European-level negotiation and European Works Councils: A “Millestone” for industrial relations in Europe?

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The increasing number of transnational framework agreements signed in recent years, both at global and European level, has begun to attract the attention of academic scholars and practitioners in industrial relations since the last years. These agreements are seen to represent a qualitatively new instrument of industrial relations at cross-national level since they constitute a formal recognition of social dialogue across different national borders. Hence, they are presented as contributing to the internationalization of industrial relations in a specific region, such as Europe. More specifically, European-level agreements (EFAs) are seen to provide a framework for enhancing and protecting workers’ interests in situation of crisis, such as company restructuring, via fostering a negotiation process usually lead by the European Works Councils (EWCs) at transnational level. Nevertheless, literature has pointed out the existence of factors hampering the negotiation of the EFAs via EWCs. These factors are identified in the lack of a legal framework at the European level as well as structural and cultural differences between national systems of interest representation. Thus, it may be hypothesized that the extent to which management and trade unions manage situation of change (i.e. company relocation) or anticipate change (i.e. training and workers’ mobility) is strongly influenced by the above mentioned factors.

Whereas these factors might explain why despite the relatively growing number of European-level framework agreements during the last years (73 agreements till 2007 of which 52 out of 73 were signed by EWCs in the majority of the cases in cooperation with the European Trade Unions Industry Federations), the spread of European-level negotiations has so far remained quite limited, we strongly believe that the paucity of agreements currently developed at the European level needs to be analyzed by combining the examination of the structural (see above) with the range of actor-related conditions which have contributed to hinder or promote the development of bargaining activity at the European level. More specifically, this means to focus on the strategies of the social actors (both management, trade unions and employee representations) at both national and company level and to explore their interests to engage (or not) in European negotiation (EFAs). It implies to give an answer to the question whether the EFAs have contributed to the Europeanisation of the industrial relations actors more generally and to
identify the causes of it. Of course, such an analytical framework cannot function without involving also the role of the European trade unions industry federations and the study of their role to successfully (or not) promoting European solutions for local or national problems. We say this because the thriving creation of a regulatory setting for the development of bargaining activity at the European level presupposes a clear view by the social actors (in particular trade unions and their representatives at the European level) on how to articulate across the different levels of the industrial relations structure (Pulignano, 2004).

Thus, the paper uses a multi-level research design which aims at exploring how far the social actors’ strategies at the national and local levels are interrelated and how far are they bound-up with European-level developments. Moreover such an approach allows us to examine in depth how far the development of a European regulatory framework for bargaining activity occurs through trade unions, their representatives and the employers formulating new rules as they go along and creating new precedents in action. By looking at the experiences of the EFAs in the metal sector the paper will focus on the analysis of the process which accompanied the stipulation of successful experiences of European Framework Agreements (for example the Areva, Schneider, Thales, the ArcelorMittal case) by comparing it with less successful cases, the so-called “missed EFAs” (see for example Nokia, Electrolux, Volkswagen, Siemens etc.). The paper will mainly use materials collected via interviews in Brussels, Italy, Belgium, Germany and France.