

TASC AND RLS DEPARTMENT EU, UN & OECD:

## Worker participation on Boards: Round Table at TASC's in Dublin, 11.04.2013

The Irish system of Worker participation, implemented by the Worker Participation (State Enterprises) Acts, 1977 and 1988, among other statutes, can be regarded as unique in the English-speaking world. It is to some extent similar to the German system of worker representatives on boards, but only applies to State-owned enterprises and selected other public bodies.

[TASC](#) Dublin has prepared a [report](#) with the support of the National Worker Director Group and funds of the [Rosa Luxemburg Stiftung](#) (RLS). It examines the experience of employee board participation in Ireland and draws on the findings of a consultation with worker directors, non-worker directors, executives and independent experts. The result of the research was the subject of a debate with Irish experts and a number of serving Worker Directors.

Attendees from Germany were: Dr. Florian Weis (Executive Board Member of RLS), Dr. Sabine Reiner (Deputy Chairman of Board of RLS), Peeter Raane (Board Member of RLS), Frank Siebens (Ver.di, Unit Employee participation / European works councils), Maik Hennig (Department EU, OECD and UN of RLS).

The participants agreed that employee representation has – despite conflicts of interest, unfulfilled expectations or legal restrictions – a positive impact on the growth of a company and employment. Its preservation and extension on the entire public sector are recommended. It was emphasised that a regular training is needed so that employee directors can successfully do their job. Conversely, the experience of worker directors shows that the necessary knowledge and capacity to operate as an effective director can be attained through training and other supports. The German participants reported that despite few negative cases in the past (as misconducts of worker directors at Volkswagen) the experiences with the system of workers' participation on boards of semi-private and private firms is positive; however, the balance is threatened by fragmentation of firms or conversions as per European corporate governance law. Frank Siebens (ver.di) made a presentation of the German system with most extensive workers' rights in coal and steel companies and the co-determination regulation for all other companies with more than 2000 employees.

Seen the multitude of similar issues throughout the EU, as divergent taxation systems, conflicting social security specifics, or wage differentials often caused by multinationals, it appears necessary from the perspective of the round table and the RLS to intensify the exchange of experience and to enhance the cooperation of critical scientific institutions. The influence of trade unions are to be strengthened, participation and co-determination are to be implemented in the view of a *stakeholder revolution*.



Foto: Maik Hennig

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