



**COUNCIL OF
THE EUROPEAN UNION**



Luxembourg, 23 April 2009
8954/09 (Presse 95)

Council decides to strengthen European Works Councils

The Council today adopted a revised directive on European Works Councils, following a first reading agreement with the European Parliament ([3731/08](#)). The main objective of the new directive is to enable European Works Councils to play their full role in anticipating and managing change and building up a genuine transnational dialogue between management and labour.

More specifically, it aims to ensure that employees' transnational information and consultation rights are effective, especially in the case of restructurings, to improve legal certainty, in particular with regard to mergers and take-overs, to clarify the link between different levels of labour representation and to increase the proportion of European Works Councils established.

P R E S S

The new directive, which forms part of the Renewed Social Agenda¹ and of the renewed Lisbon strategy², includes the following provisions:

- a definition of information is introduced and the meaning of consultation is clarified;
- where the structure of an undertaking or group of undertakings changes significantly (i.e. due to a merger, acquisition or division) the arrangements of the existing European Works Council must be adapted;
- the competence and scope of action of a European Works Council is limited to transnational matters; topics are considered to be transnational if they concern the entire undertaking or group or at least two member states; these include matters which, regardless of the number of member states involved, are of importance for the European workforce in terms of the scope of their potential effects or which involve transfers of activities between member states;
- in addition, European Works Council agreements must contain arrangements for the links between the information and consultation of the European Works Council and national employee representation bodies; in the absence of such arrangements, the member states must ensure that the process of informing and consulting is conducted in the European Works Council as well as in the national employee representation bodies;
- in so far as this is necessary for the exercise of their representative duties in an international environment, the members of the European Works Council get the right to training without loss of wages.

¹ The Renewed Social Agenda is a package of initiatives published by the Commission in 2008 in order to step up the EU's commitment in the field of social policy. Besides the directive on the European Works Councils this package includes also among other things a proposal to protect against discrimination on the grounds of religion or belief, disability, age or sexual orientation outside the field of employment and a proposal facilitating patients' access to healthcare in other member states.

² The renewed Lisbon strategy aims to create more higher quality jobs in a more dynamic and competitive Europe.

The new directive replaces and updates directive 94/45 of 22 September 1994 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees.

Currently there are around 820 European Works Councils in the EU, representing 14.5 million workers at transnational level. However, European Works Councils have so far been set up only in 36% of undertakings falling within the scope of the directive. As under the current directive, the new directive covers any undertakings with at least 1000 employees within the European Economic Area (EEA)¹ and at least 150 employees in each of at least two countries.

The member states must transpose the new directive into national law within two years.

¹ The EEA encompasses the 27 EU member states, Norway, Island and Liechtenstein.