCE and BT, we saw the establishment of new voluntary agreements (Article 13) at Vodafone and Cable & Wireless two British based Telecommunications companies. These agreements, so called European Employees' Consultation Forums (EECF) can hardly configure a true EWC in line with the provisions of the European Directive. The purpose of the European Directive is to improve the right to information and consultation of the employees. At this regard the European Directive establishes the minimal “framework” for this consultation and information procedure. These agreements do not comply with the minimal “framework” as defined by the European Direc-

6 Article 1, paragraph 1.2. of the BTECC

tive and in many cases even violates the European legal framework. It is clear that both Vodafone and C & W wanted to avoid a procedure whereas the Union and workers representing the entire workforce could be involved in a “negotiating” process. Even though those companies could not avoid totally a trade union representation. In fact in both of the EECF there are today trade union members even if in a very small minority and with little capacity to influence or change.

The establishment of the EWC agreements in the Telecommunications sector, negotiated under Article 6 of the Directive, is gloomy. Up to now we can only identify three agreements negotiated under Article 6: Global One, Teledanmark and more recently the Deutsche Telekom agreement, yet to be signed at the time of this report. The three agreements were negotiated within different environments, time-tables, trade union participation and national legislations. Therefore the outcome was also different. The Global One agreement, negotiated according to the Belgian law, was the first one to be negotiated under Article 6 of the Directive. Nevertheless it is hard to say that this agreement really respects the European directive. The respective European Trade Union Industry Federation, CI, today's UNI, expressed at the time the following view on this agreement: *„A joint management-employee forum was at the beginning of September established at Global One, the alliance of the national telephone companies of France and Germany, France Telecom and Deutsche Telekom, with the union-bashing US operator Sprint. The forum, established on the basis of management proposals, is supposed to operate within the framework of the EU Directive of September 1994 “on the establishment of a European Works Council or a procedure... for the purposes of informing and consulting employees”. But there are doubts as to whether the Global One forum is compatible with the EU Directive. In “Euro speak” terms, the forum looks more like a procedure for the purposes of controlling the employees and fooling the public”*. Reality showed that, in many cases, the EWC members were not elected but appointed by managers in the subsidiaries of the company across Europe and the EWC was never really able to address the problems of this company when broke into pieces and restructuring took place.

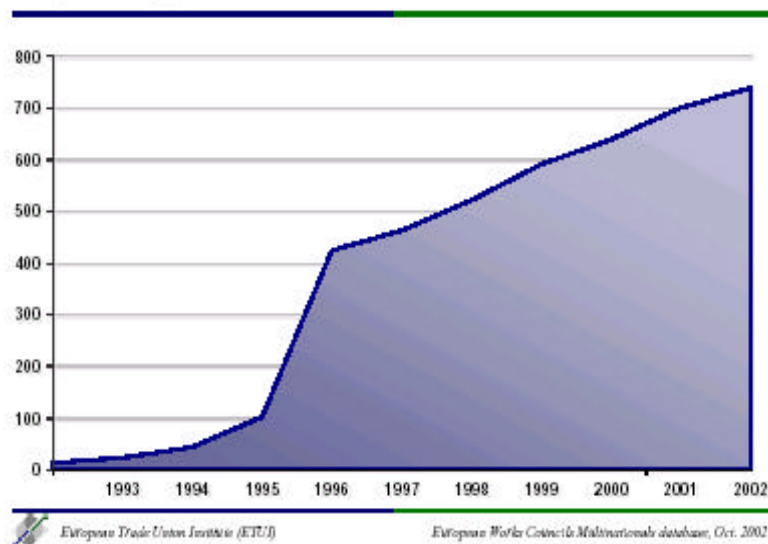
The EWC agreement in Teledanmark was negotiated between the respective trade unions, employee representatives (SNB) and the management. One could be reasonably satisfied considering that by the time of negotiations an American company, Ameritech, owned the majority of shares in this company. This agreement followed the normal patterns of EWC agreements negotiated under Article 6 in other

sectors.

The last agreement to be negotiated under Article 6, was the Deutsche Telekom agreement. It took some time to make this agreement (if we count the exploratory preliminary contacts between the management, the former German Post and Telecommunications Trade Union, DPG, the Works Councils representatives and CI. Many changes took place in the company in terms of its expansion. This fact undoubtedly impacted on the developments as regards the negotiation process, which developed between December 2002 and March 2004. The agreement is expected to be signed between the Central Management and the Special Negotiating Body, which includes representatives from Germany, Spain, Italy, Denmark, Netherlands, United Kingdom, France and Austria, in Bonn, next 21 of April 2004. We consider the Deutsche Telekom EWC agreement a landmark for the telecommunications sector and we hope that future agreements can be at least as good as this one.

A final word to mention that, as shown in the graphic below, more than 700 EWC have been created since the first EWC was established in 1985.

A growing number of EWCs



Source: <http://www.etuc.org/etui/databases/EWCchap1.pdf>

As one can see, there are still very few in the telecommunications sector in spite of the existence of well established undertakings in this sector, with multinational dimension, such as: France Telecom, Telecom Italia, Telefonica from Spain or others like Transcom, just to

mention only a few ones, were UNI is facing today the difficulties already mentioned above. An illustration of what we said is the following text which was posted on the UNI website: *“A teleconference on Transcom was held on 9th March, which was set arranged to try and establish a European Works Council (EWC) for the company. On the call, everyone agreed that it would be a good idea to have a EWC, but some concern was raised that the company wouldn't want to have a EWC due to the financial burden.*

4. Union recognition

The words “Trade Union recognition” may sound somehow strange for workers in Germany as well as in many other European countries. Workers in Germany do not have major problems when it comes to defend their interests and Unions have the right to collective bargaining with employers. They enjoy freedom of collective bargaining and trade union representation without facing major barriers. But, in the United Kingdom and many other English speaking countries, workers and trade unions do not enjoy the same facilities. On the opposite, they often face major obstacles to get their interests defended and represented by Trade Unions and the right to collective bargaining is only acquired, once the Union has been recognised.

4.1. What does trade union recognition means in the United Kingdom?

Recognition means that management is prepared to negotiate with an independent trade union or unions over terms and conditions of employment. Negotiation is stronger than consultation, which is essentially a one-way process. The Employment Relations Act 1999⁷ introduces statutory procedures for the recognition of independent trade unions in workplaces employing more than twenty workers.

Generally, the emphasis is on voluntary recognition and agreement where possible between employers and trade unions. Where agreement is not possible, then an employer may be compelled to recognise a trade union for collective bargaining purposes in respect of a specified bargaining unit in which the majority of the workers are members of the union or otherwise following a ballot where the majority of the workers, and at least 40 per cent of those entitled to vote within the bargaining unit support recognition of the union to act on their behalf. Where a trade union is recognised, collective bargaining will cover issues of pay - including defined pension contributions and

⁷ <http://www.hmso.gov.uk/acts/acts1999/19990026.htm>

benefits, hours and holidays at the minimum, unless the parties agree to negotiate additional matters.

A number of other legal advantages flow from recognition. These are:

- The duty to deal with and give facilities to safety representatives appointed by the union under the ***Health and Safety at Work Act***.
- Consultation on occupational pensions.
- Consultation on redundancies, on takeovers and mergers and the automatic transfer of collective agreements. Where a union is recognised for classes of workers affected by collective redundancies, takeovers or mergers, the employer must consult with the trade union even where other appropriate employee representatives exist in the workplace.
- Disclosure of information, for instance, financial information, for the purposes of collective bargaining, with a legally enforceable right to obtain better terms and conditions if information is denied.
- Time off with pay for union representatives carrying out duties or training connected with collective bargaining, or without pay for union members attending internal union activities.

Union membership agreements can be negotiated with management. Since the ***Employment Acts 1988 and 1990***, refusal of employment on the ground of unwillingness to join the union or victimisation on such grounds is unlawful. All companies with 250 employees must include in their annual report a statement of the measures taken to provide information to, and to consult with, employees on matters of concern to them - ***Companies Act 1985***.

4.2. De-recognition

Where a union has unsuccessfully applied for recognition for a group of employees, the Central Arbitration Committee, (CAC) will not entertain a new application by that union for recognition in respect of the same or substantially the same group within a period of three years from the date of the declaration on the first application. Similarly, the CAC will not entertain an application for de-recognition within three years of either a recognition declaration or an unsuccessful request for de-recognition.

4.3. Trends in recognition

Despite the fact that UK trade unions have been losing members in early 1997, groups of employees are still fighting for the right to act collectively and to be represented by unions. At the same time, there are still employers which refuse to recognise unions and to implement what some see as basic rights which would be guaranteed by the EU "social chapter".

Declining union membership and a legal and ideological attack on the role of trade unions over the past 17 years left many with the opinion that employees no longer value the right to act collectively. It has also been argued that the attack on the unions throughout the 1980s and 1990s had left the unions weak and unable to protect members' rights. Alternatively, it has been argued that people now prefer to negotiate their own employment contracts individually and do not need trade unions. However, there have been many cases that highlight the great lengths to which employees may go in order to defend their right to act collectively. Research published in January 2002 by the UK's Trade Union Congress (TUC) highlights a significant growth in the number of recognition agreements with employers secured by unions during 2001. In its 2001 annual survey of union recognition, published on 21 January 2002, the TUC reports that unions won 470 new union recognition agreements from employers - almost three times the number (159) secured in 2000. Twenty of the new deals came after ballots of the employees concerned under the statutory trade union recognition provisions of the Employment Relations Act 1999. The existence of the statutory procedure was also reported to have been an influential factor in the vast majority of cases where unions secured a voluntary recognition agreement. The TUC estimates that, as result of these agreements, over 120,000 workers were newly covered by collective bargaining arrangements. The overwhelming majority of the agreements are described as being for 'full recognition', i.e. including at least pay, working hours and holidays as provided for by the statutory scheme. In 2003 on its annual survey of union recognition, published on 12 February 2003, the TUC reports that unions won 306 new union recognition agreements from employers from November 2001 to October 2002. The TUC estimates that, as result of the 306 new agreements, over 70,000 additional workers have been covered by collective bargaining arrangements.

The overwhelming majority of the voluntary agreements were for recognition covering at least pay, working hours and holidays (as provided for by the statutory scheme). Many covered other issues too,

including: representation at grievance and disciplinary hearings (91%); training (62%); information and consultation (59%); equal rights (53%); and pensions (36%).

Trends in recognition 1995 – 2002⁸	
Period	Number of new deals
July 95 - Dec 95	54
Jan 96 – June 96	54
July 96 - Dec 96	56
Jan 97 - June 97	26
July 97 - Feb 98	55
Mar 98 - Nov 98	34
Dec 98 - Oct 99 ⁹	75
Nov 99 - Oct 00	159
Nov 00 - Oct 01	450 (plus 20 through the CAC)
Nov 01 - Oct 02	282 (plus 24 through the CAC)

TUC calls for the review of the Employment Act

As part of a review of the Employment Relations Act, initiated by the UK government in July 2002, the TUC put forward proposals for a wide range of amendments to the legislation. The final version of the TUC document „*Modern rights for modern workplaces*“, calls for amendments in a range of areas in addition to the Act’s statutory trade union recognition provisions, which are the principal focus of the governments review¹⁰.

Among the TUC’s key proposals for amending the Act’s union recognition provisions were:

- abolishing the 21-worker threshold so that all businesses are subject to the legislation;

⁸ See article on „Recognition deals fall as US style union-busting hits the UK“ http://www.tuc.org.uk/em_research/tuc-7617-f0.cfm

⁹ Year of the publication of the new law „Employment Relations Act“

¹⁰ „Review of the Employment Relations Act 1999: TUC Response“ <http://www.tuc.org.uk/law/tuc-6708-f0.cfm>

- replacing the requirement for a 40% 'yes' vote with a requirement for a simple majority of those workers voting in a recognition ballot;
- stipulating that only the existing recognition of an independent trade union should act as a bar to applications for recognition or, alternatively, enabling independent unions to apply to the *Central Arbitration Committee* for the de-recognition of non-independent unions; and
- introducing legal protection against unfair employer practices (e.g. victimisation of union activists) during recognition applications, with injunctive relief available to unions.

In the area of industrial action, the TUC argued that:

- workers should have the right to take industrial action, including solidarity action, without being deemed to have broken their contracts, where a majority of workers in a bargaining unit support it in a ballot;
- unions should no longer have to provide detailed information to employers enabling them to make plans to offset the effects of the industrial action; and
- protection against unfair dismissal for workers taking part in lawful industrial action should apply indefinitely, not only for eight weeks.

In February 2003, the UK government published its review of the Employment Relations Act 1999. This concluded that there was no case for major changes in the law, but proposed some minor and technical amendments to improve its operation.

The outcome of the review represented a major disappointment for trade unions but was welcomed by employers. The *Confederation of British Industry* (CBI) argued that changes would be premature and unnecessary.

4.4. Recognition in T-Mobile

The internationalisation of the Telecommunications sector called for reinforcement of trans-national co-operation between trade unions. In this regard, and following Deutsche Telekom internationalisation strategy, Ver.di, CWU and Connect from the United Kingdom, decided to help each other to organise and represent the workers' interests in the U.K. mobile subsidiary of Deutsche Telekom, One-2-One (today's T-Mobile). A first meeting was held in London, in May 2001,

at the CWU headquarters between trade union representatives of the three unions and a representative of UNI-Telecom. As reported at the time in the UNI website¹¹, the objectives of this joint co-operation were:

- to get better rights for One-2-One workers
- to get employee representation inside the company
- to get a more balanced situation in terms of working and payment conditions between German and UK workers within the DT group
- sharing union know-how
- the recognition that trade union-cooperation can get better conditions for workers
- to give workers their own voice
- to establish a workers representation in the EWC of DT

One of the above mentioned objectives was achieved, when a CWU member, a technical advisor at T-Mobile's Dearne Valley site, won the election for the UK seat on the company's special negotiating body (SNB), to set up a European Works Council. At the time, the CWU published a press release¹² where CWU deputy general secretary Jeannie Drake said, *"I am delighted that a union backed candidate, has won this election. It shows that when unions work together, we can make a national impact in T-Mobile across many sites, job functions and grades"*.

Since 2001 up to today that Unions in T-Mobile, United Kingdom, have been seeking for recognition.¹³ Int.unity was helping the Unions in T-Mobile, CWU, Connect and Ver.di, to support this campaign. Unfortunately, as stated by the Trade Unions in the UK, T-Mobile members lost their campaign for an independent voice¹⁴. The main reason for this was related with the fact that *"T-Mobile used union busters to stop people having any real say in their workplace"*. By voting against recognition, the staff has been denied the opportunity of fully trained union site representatives to assist them in their employment issues

11 <http://www.union-network.org/unitelecom.nsf/521cb77c96c17c2fc125682c0031f221/468d5fcfe9d4d6cbc1256a50002a32f1?OpenDocument>

12 <http://www.union-network.org/unitelecom.nsf/521cb77c96c17c2fc125682c0031f221/b3f8a2f0d1cd24f4c1256c39003571ad?OpenDocument>

13 <http://www.unionsintmobile.org.uk/>

14 <http://www.unionsintmobile.org.uk/setback.html>

Unions across the world need to understand each others difficulties when it comes to representation of workers' interests. Int.unity, by providing a translation facility, will certainly help German and British workers to work closer together to better defend their interests, which some times no longer lie in national borders but can affect their global interests, no matter the country or place they work. Unions and workers in T-Mobile, in Germany and in the U.K, will be better of with the development of int.unity, as it may help them to share information, to improve communication and to develop joint strategies whenever necessary, not only as regards T-Mobile but also when it comes to future issues of common interest.

5. Organising and recruiting - different strategies and results

During many years, unions in the telecommunications sector enjoyed a very high level of trade union organisation. The reason for this was mainly related with the fact that almost al the telecommunications sector was in public ownership. With liberalisation and deregulation in the mid 90's, Trade unions had to change as companies started to downsize, outsource and to internationalise their activities. Because of technological change, competition and privatisation new sectors have emerged in the telecommunications industry. We saw the rapid development of many major new telecommunications companies which in the majority of cases have seen little or no union organisation. While the first trend had a major impact in the traditional trade union organisations, as many companies got rid of around 50% of their workforce and as we know almost all of those workers were trade union members, the second one provided for unions to organise in "green field" areas, situation to which they were not prepared to as they had never been confronted with the need to organise. In addition the traditional established trade unions started to be confronted with competing unions organising in the "new communications industry". This new environment represented a major challenge for long established trade unions such as DPG in Germany and the Union of Communication Workers (UCW), the National Communication Workers Union (NCU) and the Society of Telecom Executives (STE) in the United Kingdom. How did those unions responded to this new situation, which strategies they put forward and which results have they achieved?

In the United Kingdom the NCU, which represented around 90% of the British telecom workforce saw this company starting a major restructuring which resulted in diminishing, in a time-scale of 10 years, more than 50% of its workforce. The NCU response was to merge

with the UCW (the British Postal Workers Union). Both created the Communication Workers Union (CWU). At the same time the STE was facing similar problems as those faced by the NCU. The STE which represented most of the managerial and professional staff at British Telecom was also deeply affected by the restructuring of the company. But, the STE decided to follow a different strategy, either because it didn't find a partner to merge or, because it recognised that they were better off in a changing environment were they could organise managers and professionals in "green field" areas in the newly developing communications industry.

In Germany, DPG, the Postal and Telecommunications Trade Union adopted a three way strategy: as a first step it decided to change its internal rules to allow the union to organise new workers in the communications industry, than started to organise new workers in new companies¹⁵ and finally merged in the big new services trade union organisation, Verdi, the so-called General services trade union, which was created in May 2001 in result of a 5 partner merger. (DAG, DPG, HBV, IG MEDIEN and OETV).

Mergers and organising became common strategies and responses for trade unions in the communications industry. Along with those strategies unions also changed their internal structures so to respond to the new needs of a newly emerging workforce. We saw a trend for the unions to organise using the internet as well as to use and develop their websites to disseminate information and to communicate with their members.

In addition to the traditional trade union organising strategies,(face-to-face organising), the Internet became an important organising tool for the Communications workers. Either Verdi, CWU or CONNECT (the former STE) are investing more and more on organising workers using new technology. CONNECT has reported that over 100 members used their online membership application process last month. Connect was the first union to offer a full online membership service to members. The online system also offers members the opportunity to update their details at anytime by logging in to the website. Using the internet to its full potential to achieve new members has proved a great success for CONNECT.

¹⁵ "DPG Attracts Many New Members" <http://www.union-network.org/unitelecom.nsf/521cb77c96c17c2fc125682c0031f221/5f61ea506a1ea8f2c1256890002adef?OpenDocument>

6. A review of the discussion in the int.unity project team European Works Councils, Organising and Recruiting

6.1. European Works Councils

The project team was asked to concentrate on the following central questions and to provide opinions and written documents which could facilitate the discussion during the duration of the project:

What are the main difficulties to establish European Works Councils?
Cultural difficulties? Language barrier? Different industrial relations systems? Different perception about the importance/or not of the European Works Councils? Lack of involvement of the trade unions? Management opposition?

Is the establishment of European Works Councils in multinational companies important or not? Why do you think they are important?

Should the Trade Unions take the initiative and have a more active role in the establishment of European Works Councils? Or, should they let the workers of a specific multinational company or their respective works councils to take the initiative?

Could the trade union participation on the establishment of European Works Councils to help to organise and recruit?

Why is it important to establish European Works Councils in multinational companies?

Should the existing European Directive on European Works Councils be modified? Does it need to be reinforced? What specific points should be changed?

From your experience, which have been the main difficulties and barriers posed by management to establish European Works Councils?

Is there a need to broaden and strengthen the competencies of the European Works Councils? What for? To allow greater information and consultation? And, in which issues those competencies should be broadened and strengthened?

In the light of the above questions and during the course of the duration of the project, the project team members made many contributions. Out of those we highlight the following:

Training materials for EWC representatives

- A Review of Negotiating European Works Councils: A Comparative Study of Article 6 and Article 13 Agreements
- Cable & Wireless PLC European Employee Consultation Fo-

rum – Constitution

- Some Considerations concerning the Cable & Wireless European Employee Consultation Forum
- Problems on the establishment of EWC
- Short contribution concerning EWC
- European Works Councils – The need for consultation
- The internationalisation of protection of interests structures
- Report of the Conference in Aarhus – Denmark on EWC
- Promote the establishment of EWC in Spain.
- Latest European Works Councils figures.

One can see that the int.unity project was an extremely good way of promoting and disseminating important information on EWC, both for British and German colleagues. The above documents cover a wide range of issues related with EWC. These go from:

- How to establish appropriate EWC;
- Overview of developments between Article 6 agreements and Article 13 agreements;
- Problems and difficulties faced by workers and trade unions on the establishment of EWC;
- Specific considerations concerning a Article 13 agreement;
- Issues of concern for workers and Trade Unions in what respects the existing Directive and its application;
- Difficulties created by management to establish EWC;
- Need for education and training of EWC representatives;
- An up-date of the evolution of EWC

It is therefore important, that we go through not only the content of such contributions but also that we give voice to the preoccupations raised by the project team members concerning the issue of EWC, starting with the European Directive 94/45/EC which established European Works Councils.

6.2. The European Directive 94/45/EC

The European Works Councils Directive came into force on 22 September 1996. It covered the countries of the European Economic Area (excluding the UK). This Directive provides a European legal procedure and a formal body for the purpose of informing and

consulting employees. The Directive requires multinational companies – i.e. those with at least 1,000 employees in the 17 EEA countries concerned, and at least 150 employees in each of two of the countries – to set up a EWC¹⁶. Since that date, the conclusion of new EWC agreements has been governed by the procedure set out in Article 5 of the Directive. This involves negotiations between central management and a special negotiating body (SNB) made up of employee representatives. Article 6 of the Directive, as transposed into national law, governs the agreements themselves.

In the United Kingdom the Directive became into law on January 2000. The U.K. law is known as “The Trans-national Information and Consultation Employees Regulations 1999.” Even before the UK opted in to the EWC legislation, hundreds of multinationals operating in the UK had to set up EWCs, because the number of their employees elsewhere in Europe took them over the threshold.

In Germany the “Act on European Works Councils” was passed by the German Parliament (Bundestag) on 28 October 1996 (Bundesgesetzblatt, part 1, N.53, Bonn, 31.10.96). This law was later amended by the “Act” dated 22 December 1999 (Bundesgesetzblatt, Part I, p. 2809) and by the “Act” dated 21 December 2000 (Bundesgesetzblatt, Part I, p. 1983).

6.3. Article 6 and Article 13 agreements – overview of developments

The European Foundation for the Improvement of Living and Working Conditions published (September 2000) a report comparing Article 6 and Article 13 Agreements¹⁷. The issue of comparing Article 6 and Article 13 agreements is of particular relevance, in the context of the European’s Commission review of the Directive. As one knows Article 13 agreements were voluntary agreements, negotiated before the EWC Directive came into force. Those EWC or “Employee Forums”, from the experience drawn from the telecommunications sector, were frequently Management controlled bodies. It is not the objective of this report to go through details concerning the comparison between Article 13 agreements and Article 6 agreements. Nevertheless it is worth mentioning some aspects of the European Foundation Report as it contains useful information and data, which can serve for the future developments of the int.unity project.

¹⁶ In the UK, management may count part-time workers as „half a person“ for the purposes of calculating workforce thresholds.

¹⁷ Negotiating EWCs under the Directive: A comparative analysis of Article 6 and Article 13 agreements (Paul Marginson & Mark Carley, September 2000)

We will cover the following main aspects of the European Foundation report:

- Spread of Article 6 agreements, by country and by sector of activity;
- Geographical coverage of the EWCs established by Article 6;
- The impact of the Directive on the provisions of EWC agreements;
- Diffusion of “good practice”;
- Diversity and innovation;

Spread of Article 6 agreements, by country and by sector of activity

The Report refers that France, Germany, the UK and the USA dominated the picture under Article 13 accounting for 64% of all agreements. Under Article 6 this has changed. Agreements in multinational companies based in the Netherlands and in Sweden accounted for 23% of the agreements.

In terms of sectoral distribution of agreements three sectors – metal-working, food/drink and tobacco and chemicals account for almost two-thirds of both Article 6 and Article 13 agreements. The study shows also that there are still relatively few EWC agreements amongst companies based in some of the countries covered by the Directive such as: Austria, Denmark, Spain and Portugal and in some sectors, mainly services sector where there are only 14% of Article 6 agreements.

Geographical coverage of the EWCs established by Article 6

According to the Report, in nearly 30% of the cases, Article 6 agreements extend to operations in countries beyond the EEA. This is a slightly higher proportion than amongst Article 13 agreements (26%). The reason for this seems to be a developing tendency to extend coverage of the agreements to operations in the Czech Republic, Hungary and Poland – the three largest of the first wave of EU accession countries.

The impact of the Directive on the provisions of EWC agreements

The impact of the terms of the Directive on the provisions of EWC agreements is evident in more than one way. The report mentions that this impact is leading to greater uniformity over a range of matters addressed by Article 6 agreements, as compared with the situa-

tion under Article 13, as follows: almost all Article 6 and Article 13 agreements state that their basic purpose is the information and consultation of employees; The Directive specifies a number of aspects that Article 6 agreements should cover: compliance with specific requirements of the Directive seems to be universal, including provisions on the duration of agreements (most commonly four years), the term of office of employee representatives (again most commonly four years) and specification of the financial and material resources available to the employee representatives; The influence of the subsidiary requirements of the Directive and of (the national legislation implementing) specific clauses dealing with:

- Access to experts (Article 8),
- Confidentiality (also Article 8) and
- Protection of employee representatives (Article 10) is even more evident amongst Article 6 agreements than it was amongst Article 13 agreements
- Select committees are even more common amongst Article 6 (83% of cases) as compared with Article 13 agreements (around 60%)
- Meetings in extraordinary circumstances are provided for in virtually all Article 6 agreements, as compared with four out of five Article 13 agreements.
- Confidentiality clauses have moved from being widespread to near universal (94% of Article 6 agreements), and the great majority of Article 6 agreements (79%) contain a Clause on employee protection.

Diffusion of “good practice”

According to the Report processes of learning are also at work amongst negotiators, in which aspects of “good practice” are diffused from one agreement to another. An innovative feature under a minority of Article 13 agreements was provision for the employee side to have a follow-up, as well as preparatory, meeting. This has spread considerably amongst Article 6 agreements (up to 51% from 22%); so too has reference to training for employee representatives (up to 63% from 35%), although in many cases this would appear to be confined to languages. In terms of detailed procedures, Article 6 agreements are even more likely than Article 13 agreements to spell out arrangements for the setting of the agenda (up to 93% from 86%) and the drawing up of minutes (up to 86% from 65%). A minority of Article 13 agreements (34%) specified a single company language in which

EWC business would be conducted. Amongst Article 6 agreements this has become a majority practice (65%) - although it should be noted that provision is made for some interpreting and translation in virtually all such instances. Accompanying this trend is another: the lingua franca of EWCs is increasingly becoming English.

Overall, the report states, as a result both of following the terms of the Directive more closely, and of processes of “good practice” diffusion across negotiators, agreements under Article 6 are more comprehensive in the range of issues they address than were the earlier Article 13 agreements.

Diversity and innovation

Diversity and innovation are also found to be evident amongst Article 6 agreements, and this embraces some further important matters. Diversity is seen, for example, in:

the acknowledgement of an explicit trade union role in a sizeable minority of agreements. International or national trade union organisations signed over a quarter of Article 6 agreements. Although this is lower than the 45% of Article 13 agreements, it indicates that trade unions have a recognised involvement in a minority of negotiations despite the fact that the Directive’s SNB process accords them no formal role. In a similar minority of Article 6 agreements, explicit provision is made for the participation of a trade union official at EWC meetings. The picture here is very similar to that amongst Article 13 agreements. Moreover, under both types of agreement, it is probable that the experts who can be invited to EWC meetings in a larger proportion of cases will frequently be trade union officials; and the basic composition of EWCs, where, although joint management-employee structures remain more numerous than employee-side-only bodies amongst Article 6 agreements (55% of the total, compared with 69% under Article 13), the proportion of employee-side-only bodies has increased (45%, compared with 31%).

In terms of innovation there are signs, too, that the agenda for EWCs may be widening where, dominance of the eight matters listed in the subsidiary requirements notwithstanding, environmental issues and equal opportunities are cited amongst noticeably larger minorities of Article 6 than Article 13 agreements.

6.4. Problems that concern the establishment of EWCs

The establishment of EWC during the transition period of the European Directive faced a number of obstacles. Experience shows that

these related, firstly, to the differences in systems of national industrial relations. Secondly, they related to the deficiencies seen as being inherent to the Directive. One can spell out some of the obstacles faced to establish appropriate EWC:

- a lack of local representation in some sectors, which makes it difficult to select employee representatives;
- a lack of national co-ordination between the various mechanisms of employee representation, which prevents co-ordination at company level;
- a lack of specific definitions of information or consultation in agreements, which creates a lack of clarity on what is actually provided to employee representatives;
- a lack of recognition of the important role played by trade union representatives, who have valuable experience to bring to the process and can provide expert support;
- insufficient resources available for interpreting services or for language training and cultural-awareness training beyond the dominant languages;
- limitations on the funding and provision for preparatory meetings.
- the lack of a right for select committees to call for extraordinary meetings or to be informed of extraordinary circumstances;
- a lack of a right for select committees to be informed and consulted on an ongoing basis;
- a prevalence of management controlling the agenda and giving inadequate time for employee representatives to suggest additional points or to have a general input. Quality information is required in advance so that effective discussion occurs; and
- limits on the competencies of the EWC. These competencies need to be broadened and strengthened to allow greater information and consultation on important issues such as restructuring, collective redundancies and mergers.

While the above findings mainly refer to Article 13 situations, some new obstacles and difficulties appear to emerge. At a recent seminar¹⁸ with active EWC members for more than six years, the following

18Promote the establishment of EWC in Spain - Barcelona, 4 December 2003, http://intunity.orbitem.de/bscw/bscw.cgi/d9314-2/*/*Dissemination%20of%20the%20project-cv

preoccupations were raised concerning the obstacles to establish EWC and to EWC members:

- Cultural problems
- Communication problems
- The necessity to have sub-structures within each country
- Language barriers
- Need for anticipated information
- Training for EWC members
- Obstacles created by management to EWC members to develop their activities
- Need for more support from trade unions
- More involvement of trade unions in the establishment of EWC
- Unions to create structures to support EWC members

Language was referred as one of the main barriers for EWC members. Therefore the int.unity project was seen as extremely important as a tool to support EWC members work.

6.5. Latest EWC Figures

The most recent statistics from the European Trade Union Institute (ETUI), the research centre of the European Trade Union Confederation (ETUC), show that only a third of companies covered by the EWCs Directive have so far created a EWC¹⁹.

This ETUI report provides what is probably the most significant and up-to-date overview of the current situation as regards the coverage and implementation of the European Works Councils (EWCs) Directive. The Report covers the number of companies affected by the Directive and the EWCs, which have been set up so far. It also reflects the involvement of the candidate countries for European Union membership. In addition the ETUI report also looks to other areas, such as the historical development of EWCs and the contents of EWC agreements.

In terms of the companies covered by the EWC Directive and according the ETUI's database of multinational companies, in October 2002 there were 1,865 firms, which met the requirements for coverage by the Directive. Of these, some 80% have their headquarters in

19 European Works Councils – facts and figures by Peter Kerckhofs
ETUI Brussels, November 2002

the EEA. The countries in which the most multinationals covered by the Directive are based are Germany (21% of the total), the USA (19%), the UK (12%), France (10%), the Netherlands (7%), Sweden (5%) and Switzerland (5%).

The majority of the companies covered by the Directive have operations in only a few of the 18 EEA countries concerned, with 40% operating in just two or three of these countries, and only 12% having subsidiaries in 10 or more countries. With regard to the location of these operations, ETUI findings show that at least 60% of multinationals affected by the Directive have operations in Germany, the UK and France, and between 40% and 50% have operations in the Netherlands, Spain, Belgium and Italy. Very few of the multinationals have operations in Greece, Luxembourg, Iceland and Liechtenstein. A further measure of the degree of “internationalisation” of the companies affected by the Directive is the extent to which their EEA workforce is concentrated in one country (often their home country in the case of multinationals based in the EEA). According to ETUI, 14% of the companies covered have over 90% of their EEA workforce in one country – making them the least internationalised group of firms – while 34% have 70%–90% of their EEA workforce in a single country. Only 25% of the companies covered have under 50% of their EEA workforce in a single country – and are thus the most internationalised group – and 27% have 50%–70% in one country. ETUI estimates the total number of workers employed within the EEA by the 1,865 companies covered by the Directive at about 17.1 million, with the highest numbers of affected workers found in Germany (around five million), the UK (four million) and France (three million).

Multinationals with EWCs

As of October 2002, ETUI puts the number of multinationals with EWCs in place at 639, or just over a third of all those covered by the Directive. Among companies with EWCs, it is US- and German-based multinationals that are most strongly represented, with each accounting for around 16% of the total, closely followed by UK-based firms, at 15%. Assessing the “strike rate” for each country (i.e. the proportion of relevant multinationals based there which have set up EWCs), this is highest in Luxembourg, at 100%, but as only two Luxembourg-based multinationals are covered by the Directive, this is not significant. Among the countries with 40 or more multinationals affected by the Directive, the highest strike rates are found in Belgium (49%), Finland, Japan and Sweden (each 43%), the UK (40%), the Netherlands and Switzerland (both 39%), Denmark (36%), France, Italy and the USA (each 35%). Notably low strike rates are found

among companies based in Germany (25%), Ireland (13%), Spain (5%) and Portugal (0%). In sectoral terms, most EWCs are found in multinationals operating in metalworking (accounting for 39% of all EWCs), services (33%) and chemicals (44%). The highest strike rate is found in the relatively minor sector of public services (where 46% of multinationals covered by the Directive have set up EWCs). Among the major sectors, the highest strike rates are in chemicals (44%), building and woodworking (42%).

The need for the revision of the Directive

The Directive passed in 1994 envisaged a revision being carried out in 1999. But despite this commitment, resolutions, petitions and days of action calling for a revision of the Directive the European Commission has already delayed this for four years. Many EWCs members, Trade Union Organisations as well as the European Trade Union Confederation (ETUC) are demanding for improvements to the existing Directive. On 25-26 November 2002, at a major international trade union conference entitled "Towards more influence", organised jointly by the European Trade Union Confederation (ETUC) and the main Danish national trade union organisations, with the support of the European Commission, in the Danish city of Aarhus, over 400 trade union representatives and employee-side members of European Works Councils discussed improvements in EWC practice and identified amendments to the legal framework which unions would like to see adopted. The main topics covered by the conference were:

- EWCs and restructuring;
- improving information and consultation practice within EWCs;
- enforcing the rights of EWCs;
- the implications of the European Company Statute for EWCs; and
- EWCs and EU enlargement.

The representative of the European Commission said that the Commission would be looking closely to the outcome of the conference as it prepared to launch the revision of the Directive in autumn 2003. The EU Commission representative also challenged the EU-level social partners to come to an agreement on how to revise the Directive. He stressed that along with the importance of preserving the key principles of the Directive, improvements were needed in a number of ar-

eas²⁰. The Commission would like the social partners at European level, the European Trade Union Confederation (ETUC) and European employers' associations. UNICE and CEEP to negotiate an agreed revision of the EWC Directive. In conclusion, Mr Vasquez emphasised that the practical experiences of the conference participants would be of considerable help to the Commission with the process of revising the Directive. It is clear that there will not be any concrete proposals for change in the foreseeable future. Employers' organisations have already indicated that they see no need to amend the existing Directive. Thus even the most optimistic scenario does not envisage a revised Directive affecting company negotiations before 2007.

Four key areas have been identified by the ETUC as needing improvement when considering the EWC Directive:

- better information and consultation procedures;
- the introduction of a right to training;
- extended facilities for EWC members;
- more regular meetings.

6.6. Verdi and the EWC

European Works Councils have been successfully established, within around 730 companies which fall in the EWC Directive. In Verdi there are quite a good number of EWC which are distributed within the different Verdi sectors such as: Financial Services, Media, Art and Industry, Postal Services, Expedition and Logistics, Telecommunications, Information Technology and Data Processing, Traffic, Commerce and Special Services. For the Postal services a EWC was recently successfully established. Other EWC are planned to be established at the SEB, Axel Springer publishing house, the WAZ, Fraport and at Deutsche Telekom. The "Mitbestimmung"(Codetermination) Department in Verdi has created a EWC working group, within which strategies are developed to support European Works Councils in Verdi. The members of this working group are the EWC responsible persons in the respective departments and also other persons with transversal competences in this area. It is the task of this working group to integrate the EWC work into a network in Verdi and to provide booklets and education and training offers and also to develop a

20 In its April 2000 report on the implementation of the Directive (EWCB 28 p.4) the Commission had identified certain "loopholes" in the Directive

common position in what regards the revision of the EWC directive. In 2003 there have been published two brochures on EWC. In 2004 two additional publications are planned as well as two Seminars in May and October in the education Center of Walsrode. In addition the department plans a workshop with specific Sectors in Verdi to achieve political orientation of the EWC work. In the year of 2004 it is necessary to pay attention to the upcoming EU Eastern enlargement in May. The existing EWC should, providing that the company or the group has subsidiaries in the new EU countries, include the colleagues in the EWC committees (in case that has been agreed in the agreement and had not yet been done). In case that it isn't included in the existing agreement, then the agreement must be completed in negotiations with the central management. In the new EWC to be established, the special negotiation body must ensure that the colleagues from the accession countries will be represented. Enlargement will represent a great challenge for the European Works Councils. Getting to know new representation of interests systems and the particular features of the Countries will help the employees to work off existing doubts and fears in dealing with the new colleagues. Within these developments, Verdi will have the task of strengthening training offers for the intercultural communication and to promote the process of communication between the trade unions and the members of European Works Councils.

In the light of the information provided by the Verdi respective area "Betriebliche Mitbestimmung, europäische Betriebsräte²¹", this is the list of the existing EWC where Verdi is active at present, by Sectors:

Sector 1 – Financial sector

ABN-AMRO bank, Allianz group, American Express, AXA-Colonia, Barclay's Group, Basle insurances, Citibank, Commerzbank, Credit Suisse Group (DBV-Winterthur), German bank, ergo, Generali, Gerling, HSBC holding, Helvetia insurances, Hypovereinsbank, KBC bank, NatWest, Royal Sun, Zurich insurances.

Sector 2 -...and disposal

Thames Water/RWE (UK), EnBW AG (only observer statement), Essent (NL), SITA Germany private limited company, VAT case (S),

21 Verdi federal administration - Area of Worker participation – as it stands on 29 January 2004

Sector 8 - Media, Culture and Industry

Amtcor, A & R Carton, Bertelsmann, DDVG, Duni Bramsche, Elopak, Esselte (Leitz), Europe Carton, Gruner & year, Hamburg morning post, Huthamaki Ronsberg, kappa Packaging, Kimberley Clark, Pactiv Kobusch Folien GmbH, Reuters holding, RTL, SCA Packaging, UCI, VG Nicolaus

Sector 9 - Telecommunications, information technology, data processing

IBM, Unisys Corporation, Xerox

Sector 10 - Postal services, expedition and logistics

Deutsche Post AG, DHL Worldwide Express GmbH, FedEx Inc, P & O Mannheim, TNT, UPS,

Sector 11 – Traffic

TUI, Vivendi Universal

Sector 12 – Commerce

(Thyssen Krupp information) PLC, Phoenix Pharma-Handel AG & Co KG, Thyssen Krupp AG, Klöckner & Co AG, Renault Printemps Redoute (Rexel)

Sector 13 - Education politics and special services

Amadeus AG, American Express, advice, Brink, My Travel, Securicor, Securitas, Thomas Cook AG, TUI AG, VNU/AC Nielsen.

7. Organising and Recruiting

“We spent too little time looking outward at new industries and too much energy defending our traditional citadels²²”.

The int.unity Project Partners, realising the importance of Organising and Recruiting for Trade Unions and, recognising also the necessity of bringing additional common Trade Union terminology for the int.unity project, decided, at a project meeting in London, to enlarge the thematic field “Trade Unions and European Works Councils” to “Trade Unions, European Works Councils, Organising and Recruiting”. This seemed to have been a good decision as it provided for the project partners to further improve the project bringing in new documents and

²² John Edmonds, GMB General Secretary at the Organise 2001 Conference.

discussion contributions to the BSCW platform. During the duration of the project and following that decision, the project team members have provided different contributions and texts. Out of those it is worth mentioning the following:

- Organising Manual
- T-Break Summer 2003
- Organising in the changing global economy
- Organising self-employed workers
- Organising and recruitment – a CWU research paper
- Open source unionism – Beyond exclusive collective bargaining
- Will Unionism prosper in Cyberspace – The promise of the Internet for Employee Organisation
- Trade Unions and the new economy – organising and recruitment

7.1. The Organising Manual

The “Organising Manual” was designed to help trade unions to develop a systematic approach to organising. It has the following 9 chapters which together represent a useful resource to help organising:

- Introduction
- What exactly organising means
- Resources
- Identifying targets
- Setting up an organising campaign
- Using project management tools to improve recruitment
- Recruitment Training
- Effective Publicity
- Avoiding common organising mistakes

7.2. What exactly organising means

The Organising Manual defines organising as: “building union membership through strong local organisation around a relevant bargaining agenda and package of services to secure effective union repre-

sentation of the workforce”.

But it is also important, along with the definition of organising, that unions have an organising culture. And, what does that mean. The Manual also defines organising culture as: “ *unions to promote organising as their top priority, increase investment and allocate dedicated resources, involve lay representatives in systematic campaigns and seek to break into new companies as well as increase their membership in those where they already have members. It means that all levels of the union –from the individual member to the most senior official – focus on recruitment and all union publications carry a recruitment message*”.

7.3. Why organising and recruitment became a priority

Firstly because the radical changes that have taken place in our industry have had a major impact on the trade unions. For example, privatisation, deregulation, competition, automation and contracting-out have led to enormous reductions in the number of employees in the traditional telecommunications operators. Meanwhile new, extremely aggressive companies have entered the communications market, most of them with a non-unionised work force. Alongside this, the creation of large multinationals who adopt anti union policies have created problems for the workforce that have never before been seen in our industry. Secondly, the industry itself has radically changed under the impact of new technology. As a result new types of professions and new working methods have appeared. Today’s companies have a different type of workforce. Many of them are managers and professionals, who normally have an individual contract and are not covered by the usual collective bargaining agreements. And many companies also use contract or outsourced labour²³. The above text clearly explains the challenges that Trade Unions in general are facing not only in the Telecommunications sector specifically but also across different sectors of activity. The information available shows that Union membership has been declining continually. Not only unions are failing to keep their membership but also, they have not been able, so far, to organize a large number of new companies in the new global economy, which are largely un-organised. Therefore the main question is: what should Unions do to reverse this trend?

The answer seems very simple: **UNIONS MUST ORGANISE.**

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<http://intunity.orbiteam.de/bcsw/bcsw.cgi/d4022/Organising%20Manua>

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The “Organising Manual Introduction” gives the reasons why organising is so important: “The concept of a job for life is changing. Workers have to face new forms of atypical work such as telework and different types of contracts as employers adopt more and more flexible resourcing policies;

We need to change in many ways. For example, unions who have traditionally organised just one company – often the state owned monopoly – must now organise across the whole industry. This means that we have to change the way we work, our traditional bargaining agendas, our organisation and our priorities if we are to succeed in this task;

In the past – for good reasons - we have concentrated mostly on servicing and bargaining for our traditional members in our traditional companies. We now have to concentrate on organising new workers in new companies. Developing an Organising Culture is the key to success. It is the means whereby we can continue to have an active role in the defence of the workers’ rights, to raise standards of living for those workers and to help create a better and fairer society;

As part of this change we have to look again at workers expectations. We have to prove our worth to a new generation of workers. This means questioning long held beliefs and adopting a much more open approach. We have to listen to these new workers, to understand their concerns and expectations and to show how unions can meet their needs. Only in this way can we hope to organise them. Unions must recognise that traditional collective bargaining is not the only way to respond to their members’ interests. New approaches and new services may be necessary; In short: if trade unions want to continue to maintain our influence, to continue to be strong and respected, we have to modernise ourselves. We have to change the way we work and to invest more in organisation and recruitment both in financial and human resources;

There is not one a single model for organising. Obviously there are many different organising techniques. Moreover, the seminars organised by Communications International show that individual trade unions face different economic, legislative and cultural environments. How they organise will in part depend on these particular factor; Organising has to be both a long-term commitment and everyday work. We cannot always expect results overnight. But we should not be discouraged by this fact – experience shows that organising work is a good investment for the future. We can also help each other by co-operating and exchanging ideas and best practice;

Organising and recruiting is not just for some trade union activists.

Everybody in the union should be committed to organise and to recruit. Only with this collective commitment and effort will unions restore our strength and be representative of the work force.

7.4. The Future - “Organise or die”

One of the CWU contribution papers for the int.unity project²⁴ addresses, among others, the issue of “Organising for Growth”, and the “CWU experience- The Past, The Present and the Future”. At a certain point of this interesting research paper and when addressing the question how the union looks to the Future, on page 7, the paper states the following: “as one of our key activists puts it: *We either recruit or die*”.

Those words couldn't be more appropriate to spell out challenges confronting trade unions. As the CWU recognises, “the simple truth is unless we recruit more members we will face both a financial crisis and, more importantly, a loss of industrial influence within the communications sector”. And the paper goes on saying: “in short, we must concentrate more of our union resources on recruitment and organising or face a disaster, from which we may never recover”. Experience shows that very few unions are allocating specific resources of their budgets to organising and recruiting. The issue of union resources for organising and the investment in recruitment is at the heart of the problem. Changes in the global economy have challenged the traditional Trade Union borders. At this regard the trade union response has been mixed: while many unions addressed this problem merging, others decided to “move outside the box” and invest massive resources in terms of time and money to organise in companies outside the traditional sector widening therefore their scope of activity, and finally, others have done both: merging and investing in organising activities. Those, from our perspective, that took the easiest way, merging, will be sooner or later facing old problems, as Corporate restructuring and aging, among other reasons, will continue to erode their membership base. Those, instead, who decided to allocate a significant part of their budget to develop organising and recruitment activities are likely to be much more successful in the long run. Invest on organising is not an easy decision for rather “traditional” organisations as trade unions are looked. As Morton Bahr, President of the Communication Workers of America once said, “*When the CWA starts organising a new company, we have to spend*

²⁴ “Trade Unions and the new economy, Organising and recruiting – part IV”, Jeremy Baugh, Head of Research, RD03/09/159, 22 September 2003

the equivalent of 5 years' subscription to recruit one new worker." The point he was making is simple. Organising takes time, money and commitment. It does not happen automatically. It will not happen without constant effort. It needs dedicated resources. Unions need to consider carefully the resources they can allocate to this work. Evidence shows that the more resources that are devoted to organising, the better the results. Recruitment is often a high cost but an essential investment. Unions also need internal structures that enable them to focus specifically and exclusively on organisation and to manage organising campaigns. So, the challenge for Trade Unions is clear. Unless Trade Unions dedicate resources to organising, financial and human, they will not be able to overcome the challenges in front of them.

7.5. Organising and the Internet

"The low cost of information, communication, and interaction on the web offers Trade unions opportunities to improve services and attract members, and thus reinvent themselves for the twenty-first century"²⁵,

The Internet is the twenty-first century's mode of mass communication. According to data available, in 2001 over 70 per cent of Americans and Scandinavians, 50% of the British and over a third of persons in most advanced OECD countries use the Internet. Therefore one can see that the Internet offers trade unions, among other things, a great opportunity to help in recruitment and organising as well as to improve services to members. One should not underestimate that today's world is increasingly heterogeneous and individualistic. In this regard the Internet can represent an extremely important organising tool as it can bridge the gap between this individualistic work force and the collective activity and solidarity that lies at the heart of the Trade Union activity. It seems that Unions have recognised the importance of the Internet as an organising tool. Experience shows that Trade unions have adopted this mode of mass communication as we can see more and more unions creating and developing their websites where they offer their members valuable services²⁶. But the main purpose of developing a website should not be the one of hav-

25 Will Unionism Prosper in Cyberspace? The promise of the Internet for Employee Organisation – W.J. Diamond and R.B. Freeman (in British Journal of Industrial relations – 40:3 September 2002 0007-1080 pp. 569-596)

26 As of April 2001, we estimate there are over 2700 union sites (sites listed at the cyber picket line website www.cyberpicketline.org.uk). This listing undoubtedly misses numerous union sites, most likely the sites of small local unions and those of unions in non-English speaking countries that the search engines and directories do not cover well.

ing a means of connecting trade union organisations to the world. The real question and challenge for the Trade Unions is being able to use the Internet to build their membership and at the same time a modern trade union organisation. We know that in many countries, such as the USA and the UK, unions struggle to contact workers at the workplace level. In the UK unions have problems in recruiting new members even at work-sites with a recognised union and a neutral or friendly management. In this regard, the Internet can help unions to overcome organising problems as, among other things:

- makes it easier for unions to present their case to workers;
- facilitates contact with workers outside their workplace;
- workers can read information about the union without fear of reprisal from management;
- they can read at any time, day or night;
- once the union has an e-mail address of potential members can contact them directly;
- Trade unions can respond rapidly to any problem posed by the worker.

The Internet creates also space for the creation of “virtual unions”. What is needed for a virtual union is only a set of activists committed to share information about issues of their interest related with a specific company. They may either use the website of an existing union or they can set up their own website. With current existing technology setting up a website can be done easily and cheaply.²⁷ Another important area where the Internet can be extremely useful for Trade Unions is when they need to deal with Multinational Corporations and develop Global Campaigns and Global Solidarity actions²⁸. The possibilities of “e-campaigns” to assist trade unions on their organising efforts are almost limitless. In the telecommunications sector such campaigns started in 1999 with the organisation of the “call centres” campaign. This campaign was designed to assist trade unions throughout the world to focus their organising efforts on call centres a new expanding way of working in some industries. The campaign was a huge success with more than fifty unions from all continents around

27 Alliance@IBM (www.allianceibm.org), associated with the Communication Workers of America (CWA) is an example of a virtual union

28 Thanks to the Internet, a century-long decline in internationalism has already been reversed. For thousands of trade unionists who log on every day, the International has already been born (Eric Lee 1998)

the world combining their efforts on that day²⁹ and since than other campaigns have been organised so that more members in Greenfield companies are organised.

In conclusion, organising should be at the heart of trade union activity. Organising and recruiting is not just for some trade union activists. Everybody in the union should be committed to organise and to recruit. Only with this collective commitment and effort will unions restore strength and be representative of the work force. Let us, all together, make organising a priority and put it at the top our agenda³⁰.

8. Recommendations

8.1. How can the int.unity project help the European Works Councils members

Int.unity can be a good platform to:

- Strengthen the EWC work in Verdi
- Disseminate information about EWC in Germany and the UK as well as in other interested countries
- Serve to provide information about how EWC can work more effectively
- Benchmarking between EWC
- Promote an understanding of the differences between EWC
- Overcome language barriers
- Overcome cultural barriers
- Assist on the establishment of EWC and to set specific goals
- Offer some practical examples of what some EWCs have already achieved

8.2. How can the int.unity project help in organising and recruiting

The int.unity platform can be used to help on organising and recruiting activities. For that we would make the following recommendations:

- Open the int.unity platform for solidarity campaigns

29 Campaign web pages can be visited on the following address:
http://www.union-network.org/UNIsite/Events/Campaigns/call_centres.htm

30 CI Organising Manual – pp.6

- Open the int.unity platform for organisers
- Use the int.unity platform for “virtual organising committees”, as for instance in T-Mobile
- Use the int.unity platform to exchanging best practice
- Use the int.unity platform to exchanging experiences and success stories on organising activities
- Use the int.unity platform to exchanging information on organising and recruiting
- Use int.unity as a platform to develop “virtual organising campaigns”
- Use int.unity as a platform to promote “cyber solidarity campaigns”