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# Transnational Company Agreements

from the viewpoint of the  
Ford European Works Council

## First Meeting of the Expert Group on TCAs

Organised by the European Commission,  
Employment, Social Affairs and Equal Opportunities DG  
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# 1) Goals

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What we want and fight for:

- ❑ Dignity and respect
  - ▶ fair and meaningful information and consultation processes + concrete negotiation on transnational matters if necessary
- ❑ Voice in decisions that affect us
  - ▶ workers/unions are experts too and – to a certain extend – it is necessary for them to act as “co-managers”
- ❑ Social and economic justice
  - ▶ allow for a maximum of European solidarity among Ford workers and respective unions in order to protect and enhance high social standards and rights
  - ▶ globalisation is more than just cheap labour; workers/unions and companies have to work together to come to socially acceptable and sustainable solutions
- ❑ Best standard of living possible
  - ▶ protect jobs and plants by anticipating change and reacting early



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## 2) Requirements

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To achieve these goals employee reps/unions need to ...

- ❑ overcome national egoism and transform as much as possible national practices and traditions into a pan-European approach.
  - ▶ On-going exchange of information
  - ▶ Close collaboration in order to prevent the company from playing-off one country/plant against another
  - ▶ Develop the common understanding that no plant/country should try to take away production from somebody else
  - ▶ Develop a genuine European strategic approach
  - ▶ Clearly separate between national and European topics
  - ▶ Strengthen union networks with help of European Union Federations



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## 2) Requirements

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To achieve these goals employee reps/unions need to ...

- ❑ be strategic, innovative and creative.
  - ▶ Strategy development based on a maximum of external expertise
  - ▶ Network building (in line with company structures)
  - ▶ Gather as much information as possible on business strategy of the company
  - ▶ Anticipate and understand future development of the industry by on-going training and education measures
  - ▶ Act early and not against major economic principals as otherwise there is a high risk to end up with a pyrrhic victory



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## 2) Requirements

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To achieve these goals companies need to ...

❑ be cooperative.

- ▶ See the benefits of a close collaboration (vs. using lots of energy to fight workers/unions)
- ▶ Share a maximum of information
- ▶ Allow for meaningful and early consultation
- ▶ Allow for negotiation of pan-European issues



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## 3) Examples, experiences, lessons learned

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### ❑ Major FEWC agreements:

- ▶ Visteon (2000/2003)
- ▶ GFT (2000/2002)
- ▶ IOS (2004)
- ▶ PD-Realignment (2005)
- ▶ GCE (2008)

### ❑ Experiences

- ▶ Generally positive; atmosphere of mutual trust and cooperation
- ▶ Overall result certainly better than in individual negotiations at plant/national level
- ▶ Access to senior management through FEWC is very important (in particular for colleagues from those plants that are located in “periphery”)



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## 3) Examples, experiences, lessons learned

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### □ Experiences

- ▶ Clause for re-negotiation/amendments crucial => space for adaptations and guarantees on-going monitoring and involvement of employee reps/unions
- ▶ Agreements on re-organisation in PD are certainly reaction to the Company's restructuring efforts but also contain strong anticipatory elements

### □ Lessons learned

- ▶ Agreements involve FEWC in strategic projects and decision-making processes of the company
- ▶ Monitoring can become a very complex exercise
- ▶ Distinction between national and pan-European issues is not always easy and will become more difficult in the future





### 3) Examples, experiences, lessons learned



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## 4) The current crisis

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- ❑ Keeping up solidarity is not always easy in these times as everybody tends too concentrate on protecting his own plant
- ❑ So far the basis for cooperation between workers/unions and the company remains intact at FoE
- ❑ Existing agreements remain valid (crisis has not been used for unilateral cancellation of agreements) and serve as an important foundation => security
- ❑ Crisis leads to discovery of common interests, e.g. policies to protect the industry and to stimulate demand
- ❑ Different policies to deal with crisis in the EU member states increases competition between sites and countries



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# 5) Conclusions

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- ❑ Soft factors play a crucial role
- ❑ Application procedure for budget line 04.03.03.03. should be simplified in order to help EWCs develop the skills necessary for transnational negotiations and agreements
- ❑ Mutual trust between workers/unions and the company is indispensable; should be a core element of the company's business culture
- ❑ Future development not only depends on legal basis but on enhancement of social dialogue at European level

