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Professor Gerhard Bosch, Institute for Work, Skills and Training, University of Duisburg-Essen, Germany (gerhard.bosch@uni-due.de)

“Social dialogue at the workplace”
High differences in work place representation in the EU
(data from 25 000 work places)

J. Forth/ A. Bryson /A. George, “Explaining cross-national variation in workplace employee representation,” European Journal of Industrial Relations 2017
Codetermination at company level - wide variety in EU

19 out of 31: board-level employee representation (BLER) in the EEA member states

- **Widespread participation rights**: Comprising state-owned as well as private companies (13 countries)
- **Limited participation rights**: Mainly state-owned or privatised companies (6 countries)
- **No (or very limited) participation rights**: (12 countries)

BLER: The right to elect or appoint some of the members of the company's supervisory board / board of directors.

Aline Conchon, Norbert Kluge and Michael Stolit - European Trade Union Institute (August 2015 Update)
Positive impacts of workplace representation on working conditions

The quality of the working environment, as measured by the OECD/G20 Job Quality Framework, tends to be higher in firms with a recognised form of employee workplace representation (for example a local trade union or works council).

Source: OECD 2018, Employment outlook, Paris
Lower income inequality in countries with far-reaching co-determination

Income inequality and co-determination (at board level) in ....

Income inequality tends to be lower in countries with far-reaching co-determination rights.

Income distribution based on the Gini-coefficient; degree of co-determination according to 'Co-determination Index'.
Example I: German works councils (WC)

- Can be elected in companies with 5+ employees: in practice share of WC’s increases with size of companies

- Protection of WC against dismissals and provision of resources (time off or release from work, paid training, office, access to consultancy and recruitment of experts)

- Strong rights of co-determination for example on: overtime, commencement and termination of the daily working time, distribution of working hours among the days of the week, social plan, assessment criteria, staff movement and dismissal, enforcement of labor laws and CA’s.

- Rights of consultation and information: for example on economic development, human resource planning

- Practice: active and less active WC’s, close cooperation with unions crucial, high trust in WC’s
Positive impact of German WC’s on training

Training offers in companies

Companies with a works council are more concerned about the training of their employees, at least when it comes to general skills.
Example II: German codetermination in supervisory boards
Example II: German codetermination in supervisory boards – links within WC’s and unions crucial

**WORKPLACE: Works councils**
- Workplace information, consultation and co-determination rights
- Workplaces with at least 5 employees

**COMPANY: Supervisory board (SVB)**
- Co-determination at board level (board-level employee representation)
  - if >2000 employees, 50% of SVB seats
  - if >500 employees, 1/3 of seats

**COLLECTIVE PARTICIPATION: Trade unions**
- Negotiate collective agreements
- Cooperate with works councils
- Have seats on the supervisory board
Example III: Swedish workplace and board representation

- **Workplace representation through the local union at the workplace.** Legislation requires the employer to inform and negotiate with the unions at the workplace before making major changes, and many of the practical arrangements for doing so are left to local negotiations.

- **Employees are represented on the boards of almost all companies with more than 25 employees (Sweden has a single-tier board system.)** There are two or three employee members and they account for around one third of board members in most companies. They are chosen by the union and are generally the key figures in a whole range of employer-union relations.