# Polish Representatives of Company Employees in European Works Councils

#### 1. Introduction

The European Works Councils (EWCs) Directive was adopted on 22nd September 1994. In this way the twenty-year period of discussions on this subject in the European Union countries was ended. The discussions were full of sometimes even dramatic events such as the withdrawal of the draft directive, the interruption of discussions, the elaboration of new directive drafts, and so on. Both the above mentioned events and the long period of discussions should be attributed primarily to the objections raised by employers, whose position in the EU is very strong, much stronger than the position held by the EU trade unions<sup>2</sup>. Another impediment was also the objection raised by the United Kingdom, which was blocking successfully for many years not only the draft directive but also other integration measures in the social field. The long period during which the Directive was being worked out and the already mentioned objections caused that its adoption was treated as one of the most important events in the EU's integration activities. Many authors treat its adoption as a breakthrough in the

<sup>&</sup>lt;sup>1</sup> The long process of working out the directive was presented in greater detail in: M.Gold, M.Hall, Statute of European Works Councils: The Final Countdown?, "Industrial Relations Journal", 1994, vol. 25, no. 3.

<sup>&</sup>lt;sup>2</sup> See: R.Blanpain, M.Matey, Europejskie prawo pracy w polskiej perspektywie (The European Labour Law in Polish Perspective), Institute of Legal Sciences, Polish Academy of Sciences, Warsaw 1993.

integration activities of the EU countries in the social field. Its adoption is still widely commented upon and many publications on this subject dealing primarily with its implementation in particular countries come out

The Directive creates a possibility of harmonizing the industrial relations developed in particular countries and the interests of social partners. It imposes an obligation on transnational corporations to conduct negotiations with the representatives of employees leading to the establishing of EWCs or concerning other procedures of providing information and consulting employees. Thus, the Directive does not imply an obligation of establishing such Councils, as it admits a possibility of choosing also some other solutions going in the same direction. However, every transnational corporation encompassed by the Directive carries an obligation of creating the system of information and consultation for employees.

The companies or groups of companies covered by the Directive (which will be called transnational corporations further on) have to fulfil definite criteria regarding both the size of employment and its structure. These are corporations employing in the EU countries (excluding the United Kingdom as an EU member country) at least 1000 persons, as well as corporations employing in, at least, two member countries 150 persons each. These criteria concern also the corporations, whose headquarters are located outside the EU. Whereas the former did not undergo any changes in the entire period of discussions the latter specifying the lower limit of employment in the EU countries was raised from 100 to 150 employees.

Although it has already been four years since the Directive was adopted, its implementation has not gone beyond the initial phase yet. In fact, about 450-500 EWCs have been already established, but their vast majority, i.e. almost 400 are EWCs established on the basis of voluntary agreements and, thus, they are not necessarily compatible with the Directive. It should be remembered that the first EWCs had been established many years before the Directive was adopted, which is still in the 1980s. At first they were set up in France, and next in Germany and in other countries of the European Community. About 40 such Councils operated at the time the Directive was adopted<sup>3</sup>. They tended to correspond to the draft Directive, although they were characterized by a great diversity. It could be added that the implementation of solutions to be found in

<sup>&</sup>lt;sup>3</sup> M.Carley, S.Gissler, H.Krieger, European Works Council in Focus. The Contents of Voluntary Agreements on European Level - Information and Consultation: preliminary findings of an analysis of 111 Agreements, European Foundation for the Improvement of Living and Working Conditions, Dublin 1996.

the drafts of directives is not an unusual phenomenon in the EU. A long period of discussions usually accompanying them causes that they begin to be implemented still before the legislative process is completed.

This time, however, the process of establishing EWCs before the Directive came formally into force (and, thus, on the basis of voluntary agreements) was sped up by the Directive itself. Namely, Art. 13 provides for a two-year period of its adaptation to the national legislations, which is till 22nd September 1996. This Article states also that EWCs established during this period on the basis of voluntary agreements will be recognized by the Directive irrespective of the content of these agreements, which is also when they are displaying quite significant departures from it. In other words, if a transnational corporation fulfilling the above criteria appoints such Council during this period, it will mean that the above mentioned obligation has been fulfilled. It was expected that quite a big group of corporations will tap such opportunity, and it was estimated at the end of the period that the number of such Councils would amount to about 200 at the time the Directive came into force. Those estimates were treated as very optimistic<sup>4</sup>. It appeared, however, that almost 400 such Councils had been established.

From among the seventeen countries covered by the Directive, most Councils were established in Germany -89 and in France -42, which represented 23% and 11% of all established Councils respectively. In such countries as Greece, Iceland, Liechtenstein and Portugal there was not established even a single Works Council. Altogether 244 Councils (63%) were appointed in all the countries covered by the Directive. The remaining Councils (155) were established by the corporations, which meet the above mentioned criteria but have their headquarters outside the countries covered by the Directive. Most such Councils, i.e. 58 (15%) were established by the U.S. corporations. Almost the same number of Councils - 58 were established by the British corporations, which are treated here as companies from outside the EU. Also the Swiss and Japanese corporations set up quite a big number of Councils - 19 and 14 respectively<sup>5</sup>.

A question that can be asked here is how such big interest in establishing EWCs before the Directive came into force could be explained. The acceleration

<sup>&</sup>lt;sup>4</sup> See: S.Rudolf, Europejskie Rady Zakladowe (European Works Councils), "Reports on Scientific Activities and Meetings," Lodz Scientific Society, 1996, vol. L, p. 238.

<sup>&</sup>lt;sup>5</sup> P.Marginson, M.Gilman, O.Jacobi, H.Krieger, Negotiating European Works Councils: An Analysis of Agreements Under Article 13, European Foundation for the Improvement of Living and Working Conditions, Dublin 1998, p.6.

of their setting up process can be hardly attributed to a desire of informing the employees' representatives as soon as possible about the corporation's problems or consulting decisions with them. In accordance with the expectations the initiative of establishing them was advanced almost exclusively by employers. Establishing EWCs in that period they attempted to avoid the Directive's paragraphs, which were inconvenient for them. They were also driven by apprehensions about the final form of national legislations formulated in accordance with the Directive. The already mentioned discussions on the Directive, as well as a strong resistance displayed by employers suggested that such apprehensions did exist. It was not expected, however, that they could be so big.

The further process of establishing EWCs proceeds very slowly. Since the time the Directive came into force (i.e., since 22nd September 1996), which is during the period of almost two years, only 50-100 such Councils have been established, and this seems to be a rather modest result. Such result cannot surprise, however which is largely due to a long and complicated procedure of establishing EWCs. The national legislations specify the length of period, in which the negotiations concerning the establishing of the Council should be started, and such period usually ranges from three to six months. Next a special negotiating body is appointed, and its task is to prepare an agreement on this subject. Its work usually takes a lot of time, since it is necessary to choose its members coming from many countries, prepare an initial draft agreement, discuss the draft, etc. Preparing such an agreement often takes two or even three years. Hence, it should be expected that the process of establishing new Councils will be accelerated significantly in 1999.

It is estimated that in accordance with the criteria described above such Councils should be established by nearly 1200 transnationals. Such estimates concern the period when the Directive was adopted and when the United Kingdom was excluded from it. EWCs operating there were established not because of its membership in the EU but due to fact that the headquarters of transnational corporations located there have to fulfil the above mentioned criteria. When the elections were won by the Labour Party, the Government appointed by it changed its stance in relation to the Directive accepting it finally on 15th December 1997<sup>6</sup>. In this way the number of transnationals fulfilling the above criteria rose to about 1400.

<sup>&</sup>lt;sup>6</sup> See: EWCs Directive Extended to Cover UK, "European Works Council Bulletin," 1989, no.13.

Although the Directive creates a possibility of appointing either the Council or adopting other procedures for the information and consultation of employees, so far only EWCs have been established<sup>7</sup>.

#### 2. Goal of research and method

The EWCs Directive commented broadly in the EU countries is almost completely unknown in Poland. Quite few publications dealing with it have come out and it is not an object of any animated discussions either. In the author's opinion it deserves, however, a deeper reflection, and that not only because Poland as a future member of the EU has to adapt it to its legislation no matter that it will have to wait still for its accession. There is also another reason, which is much more important, as it is topical already today. This reason is the participation of Polish representatives in these Councils. It appears that the Polish representatives have been invited to take part in the Councils' activities for some time now. And although their representation has not been too numerous so far, the experience gained by them from the work in these Councils can prove to be very useful. This is confirmed by the findings of surveys carried out by the author, which are presented below.

A certain difficulty in conducting the surveys was connected with determining the scope of Polish representation in the Councils, which is compiling the names and addresses of Polish representatives. Some information on this subject could be obtained from the Ministry of Labour and Social Policy, and a little more information could be received from the trade union central committees, and particularly from the Independent and Self-Governing Trade Union 'Solidarity'. We treated this information as a point of departure in determining the scope of Polish representation and next continued the search for further representatives on our own. The outcome of this search determined the scope of our surveys.

The main goal of this research project was to collect the opinions of Polish representatives in EWCs concerning the very essence and principles of the operation of these Councils. The surveys were also aimed at assessing the benefits ensuing from the presence of Polish representatives in the Councils for

<sup>&</sup>lt;sup>7</sup> In some national legislations (e.g. in Germany) the Directive's application has been narrowed to the establishing of EWCs resigning from the possibility of using other information and consultation procedures. Such solution was to eliminate a possibility of by-passing the Directive.

the Polish companies and their personnel including the representatives themselves. Yet another goal was to enrich our knowledge about the operation of EWCs. The research goal perceived in this way causes that our attention will be focussed, on the one hand, on the opinions of our representatives in the Councils as a whole and, on the other hand, the point of reference will be the Works Councils in particular transnational corporations.

The research tool used in the surveys was an interview questionnaire. The interviews were carried out with all Polish representatives in the Councils, who took part in, at least, one meeting of the Council. Altogether 19 interviews were conducted with the persons involved in the activities of nine European Works Councils. The list of transnational corporations, in which the Polish representatives participate in such activities, can be found in Table 1. The bigger number of such representatives means and in some councils the employees are represented by more than one representative or that different persons take part in the Council's successive meetings. It happened, for instance, that a representative of the Solidarity Trade Union participated in one meeting and a representative of the branch trade union in another.

The opinions expressed by the respondents can be generally considered reliable. Their vast majority possess quite an extensive experience in this field, because they participated in more than one meeting of the Council. The record-holder took part in eight meetings (including the meetings of the Council's Select Committee); two persons took part in four meetings and two in three. Moreover, seven persons took part in two meetings and six in one meeting. As it can be seen in Table 1, particular Councils were most frequently assessed by two persons, and two of them by even three persons (BOC Group, Lafarge). Only in the case of the Volkswagen Corporation the assessment was made by one person. Although the size of the sample is not too big (19 persons), it should be noted that it includes the whole identified group of the Polish representatives in EWCs. Such was the situation at the time the surveys were carried out.

The basis for our further analysis will be the already mentioned interviews conducted between May and November 1998. There were also gathered the agreements, on the basis of which the analyzed Councils were established, as well as other documents connected with the Council's activity.

#### 3. Characteristics of EWCs with participation of the Polish representatives

In the vast majority, i.e., in 7 corporations such Councils had been appointed before the Directive came into force and, thus, on the basis of voluntary agreements. It should be noted that this group included also the pioneer corporations in this respect, where the Councils were established in the 1980s, and namely Thomson -1986 and Benckiser - 1989. The EWC at Volkswagen was established only a little later. In three other corporations the Councils were established after adopting the Directive but before it came into force. Such was the case with BOC Group, Bilfinger and Adtranz, where they were set up on the basis of voluntary agreements. Only in two corporations the Councils were appointed after the Directive came into force. They are ABB and Heineken, and only these Councils operate along principles being in conformity with the Directive.

The Polish representatives started their work in these Councils usually a short time after the Polish plants had been bought by the above mentioned corporations or soon after the Council had been established. This period - as it can be seen in Table 1 - tended to shorten and in the last mentioned corporation the Polish representatives started their work the moment the EWCs were appointed there. Taking into consideration the location of the headquarters, the biggest number of analyzed Councils can be found in Germany - 4 and in France - 2. The other corporations have their headquarters in the United Kingdom, Switzerland and the Netherlands.

Using the generally known criteria the surveyed Councils can be divided into the Councils following the German model and the Councils following the French model. In the French model the Council members are not only the representatives of employees but also of the management. This model can be met in such corporations as Thomson or Lafarge, where the Councils are chaired also by the representatives of the top management appointed by the Management Board. For example, at Thomson the Council's chairman is the human resources director (but without the right to vote) and at Lafarge the Council's chairman is the Management Board president. The remaining Councils are close to the German model, i.e., their members are exclusively the representatives of employees without the management participation.

In this model the members of EWCs are frequently the representatives of branch trade unions as it is the case in such corporations as Volkswagen, Bilfinger, Benckiser or Heineken. In the German model the Council elects its chairman and vice-chairmen from among its members. Also experts are permitted to take part in the meetings of EWCs but without the right to vote. The predominance of the German model, which can be seen here, is not accidental

and it is connected with a high share of the German corporations, or more broadly with a relatively high share of the German foreign investment in Poland.

The size of surveyed Councils does not depart, in principle, from their size envisaged in the Directive, which defines their size at from 3 to 30 persons. Only one Council surpassed this limit and had 38 members (BOC Group). Generally, however, the number of members in the analyzed Councils is relatively big and approaches the upper limit set by the Directive. In a big part of the Councils the number of their members was in the interval of 25 - 30 members. The smallest Council can be met at Bilfinger and it has only 15 members. In spite of a relatively big size of these Councils, some corporations considered even a possibility of enlarging their composition.

None of the surveyed Councils has a strictly defined procedure of electing the Council members in particular countries. Neither can there be found a complete freedom in this respect. The solution most frequently met is the existence of several variants of such procedure worked out by the Council, which can be chosen by particular countries. In most cases, however, these are trade unions or central works councils (if such exist) which have a decisive influence on such choice. The Council members are elected for a four-year term, and only in one corporation, i.e., Thomson their term of office is shorter by a year. The division of mandates in the Council is based on the size of employment. Additionally, there is usually accepted a principle that each country, in which the plants of a given corporation are located, should be represented by, at least, one person. Each corporation follows its own system of dividing the mandates, which depends on the size of employment in the EU countries.

Almost all Councils appoint the Select Committee or another organ of similar character. It is composed of from two (Lafarge) to seven (Thomson) members, among whom are usually the Council's Chairman and Vice-Chairmen, as well as other members elected by the Council. The Select Committee is appointed to ensure the continuity of the Council's work, because as we shall seen further on its meetings are not too frequent. The most frequently listed task of the Select Committee is preparing the successive meetings of the Council. These tasks include, among others, consulting the topics of meetings and their agenda with the management, questions addressed to the Management Board, and so on. The Select Committee performs also the role of a liaison between the Council members from particular countries maintaining permanent contacts with them. It processes the materials discussed at the Council meetings and sends them to its members, informs them about the present problems of the corporation, about activities of the Council task groups (if such were set up), Performs supervision over the implementation of decisions taken at the Council

meetings. The Council members can address questions to the Select Committee, inform it about emerging problems, etc. They can also seek to explain certain issues with the corporation's Management Board through the Select Committee. The Select Committee meets as often as it is necessary, but usually two to four times a year. One of such meetings is most frequently held two months before the next meeting of the Council and it is devoted to preparing such meeting. The meetings are held also after the Council meetings and their aim is to sum up and evaluate the Council's meeting.

The activeness of the Select Committee is assessed generally positively by the Polish representatives in the Council. The Select Committee does not have its own office in the corporation's headquarters, although some corporations appoint a specific person responsible for maintaining the contacts with the Council members. It was, among others, through such person that the Polish Council members would receive necessary materials and information. They themselves would direct to it their questions or inform it about the problems, which were often of emergency or fortuitous character. At the Volkswagen Corporation, for instance, these contacts during the flood in Poland resulted in an immediate assistance for the flood victims. These are frequently direct contacts with the Select Committee Chairman or its members either by phone or e-mail. In some corporations (Thomson, Lafarge), however, the collaboration with the Select Committee does not look best, while in others it is just developing.

#### 4. Mode of election and status of the Polish representatives in the Council

The initiatives of including the Polish representatives in EWCs had come both from the Councils themselves or from the transnational corporations even before the Council was established. They were also advanced by the Polish side. It is on the initiative of the Polish side that our representatives participate in, at least, three surveyed Councils, and namely in such corporations as Volkswagen, Thomson, and Heineken. In all these corporations the initiative came from the Solidarity Trade Union. An indirect route was sometimes chosen for this purpose as it was the case with the Thomson Corporation. Namely, a contact was established with the German trade union IS Metal and owing to it the Polish representatives found themselves in the Council. The Polish side has also its share in introducing its representation also in such corporations as Benckiser and Lafarge, where its participation in the Council was one of the elements in negotiating the social benefits package during the acquisition of the

Polish plants. In the remaining cases the Polish representatives were incorporated into the Council either automatically or due to the principle of inviting the representatives of countries associated with the EU (for example, Heineken), or also inviting the representatives of all countries in which the corporation's facilities are located, with such principle being stipulated in the agreement.

An attempt was made to determine the way in which the Polish representatives in EWCs were chosen. In fact, the formal elections of such representatives quite seldom took place. In most cases the Council entrusted the membership to the Solidarity chairman or to the chairmen of both existing trade unions. For example, the Volkswagen Corporation accepted a solution that if the Polish plant had the right to one place in the Council it should go to the trade union chairman (just as it is the case in the Czech Republic or Slovakia). It was along such principles that the trade union chairmen became the Council members also in such corporations as Heineken or Benckister.

The number of places in the Council sometimes depended on the number of trade unions in a given plant. Such was the situation in Bilfinger where the chairmen of the Solidarity trade union and the branch trade union were invited. The problem of elections was solved in a still different way at Lafarge, where one place in the Council is shared by the chairmen of both trade unions, who participate alternately in the Council meetings. Fully democratic elections where held only in two corporations, and namely at AB and Adtranz, where the candidates could be chosen with a full freedom and where all employees were permitted to take part in the elections. The elections were also held at the Thomson Corporation, but here the representative to the Council was chosen by the General Meeting of delegates of the local Solidarity trade union.

According to the respondents the presence of trade union chairmen in the Council is a proper solution, as the most competent representatives of the Personnel enjoying its confidence and knowing its problems make their way to the Council. Their democratic election was made earlier, when they were elected the chairmen of trade unions. Their effectiveness in the Council is largely determined by their earlier preparation for such work and experience. These Persons should take part in all Council's meetings and remain there throughout their entire term of office. It is for this reason that the alternating participation in the Council's meetings is assessed negatively. The Polish representatives treat their participation in the first meeting as a lesson and a possibility of gaining experience, which can be beneficial during successive meetings. This cannot be achieved when each time somebody else takes part in the Council's meetings. It was also pointed out that this trade union, on the initiative of which the Polish plant won a place in the Council, should be represented in it.

In the predominant majority of EWCs the Polish representatives have the status of full and equal members. It means that they have the same rights as the representatives from the EU countries including the right to vote at the Council meetings. Only in such corporations as Thomson, Bilfinger and Lafarge the Polish representatives have the status of observer-members and, thus, they are formally deprived of the right to vote. In practice, however, they were taking part in voting both at Bilfinger and Lafarge being encouraged to do so by the other Council members. Thus, the difference between full and observer-members is actually of only formal character, as their real rights are almost identical. Consequently, their formal status in the Council is not of any greater importance here. It is worth underlining that in three analyzed Councils, i.e., at BOC Group, Benckiser and Adtranz the Polish representatives are members of the Select Committee.

In accordance with the Directive the costs connected with participating in the Council are covered by the employers. It is a standard practice, however, that a part of these costs is covered by the corporation's headquarters and a part by the Polish plants. A distinction could be made, moreover, between the costs connected with the Council's meetings and the costs of current activity of the Council members. The costs connected with the organization of the meeting, which is the costs of accommodation, meals, preparation of materials, interpreters, and so on are covered by the headquarters of a transnational corporation, while the costs of travel to the Council's meetings are covered by the plants in Poland. They also cover the costs of current activity of the Council members. In most cases these costs are not separated and they are a part of the trade union activity costs.

None of the respondents made any reservations addressed to the employers and connected with the funding of the Council's activity. It can be added that one of the Polish representatives in the Council does not receive any remuneration for his participation. Anyway, the Polish representatives are frequently trade union activists employed on full-time jobs and their participation in the Council's activity belongs to their official duties. In the remaining cases they receive a regular remuneration for the time spent at the Council's meetings.

In the course of discussions on the draft Directive a great deal of attention was devoted to the language of meetings, which was considered to be a source of potential difficulties. Each analyzed Council has an official language of its meetings, which is English, French or German (these can be two official languages). In practice, however, many other languages are used as well, because whenever the members do not know the official language of meetings an interpreter assists them. Hence, they can speak in their mother tongue and

their addresses are translated simultaneously into other languages. Such situation causes that when asked about the language of the meetings the respondents sometimes answered that the meetings were conducted in all languages.

It is worth underlining that none of the respondents had any reservations concerning the language assistance during the Council meetings. The Polish representatives are usually accompanied by interpreters during the meetings both the preparatory meetings without the management participation and during the plenary meetings with the management participation. Owing to it the Polish representatives can participate successfully and effectively in the meetings. They are more seldom accompanied by interpreters at parties or informal meetings organized either by the management or trade unions. It is a major impediment for our representatives, because as one of the respondents put it "this is where most matters are arranged".

In such corporations as ABB and Thomson our representatives are accompanied by the interpreters from Poland (but their costs are covered by the headquarters). It sometimes happens that the corporations hire two interpreters (for instance, one from Poland and the other one from the headquarters). These findings do not concern the Select Committee meetings, where the main official language or two such languages are used (e.g. English and German). In the latter case these two languages are translated. Hence, the Select Committee members should have a good command of one of these languages.

It could be added here that most materials sent to the Polish representatives in EWCs are in Polish. The remaining materials were submitted in the official language of a given Council. Some of them were next translated into the Polish language, and especially those which were made available to employees or which were an object of discussions. The agreements being a basis for establishing the Council were usually translated into Polish, and in only two cases such agreements were not translated.

### 5. Organization and course of the Council meetings

In all the surveyed Councils their official meetings are preceded by preparatory meetings. They are usually held on the day preceding an official meeting and usually last from four to eight hours. According to some respondents "they are too short to prepare oneself properly for such an important meeting."

It also happens, although quite seldom, that such meetings are held during morning hours of the official meeting day. Such meetings are attended solely by the Council members and, thus, the Management Board representatives

do not take part in them. If the Council chairman is either the corporation's managing director, as it frequently happens in the French corporations, such meetings take place without the chairman's participation. In such situation the meeting is chaired by one of the vice-chairmen. On the other hand, these meetings are frequently attended by the representatives of trade union central committees and experts. In some Councils, e.g. in BOC Group such meetings are also held following the Council meeting, and their purpose is to sum up the debates, discuss the ways of disseminating the information obtained at the meeting, and so on.

These are usually very labourious working meetings conducted according to a similar scenario. Their main goal is to allow the members to prepare themselves for the plenary meeting with the participation of the Management Board. During the first part of such meeting its participants listen to the national reports and this is, as a rule, information concerning the economic situation of plants in particular countries, collaboration with the local management, social moods, appearing problems, and so on. The representatives from particular countries provide explanations and answers to questions. This is followed by the discussion of various issues connected with the plenary meeting.

The materials submitted earlier are discussed and they are a basis for formulating questions to the Management Board, and the persons who will be asking these questions are appointed. In the respondents' opinion such stipulations are advisable, because they ensure a smooth course of the meetings or they are a guarantee that all fundamental questions will be asked on behalf of the Council. A great deal of attention during such preparatory meetings is devoted, in particular, to personnel issues and also to controversial issues with the corporation's Management Board. Other issues discussed include the strategy of behaviour in specific cases, variants of possible solutions, limits of possible concessions, and so on. This is usually not a discussion starting from the beginning, as such meetings are preceded by the Select Committee meetings, during which proposals to be consulted or discussed at the Council meetings are being worked out.

The analyzed Councils tended to solve various items connected with their meetings in different ways. Most of the Councils hold their meetings in the locations where the corporate headquarters are based. Other Councils organize their meetings each time in a different country (Volkswagen, Benckiser, Adtranz), and the decision concerning the venue is taken by the Council after consulting the Management Board. Such solution is aimed at acquainting the Council members more closely with particular plants belonging to the corporation, their problems, conditions in which they operate, and so on. The Polish representatives appreciate this solution. Yet another form of organizing

the Council meetings can be found at Heineken, where one meeting is held in the corporation's headquarters and the next each time in a different country.

The Councils differ from one another in the number of meetings held during a year. In such corporations as Lafarge, Benckiser, ABB and Adtranz it is only one meeting. Some corporations (BOC Group, Volkswagen, Bilfinger or Heineken) usually organize two such meetings even if the agreement contains a provision about one meeting. The Council most frequently meets at the Thomson Corporation - two or three times during a year. Apart from the Council plenary meetings the Select Committee meets separately. These are usually quite irregular meetings, and their number depends on the number of new problems which have to be tackled.

The Council plenary meetings are chaired by the Council Chairman, the corporation's president or the meetings are co-chaired by both of them. The form in which the meetings are chaired is not affected by the already mentioned division of the Councils into the French and German models. Apart from the situations where the Chairman is the corporation's president or its managing director (Thomson, Lafarge), the president chairs also the Council meetings at such corporations as Heineken or ABB, while at the Volkswagen Corporation the function is shared with the Council Chairman. In the remaining Councils it is the duty of the Council Chairman to chair the meetings.

The corporation's president and also the top management participate in all the plenary meetings of the Council. On the part of the top management these are usually the finance director, the personnel director (usually responsible for preparing the meetings from the organizational side), the directors responsible for the corporation's operations in particular regions of the world, etc. Other participants include the representatives of trade union federations or, for instance, the chambers of commerce and industry. Meanwhile, experts seldom take part in the meetings and their participation is restricted mainly to the preparatory meetings. In all corporations where only one meeting is held each year its time is fixed and such meetings are usually organized after closing the annual balance-sheet (usually in April, May or June). In the corporations where the Council meetings are held more frequently there are no fixed times for the meetings.

The duration of meetings tends to vary as well. In most cases these are, however, two-day meetings. In such case the preparatory meeting without participation of the management is held during the first day and it lasts either a whole day or only the afternoon. The Council plenary meeting is organized during the second day. In four surveyed Councils the plenary meeting lasts two days or the Council members meet again to sum it up. The longest Council meetings are held at the Benckister Corporation and they last four to five days

altogether, with additional days being spent on visiting the plants, sightseeing, etc. Such elements of the programme, even if they can be found in the other Councils, are much more modest.

In practically all Councils the agenda of plenary meetings looks very similar. After a short introduction and presentation of the agenda, the corporation's president takes the floor followed by other members of the top management. The stipulations made earlier concern both the agenda and the scope of problems discussed at the meeting. Hence, it can happen that if the Council's members start discussing issues not included in the agenda the management can say that they are not prepared to make explanations, which ends the discussion. Such situation happened, among others, at Heineken. All the respondents share a view that the plenary meetings offer many opportunities of asking questions and discussing various problems. The addresses made by the top management are usually brief and each is followed by a discussion. Some respondents claim that practically the entire meeting is composed of questions and discussions. The debates frequently last longer than planned. The materials sent in well in advance have a big influence on the substantive aspects of the discussion.

All the Council meetings are accompanied by informal meetings. As a rule, it can be a lavish dinner given by the corporation's president either in the hotel restaurant or in another place - even in a different locality. The participants are usually invited to such dinner after the first day of the meeting and, thus, before the plenary meeting. Such informal meetings are an occasion for direct talks and discussions with the Management Board and the president. Both sides attach a great importance to these meetings. Other informal meetings are also sometimes organized e.g. by the local trade union. In one of the Councils the persons taking part in such meeting made gifts to one another of delicacies characteristic for particular countries.

Apart from the meetings resulting from the time-table of the Council's activities there are also held extraordinary meetings. From among the nine analyzed Councils such meetings were organized in seven and they were called to discuss the corporation's vital problems or other urgent matters. Such meetings were convened both on the initiative of the Select Committee and the corporation's Management Board. Among reasons for calling such meetings the respondents listed the corporation's difficult economic situation, the sale or closure of particular plants, mergers or acquisition of plants, major redundancies, and so on. Thus, these are situations in which the Directive also gives the right to call such meetings. Whenever such situations occurred the meeting of the Council's Select Committee was first called, where a decision was made about convening an extraordinary meeting or solving a given problem in another way.

The information passed at the Council meetings is partly confidential character. It means that the Council's members cannot disclose this information to other persons. The fact itself of obtaining such information has to be assessed positively, because the familiarity with such information allows to take certain preventive measures, put forward suggestions of general character, and so on. The passing of confidential information is also a proof that Council members are treated seriously by the Management Board or that the information of vital importance for the corporation is shared with them. The Management Board usually decides which information should be treated as confidential or it can only suggest that it would be advisable if such information did not go outside. This is usually the information concerning the corporation's strategy, its financial policy, negotiated and concluded contracts, expected financial results, and so on. The information is passed both in the written and oral form. The respondents did not hear that any of the Council's members had disclosed such information, neither did they hear anything about sanctions threatening for violating the principle of confidentiality, although they did not rule out the existence of such sanctions.

## 6. The object of the Council meetings

In accordance with the Directive, the object of the Council meetings should be primarily the problems of an entire transnational corporation or an entire group of companies. The central management should inform the Council about the results and problems of the corporation's activity and its growth prospects. It appears that the object of meetings convened by the surveyed Councils was departing quite significantly from this provision to be found in the Directive. It very often happens that besides problems concerning the whole corporation there are also raised other problems being important for only a given country or a single plant in a given country. Although in some Councils (e.g. at ABB) the Management Boards do not agree to have the national problems discussed, in the majority of surveyed Council the meetings were dominated by national issues or problems of particular plants.

All the Council's members receive the necessary materials before the meeting. However, their content is quite differentiated, although some similarities exist as well. Apart from the meeting agenda and the information of organizational character, in all the corporations such materials include the minutes of the Council's earlier meeting. In all the corporations the Council's members receive also materials concerning the corporation's economic results.

They are most frequently lists of figures or graphs showing the corporation's results, which are sometimes split into particular regions or countries. These are usually the same synthetic reports, which are received by shareholders (and, thus, they are widely accessible), and only in few cases this is a more detailed information. In some corporations (ABB, Thomson, BOC Group) additional reports are prepared - at the Council's request - by particular Management Board members responsible for certain fields of the corporation's activity. These reports are next a basis for discussions at the Council meetings. The Council's members receive also other materials and information concerning, among others, changes in the corporation's legal status, changes in its organizational structure, or, for instance, information about certain aspects of the activity of plants in selected countries.

Most respondents did not have any reservations regarding the scope, promptitude or reliability of the received materials. However, in several cases such reservations did appear and they concerned the terseness of information contained in them, provision of obvious information, too general and widely accessible information, or materials containing many insignificant details in many cases, hiding important information, etc. It also happens that such materials are submitted too late so that no time is left for translating them and studying them before the meeting. A part of the respondents could not assess the value of received information, and the reason here was simply the fact that they were not prepared properly for working in the Council and such opinion was expressed only by its new members.

The list of issues discussed at the meetings is very long. The could be identified, however, some groups of problems receiving most attention from the Council. The object of all its meetings is the corporation's economic and financial situation, its growth prospects, and so on. A big deal of attention is also devoted to production, product development, launching new products, new technologies, or changes in work organization. There are also raised such issues as the corporation's competitiveness in the market, its marketing and marketing strategies, and so on. All these issues are discussed at practically each meeting.

An important group of problems are broadly understood personnel and socio-welfare issues. The most important of them appear to be those connected with employment. These include the planned changes in employment size, and here mainly the planned redundancies, the relocation of employees to other plants of the same corporation, changes in employees' qualifications, professional training, etc. The meetings more seldom deal with such issues as remuneration and if they are discussed at the Council meetings at all, they usually concern not so much the level of wages but rather certain solutions of systemic character concerning the whole corporation. An example here could be

the overtime pay. Among the other issues more seldom discussed are also work safety and hygiene, cooperation between trade unions and management, communication means (e.g. e-mail), relationships between the corporation's Management Board and its local management in particular countries.

The information regarding the planned redundancies appears to be the most important for the Polish representatives. However, this is most frequently the information considered to be confidential, which means that it is forbidden to pass it on to the plants involved. In such situation the Council's members seek other possibilities of obtaining such information and only then can they embark upon active measures in this field. When such possibilities do not exist, they can pass on, at best, some general suggestions about the probability of planned redundancies. The situations can be quite often observed here, which are called 'double loyalty' in the literature. On the one hand, these persons should be loyal towards the Council and not disclose information treated as confidential (no respondent admitted disclosing such information) while, on the other hand, these persons should be loyal to their electors, that is, the employees they represent and they should disclose such information.

# 7. Character and position of the analyzed Councils

In accordance with the Directive, EWCs should be a channel of information and consultation with the employees. It should be stated here that the vast majority of the Councils do not fulfil the requirements imposed by the Directive. The surveyed Councils deal mainly with the transmission of information, while the role of consultations is negligible. According to some respondents, nothing is consulted at the meetings, the Management Board only 'tells things', informs only about its intentions, and even more frequently it informs the Council members about its accomplishments, and no decisions are taken during the meetings. This is due to the attitude taken by the Management Board, which is willing to answer the questions asked by the Council's members at best and it is not inclined to embark upon a substantive discussion, which would end with concrete stipulations.

Some respondents expressed somewhat different although similar views on this subject. In their opinion the Management Board probably takes into consideration the remarks or motions made in the course of discussions. Both sides, however, treat each other with a great deal of distrust, and mutual prejudices make consultations difficult. It frequently happens that it is up to the corporation's president whether to reckon with such motions or not. One of the

respondents maintains that, for example, consultations take place only when the president participates in a discussion. In such situation the president usually takes a decision immediately. The meetings without participation of the president serve exclusively an exchange of information.

According to another respondent, the blame for the absence of consultations lies on both sides of the Council, which is not mature enough to establish partnership ties as yet. The Council's members from the EU countries are not prepared to work in the Council, as they do not have sufficient experience in this field and do not know how far their postulates can go. They do not have the necessary education for such work either. In some Council the workers account for 90% of their composition. The Council's character can change owing to the Polish representatives' participation, as they have an extensive experience connected with their involvement in the activity of trade unions and employees' councils. The above mentioned respondent can already notice some advantageous changes in activities of his Council going in the direction of consultation. Another respondent expressing a similar opinion after the first Council meeting hopes that this situation will change soon and relationships resembling those in Poland will appear.

In the opinion of some respondents the broadening of consultation scope can be facilitated by establishing task forces being responsible for investigating definite problems and proposing concrete solutions. There is usually no time for consultations at the Council meetings. The situation can change owing to the task forces composed not only of the Council's members but also of the management. The Council's members should be informed about the results of their work. These results - if such need arises - can be an object of consultation between the Council's Select Committee and the Management Board.

One of the questions concerning the real influence exerted by the Council on the Management Board's decisions was going in the same direction. The opinions here were divided, because in three cases (BOC Group, Thomson, Adtranz) such influence does not exist practically, while at the Volkswagen Corporation it is quite significant and the Council has to express its readiness, for example, for the relocation of production. In the remaining Councils the respondents perceive the possibility of such influence but on a very limited scale. They are aware of limitations existing in this field, but they are convinced that such influence is possible when major problems appear. It is not always a direct or immediate influence. The respondents give positive examples of such influence including the construction of a new canteen (Benckiser) or the way in which redundancies are carried out (ABB). In the last mentioned case they could not be prevented but they were spread over time and carried out on better terms.

According to the Polish representatives in the Councils, the limited scope of such influence has its source in the attitudes of the remaining Council's members. Their far-reaching leniency in relation to the Management Board is quite out of place. For the Council's members from the western countries the fact itself of finding themselves at the same table with the management during debates is already a remarkable event, and they are satisfied with the fact itself that the Management Board wants to talk to them. They treat all the Management Board's proposals as obligatory for them, even if they do not agree with them. If the Management Board does not agree to the Council's postulates the discussion ends, while in Poland it is only then that negotiations and the search for compromise solutions begin.

## 8. Activeness of the Polish representatives in EWCs

The respondents define their participation in the Council's activity as active. Their participation is best visible during the preparatory meetings, when they present the existing situation and problems occurring in the plants located in Poland. It is sometimes a separate, well documented paper dealing with the corporation's situation in Poland. Such presentations usually arouse a great deal of interest among the other Council's members, who ask many questions. This is especially the case during the first meeting, in which the Polish representatives take part. They also advance proposals of topics to be discussed at the plenary meetings, proposals of questions addressed to the Management Board, and so on. Some proposals and postulates are submitted in a written form. Such participation in the Council's activity is declared by almost all respondents.

Some of them participate also actively in the plenary meetings either taking part in discussions or asking questions or putting forward motions. One such motion concerned a greater autonomy to be granted to the local management, because it appeared that limited powers of the national director made it impossible to conduct wage negotiations with trade unions. Consequently, the director had to consult the Management Board at the corporation's headquarters in all these issues, which prolonged the negotiations considerably. The motion was accepted and it will be discussed at the next meeting of the Council. The respondents quoted also other examples of motions and postulates submitted by them and the support for them received from the other Council's members. An example here could be an intervention letter addressed by the Polish representatives to the president of the Benckiser

Corporation and the support for it received from the Spanish and Belgian Council's members.

The international contacts maintained by the Polish representatives are not restricted to the Council meetings or to the exchange of information and correspondence with the members of Select Committee. A part of the respondents maintain also direct contacts with the other Council's members. These are usually two-sided contacts consisting in reciprocal visits, exchange of correspondence, and so on. Such contacts are most frequently maintained with the Czech Council's members (in three corporations), and they are probably due to a short distance separating the two countries and a similarity of the situation in which their plants are. They also maintain contacts with the members of EWCs in Germany, the Netherlands and Sweden. The employers approach such contacts in different ways. Some of them, although they are generally not against these contacts, do nothing to facilitate or stimulate them, and the contacts lie in most cases outside the sphere of their interests. There are also other corporations, in which the employers attach a great importance to such contacts. An example here could be the Benckiser Corporation, where the Management Board took a decision about equipping each Council's member with a phone, fax and computer.

#### 9. The Polish representatives' opinion about the Council's activity

Most respondents, and particularly those who had been participating in the activity of EWCs for a longer time, expressed their opinion about the Council's activity and, although these were usually positive opinions, some respondents made also critical remarks. Most of their reservations concern the main goal of the Council's activity and, namely, the already mentioned consultations, which take place very seldom. In their opinion this fact is the main reason of their limited possibilities of influencing the decisions made by the corporation's Management Board. Such opinions cannot be surprising, because - as it has already been mentioned - the Polish representatives are accustomed to a much bigger influence on the management's decisions. It also strikes them that important ('urgent') issues for the corporation and its employees are not tackled at the Council meetings. On the other hand, a lot of time is wasted on secondary issues and those of interest for only some members. Such issues could be successfully dealt with by the task forces appointed by the Council.

In all corporations where the Council meets once a year the respondents advanced a postulate of its more frequent meetings - at least, twice a year. They are advisable not only because of the information passed to the Council's members during the meetings but also they would allow the Council's members to get to know one another better or establish direct contacts. It was also suggested that the meetings should be held successively in particular countries, which would allow EWCs to get better acquainted with the plants operating there.

It was also pointed out that many Councils had not worked out appropriate methods of their activity yet, which was lowering, to a large extent, the value of the Council meetings. Moreover, the information passed at the meetings is not quite comprehensible for the Council's members, it is not always up-dated or it can have a one-sided character. Against this background the Council at the Volkswagen Corporation distinguishes itself positively both with regard to its high position in the company and the weight of problems tackled at the meetings.

The Polish representatives in EWCs assessed the climate at the Council meetings generally highly describing it as good, friendly, favourable, and so on. Even if some distance could be observed in the beginning, the situation tended to change gradually and the relationships improved. Most respondents described the climate as favourable for the exchange of views, understanding the discussed problems, mutual assistance, giving advice and guidelines to one another, etc. No division into the first- and second-category members can be found in EWCs, with all members being treated equally no matter whether they represent the EU countries or the post-communist countries, whether they are full members or observer-members. Such climate exists even when opinions on a discussed subject are divided. The respondents emphasize a great deal of interest accompanying Poland at the Council meetings.

The climate is not changed, to any greater extent, by the fact that the Council's members have divergent interests. In some Councils the Polish representatives were blamed for 'stealing jobs', that is for relocating the Production to Poland and depriving employees from other countries of jobs. The respondents complained of suspicions and misunderstandings resulting from it (Thomson, ABB). They attempted to defend themselves against such accusations pointing out that the situation is frequently just the opposite. For example, when ABB bought the plants in Poland its exports to Poland increased by 60%. However, the respondents share a view that even if such attitudes can be found they are of marginal character and do not influence, to a big degree, the climate prevailing in the Council. The climate allows to understand better the problems faced by the corporation's plants in other countries, which operate in quite

different conditions than those in Poland. One of the respondents pointed to a close relationship between the climate and the market situation. The climate appears to be much better if the situation in the market is advantageous. On the other hand, when market difficulties appear the climate becomes tense.

The surveys point explicitly to the fact that the Management Boards of transnationals try to maintain good relations with the Council's members, demonstrate their interest and understanding for their problems, and so on. The Polish representatives are fascinated by the openness of the top management hardly encountered in Poland, with whom they can talk, who come up to them, for example, during a break or an informal meeting and inquire about the existing problems, so that "it can be seen that they are truly interested." Just such opinions were expressed by the vast majority of the respondents. Opinions that the relationships with the Management Board were only correct or even difficult could be more seldom met, and even more seldom an opinion that the Council was subordinated to the Management Board or that the Management Board was meeting the Council, because it had to or because such was a requirement of the Directive. Due to the fact that such opinions were quite infrequent, it can be generally said that the relationships between the Council and the management are quite good in most cases, which can be due to the fact that the management are interested in just such relationships.

The information received at the Council meetings is next passed on to the employees or their representatives, whether it is most or only some of this information, although the situation in this respect can vary. Due to the fact that the Polish representatives in EWCs are mainly trade union functionaries, the main information channel is the trade union channel. Such information is presented at the meetings of the Trade Union Local Committees and through the members of these committees the information reaches both particular union members and also non-members. Some Council's members prepare written reports for trade union leaders signalling in them, for instance, the expected moves of the Management Board, which allows them to anticipate such moves and make proper preparations for them.

It should be noted that such information is also passed on to the corporation's Polish management, which usually happens at the meetings with the managing director, sometimes also with the participation of senior management or even lower-level managers. The surveys reveal that the management are greatly interested in the course of the Council meetings, the scope of information passed to the Council, or the stipulations made at the Council meetings. An impression can be obtained that in some issues the Council's members are better informed than the local management. Thus, the Council meetings are an opportunity of convening such meetings with the

Polish management. They can be also an opportunity of arranging many different matters.

The information from the Council meetings is also displayed on the notice boards or it is published in the plant bulletin if such exists. On the other hand, direct meetings of the Council's members with the employees are quite rare. The respondents' opinions allow to draw a general conclusion that such information is addressed to a relatively narrow group of trade union activists in the plant, who use it in implementing their policy. Relatively little information reaches the rank-and-file employees unless major redundancies are planned.

# 10. Benefits resulting from the Polish representatives' participation in the Council

According to the respondents their work in the Council yields many benefits for the Polish side. These are benefits derived by the plants being represented by them, for the people employed in them, for trade unions, and for the respondents themselves. A predominant part of the respondents stated that their presence in the Council was generally advantageous for their plants, although the benefits resulting from it can vary. First of all, their presence in the Council raises the position and prestige of the Polish plant in the corporation. The plants deprived of such representation are in a worse situation than those represented in the Council. There is no doubt that the Management Boards of transnational corporations reckon much more with the plants, whose employees are represented in the Council, and whose problems are raised and discussed at the Council meetings. Such situation forces the Management Board to display a greater interest in the problems faced by these plants. It can have an influence, for instance, on the investment made in Poland, on the speed and way in which the existing problems are solved by the corporation's top management, and so on.

Another benefit derived by the Polish plants is the information received at the Council meetings (and not only meetings of the Council), which - as it has been already mentioned - is also passed on to the Polish management. This can be, among others, the information concerning the corporation's growth prospects, directions of its expansion, planned mergers or closures of particular plants, and so on. Owing to this information the Council's members can take measures (sometimes together with the Polish management) aimed at protecting the interests of the Polish plant. These measures can be also taken through the Council's Select Committee or with the assistance of other Council's members.

A result of membership in the Council can be also the so-called 'international solidarity', which is appreciated in periods of market difficulties. In such periods the Polish plants can have difficulties connected with fulfilling their obligations towards the other plants of a corporation. Owing to the contacts in the Council other contractors can be asked to show more understanding and as the respondents claim - such requests are usually effective. It is worth noting that the opinion about an advantageous influence of participating in the Council on the plant's situation was expressed mainly by the respondents taking part in the Council's activity for a longer time.

The Polish representatives' presence in the Council is even more beneficial for the employees and trade unions. Their presence is a guarantee that the Polish employees will be treated in an identical way as the employees from EU countries. The respondents point to a different treatment of the employees from the plants, which are not represented in the Council (e.g. from Vietnam, from African countries, and so on) and, thus, have no possibility to defend their interests. The information obtained in the Council gives also an insight into the situation in other countries. It is extremely important, because the international context allows to set the limits, which cannot be surpassed in negotiations with the management.

The presence in the Council and, thus, the possibility of direct contacts with the Council's members from other countries allow to conduct rapid consultations, which is synonymous with a possibility of counteracting the employers effectively if such need arises. It happens, for instance, that certain unpopular decisions taken by the Polish management are attributed to the necessity of adapting the Polish plant to the solutions used in other countries. The consultations mentioned here allowed, for example, to determine that such argumentation was not true (ABB), and after presenting the evidence confirming it the management withdrew from the proposed solutions. A reciprocal exchange of information can also be beneficial for the employees in other countries. The respondents would give examples of seemingly unimportant information passed by the Polish representatives, which proved to be of tremendous significance for the people employed in the other plants of a given corporation.

A meeting of the Council organized in Poland can lead to solving many employee problems. In such case the motion advanced by the Polish representatives has to win a support of the remaining Council's members. At the instance of the Polish representatives such meetings were held in Warsaw (Benckiser) and Wroclaw (Adtranz). Putting forward this motion the Polish representatives wanted to draw the Council's and the Management Board's attention to the conditions, in which the Polish employees worked, because the meeting was accompanied by a visit in the Polish plant, a meeting with the

employees, etc. During the second day of the Council meeting a resolution was prepared, in which the Council moved for the improvement of the working conditions, the construction of a new canteen and other socio-welfare facilities. Most of these postulates were carried out successfully.

As it has already been mentioned many times the presence of Polish representatives in the Council strengthens the position of trade unions. Equipped with a wide range of information the union becomes a real partner for the management. Owing to the presence in the Council trade unions have got an additional possibility of arranging the matters, which could not be arranged otherwise with the local management. This is so because the presence in the Council allows to bypass the official channels and complain to the corporation's Management Board whenever it proved impossible to arrange such matters. In these situations the Management Board usually provides assistance in arranging them exerting an influence on decisions of the Polish management. The initiatives advanced by the Polish Council's members can count on the support of colleagues from other countries and in this way the chance that they will be carried out increases. Thus, generally speaking, the participation in the Council can be beneficial for the employees, but the scope of such benefits depends, to a big degree, on the active involvement of the Council's members, on their preparation to this work, or on the policy pursued by them.

Almost all the respondents would point to their personal benefits derived from their membership in the Council. They most frequently stressed here the satisfaction derived from representing effectively the Polish plant on an international forum or arranging some specific matter for the employees. Another reason for such satisfaction can be also their concern about the employees' interest, the strengthening of trade union position in the firm, or good contacts with the management. Only one of the respondents admitted that he did not experience such satisfaction. The respondents tend to appreciate greatly their contacts with the other trade union activists in the Council, and they benefit from their accomplishments and experience. They also underline that their involvement in the Council's activity affords a possibility of enriching their knowledge about the corporation and its problems, and that they understand the materials and information passed to them better and better and, hence, they can perform their functions more and more effectively. Thus, it is a peculiar kind of school for them, which not only provides them with concrete information and skills (e.g. in the field of conducting negotiations) but it also gives them an opportunity of meeting many interesting people, exchanging views on subjects interesting them, and so on. All this contributes to the development of their personalities.

A predominantly positive opinion about the Council's activity does not mean that it fully fulfils the respondents' expectations. In the vast majority of the analyzed Councils such expectations were only partly fulfilled, which implies that alongside many advantages of the Councils the respondents formulate many critical remarks in relation to them. They usually expected that the Council would be a strong, competent and well organized employee organ, equipped with a strong bargaining power, that is, an organ the employer would have to reckon with. The reality, however, departs considerably from such image of the Council. According to some respondents, the Council is rather weak and poorly organized, and it is not a representation of the employees but rather a set of loose entities. The Management Board agrees to have the Works Council established, because the Directive commands so but it, simultaneously, attempts to minimize the impediments connected with it. At the same time many respondents claim that the Council meets their expectations, to a large extent, because they can learn a lot, it works in a good climate, supplies important information and allows to alleviate conflicts. Only in one corporation the Council proved to fulfill the respondents' expectations fully (Bilfinger) and in only one corporation it did not fulfil their expectations (Thomson).

### 11. Preparation of the Polish respondents to work in the Council

The respondents also provided answers to the question about the extent to which they were prepared to work in the Council. Their preparation will be analyzed in three aspects and, namely, substantive, organizational and linguistic. Only seven (from among 19) respondents declare that they are well prepared substantively to work in the Council, and these are mainly the representatives of the Solidarity Trade Union. They took part in short seminars or training courses organized by the Solidarity National Committee, as well as in courses organized by EWCs (Lafarge, Heineken), which were usually longer and lasted even four weeks. The question, which can arise here, is whether such preparation is sufficient to work effectively in the Council. It is difficult to answer it affirmatively taking into account a great complexity of problems discussed within the Council.

Most respondents and, namely, 12 persons said that they were prepared sufficiently to work in the Council. They most frequently lack a broadly understood economic background, without which the work in the Council becomes poorly effective. What is meant here is both the fundamental knowledge in the field of market economy principles and the knowledge about

the company, its structure of power, management models in companies in various countries, and so on. Without such knowledge it is hard to understand the conditions existing in particular countries. The respondents also lack the knowledge about the EU legislation and the operation of European Works Councils. Only some of the interviewed Council's members had the text of the EWCs Directive.

Meanwhile, their organizational preparation to work in the Council looks much better. Almost all respondents can boast long years of experience in the trade union activity, in work in employee councils, and so on. They performed or continue to perform leading functions in these bodies and, thus, they can prepare themselves for the meeting, take part in the discussion or chair the debates. They also possess a rich experience in conducting negotiations with the management. The other Council members do not usually have such experience and, hence, the Polish representatives are better prepared than they. Only one person stated that it is not prepared to work in the Council as regards its organizational background.

The command of foreign languages among the Polish representatives looks much worse. They have to rely, in principle, on interpreters, as only two respondents (from among 19 interviewed) declared a good command of the English language. Paradoxically, only one of them could use his good command of English, because in the case of the other one the French language was an official language in the Council. The other respondents either do not know any foreign language at all or have a poor, and in only a few cases, a medium command of the foreign language. Practically none of these persons can follow the debates without the interpreter's assistance, take part in the discussion, conduct a conversation, and so on. The poor command of foreign languages should be considered the biggest weakness of our representatives in the Councils. And without it their field of activity is rather limited, as it hampers their contacts with the corporation's Management Board and the other Council's members, and restricts the possibility of conducting sincere, direct talks. By way of consolation it can be added that the Council's members from the EU countries are not polyglots either and in most cases they know only their mother tongue, which is another impediment to the contacts with them. This problem is also perceived by the Management Boards of transnational corporations, although they look at it primarily from the viewpoint of costs. The Benckister Management Board imposed, for instance, an obligation on the national management to ensure the English language course for the Council's members. It should eliminate the necessity of employing interpreters in the longer term.

In these surveys we were also interested in the collaboration between the Council's members and the local management in Poland and in the influence

exerted on this collaboration by their presence in the Council. It can be generally said that such collaboration exists in all the surveyed plants, although it varies in its scope and intensity of contacts. It was assessed most highly at the Adtranz Corporation, although it was assessed as good also in such corporations as BOC Group, Benckiser or Heineken.

In the remaining corporations the contacts with the local management were assessed as correct, free of conflict, sufficient, and so on. In this group of plants the respondents admit that these contacts are dependent upon the market situation. A good market situation facilitates such contacts and allows to arrange a bigger number of different matters. The worsening of market situation causes that the management adopt a more rigid stance. The management's openness to the collaboration with the Council members determines the level at which the contacts between them are maintained. In most cases such contacts are maintained by the managing director, but in some plants (Thomson) it is the personnel director or the top management's representative for contacts with trade unions.

According to the respondents, the presence of employees' representatives in the Council had a positive impact both on the level and quality of such collaboration. Due to the fact that the Council's members are primarily the representatives of trade unions, it would be also necessary to speak about the collaboration between trade unions and the management. Quite an important role is played here by the involvement and activeness of the employees' representatives on the Council forum. Due to this the management prefer to maintain good contacts with them fearing unfavourable remarks during the Council meetings.

### 12. Characteristics of the Polish representatives in the Council

The characteristics of Polish representatives in the Council will be started with their age and length of service. Their age can be defined as a little higher than middle age. Most respondents, i.e., 10 Council's members are in the age interval from 46 to 55 years, but eight are below this interval and one above it. These persons have many years of service both in general and in the plant where they work today. Their length of service in the present plant ranges in most cases from 10 to 30 years. Such length of service guarantees a good familiarity with the plant and its problems.

The Council's members have a relatively high education level. Eight of them have higher education (economic, technical, legal), and nine - secondary

education, usually the technical background. Only two persons have the vocational education. Taking into consideration the Council's tasks and functions discussed above, the education of its members assumes a special importance. What is important is not only the level of education but also its type. The technical education can be useful when technical issues are discussed, but only three persons have such education. Such structure of education prompts the necessity of organizing comprehensive training courses for the Council's members, that would be focussed not only on the Council's activity but also in the field of main problems of economics, management and law.

It has been already mentioned many times that practically all the respondents are trade union activists. Only in one case (Adtranz) such person is not a trade union activist and not even its member. It is the youngest of Polish representatives in the Councils (29 years) having a good command of three foreign languages. He was elected by the employees in the universal election. The vast majority of Polish representatives, i.e., 14 Council's members derive from the Solidarity Trade Union and only 4 from the branch unions. The Solidarity Trade Union is represented, however, in all the analyzed Councils. In six Councils the Polish side is represented exclusively by the Solidarity activists and the representatives of both unions can be met in only three Councils. At the Bilfinger Corporation we can find one representative of each of these unions, while at BOC Group the branch union dominates (2:1), while at Lafarge the Solidarity Trade Union dominates (1:2).

Almost all Council's members are trade union functionaries being their chairmen. In as many as seven cases these persons are employed by trade unions, and, thus, they are professional union activists. Some of them perform additional functions in the branch trade unions or in the National Committee of Solidarity and the National Trade Union Consensus. Such situation does not surprise, because the union structures are the only structures in private firms, and the works councils, which often choose their representatives to EWCs, do not exist in these firms. In this situation the initiative was taken over by trade unions, which monopolized the Councils.

#### 13. Development prospects of the Polish representations in the Councils

The survey findings presented above show explicitly various benefits resulting from the Polish representatives' presence in the European Works Council. Many factors indicate that these benefits will be still bigger when the Council's members and the Council itself have acquired a new experience. These benefits are comparable with the benefits derived by company employees in the EU countries, or even bigger. The incorporation of Polish representatives to the Council raises the rank held by the Polish plants in relation to the plants located in the EU. From the perspective of the Management Boards of transnationals the plants located outside the European Union are less important plants not to call them the plants of the second or third category. A specific policy is pursued in relation to them, which is oriented at the maximization of profit or also their optimal exploitation.

In Poland we have many examples of such policy, examples of a rapacious policy pursued by the foreign capital. In this situation the incorporation of Polish representatives in the Council should be perceived as a chance for the return to normalcy, an opportunity of an equal treatment of the Polish plants in comparison with the plants located in the EU countries. It should be remembered, however, that the incorporation of Polish representatives in the Council does not yield such results automatically. It creates only potential opportunities of achieving them. A great deal depends here on the representatives themselves, on the degree to which such opportunities are tapped. Thus, a decisive role will be played by their involvement and preparation for performing such functions.

The broad presence of Polish representatives in EWCs can be an important element of the real process of Poland's integration with the European Union. It is a process, and it should be underlined, proceeding 'from below', within which a direct collaboration is established between the representatives of employees from Poland and from the EU countries. It is difficult to overestimate this platform of integration, within which Polish companies embark upon a comprehensive adaptation to the EU standards. It should be noted here that the participants of this process are employees themselves, whose experiences owing to the examples quoted above - can be very positive. The popularization and a broad publicity given to these processes should facilitate and accelerate Poland's integration with the European Union.

The above deliberations support a thesis that Poland should be interested in the widest participation of our representatives in EWCs. Consequently, measures should be taken to broaden their participation without awaiting our accession to the EU. A lot depends here on the involvement of trade unions

including both their national committees and the branch unions. The activities especially of the latter can prove the most effective. This is confirmed by the examples presented above. The widening of such participation in the Council can be facilitated also by the acceleration of work on the Directive's adaptation to the Polish legislation. The drafting of a relevant act of law and the discussion on this subject should generate a greater interest in the problems of these Councils and, thus, intensify the efforts made to broaden our representation in them. There should be also considered a possibility of starting the implementation of this Directive by Poland earlier along the same principles as those followed by such countries as Norway or Iceland.