

The Dutch works council as a basis for an international works council

How can you increase your influence in a global corporation?

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Under European directives, all member states are required to incorporate some form of employee participation into their legislation. These directives ensure that employees across all member states have a certain degree of protection and the right to information and contribute to decision-making processes.

The specific implementation of the directive varies from country to country. Each member state adopts its own national approach, as seen in Germany and Austria (Betriebsrat) and France (comité social et économique). However, no law governs the collaboration between these works councils at an international level.



To mandate the exchange of information and employee participation within companies operating across Europe, there is a right to establish a European Works Council (EWC). However, this regulation does not apply to small and medium-sized enterprises (SME's). The EWC legislation is only applicable to organisations that, for at least two years, employ 1.000 workers and operate in at least two countries with 150 employees each. As a result, there is no regulation for collaboration on employee participation within international SME's.

Drawing on our experience as advisors and trainers for (international) employee participation, this article explores how some companies take the initiative themselves, using the Dutch Works Council (WoCo) and Dutch Works Council Act (WCA) as a basis for establishing international participation structures.

Limited Participation

There is still significant room for improvement in Europe when it comes to international collaborative employee participation. This also applies to the Netherlands, as the Works Councils Act (WOR) has territorial application: the law only applies within Dutch borders. Moreover, the Dutch Works Council (WoCo) has no formal responsibility for colleagues in other countries.

Many members of works councils in multinational companies have experienced it before: a reorganisation is announced, and the director explains that the decision was made by the foreign parent company, leaving them with no choice but to implement it. In such cases, the works council is faced with a local executive in the Netherlands, who merely communicates decisions made higher up in the corporate hierarchy. This limits the direct influence of the works council at a strategic level.

However, the works council is not powerless. The WoCo has at least the right to all the information it reasonably requires to perform its duties (Article 31 WCA). This can include, when adequately substantiated, information relating to the international operations or leadership of the company. In addition, Dutch legislation offers two other solutions: attribution (toerekening) and joint entrepreneurship (medeondernemerschap). Both assign responsibility for the policies being implemented to the entrepreneur established in the Netherlands, thereby involving the WoCo. However, these do not provide a means to influence the strategic policy of the company in other countries.

Employee Participation without borders

In addition to the existing European Works Councils (EWC), we are increasingly seeing the emergence of International Works Councils (IWC). The EWC is intended for companies with more than 1,000 employees, distributed across at least two European countries with a minimum of 150 employees in each. The EWC operates via a tiered election system, with members elected from their respective national employee participation bodies (works councils/trade unions). This structure provides opportunities for collaboration among works councils that meet these criteria. Furthermore, for transnational matters, the EWC has the right to information and consultation, similar to the Dutch right to advise.

The second form, International Works Council (IWC), is becoming more common. Companies that establish IWC's are often service-oriented and resemble SME organisations, employing between 50 and 400 employees, many of whom are highly educated and digitally skilled. These councils vary in structure but generally adhere to the Dutch Works Councils Act (WCA), with modifications to their regulations concerning eligibility for election. This allows not only employees working in the Netherlands but also those in foreign sister companies to be eligible for election. Alternative approaches include creating an electoral group, setting up a committee with foreign employees, or entering into a company agreement (ondernemingsovereenkomst) under Article 32 of the WCA.



The IWC provides employees with greater freedom to exchange information openly and eliminates the need for the tiered participation structure required by the EWC. In practice, being an IWC member entails no more work than being a member of a regular works council.

The key difference between an IWC and an EWC lies in the minimum organisational size and the basic rights under the WOR. Any significant international changes of an economic nature, as well as personnel policy, must pass through the IWC. This creates more opportunities to influence policies such as occupational health and safety (OHS) for employees working abroad. It is crucial to agree with the director on which decisions are important to address at this level.

Based on our experience as trainers, it is often directors who voluntarily initiate such councils, demonstrating a belief in employee participation and trust in their workforce. These directors recognise that change must be supported by employees and that their employees are professional enough to engage in meaningful discussions at a strategic level, rather than becoming bogged down in details.

This aligns with the Dutch tradition of the consensus model: decisions must be made and supported collaboratively because directors cannot achieve their goals alone. Employee participation should not be confined within a single member state but should strive to balance the interests of

employers and employees across the organisation. This leads to better working conditions, solidarity, and harmonious collaboration, as well as a sense of appreciation and engagement among employees, contributing to the well-being of the organisation as a whole and, ultimately, a better society.

How do you strengthen employee participation with international colleagues in your organisation?

- Exercise your right to information (WCA Article 31) to request details about the policies and decision-making processes of the (foreign) parent company.
- Use Article 24 consultations to invite a representative of the parent company and discuss strategic decisions.
- For organisations with 1,000+ employees: initiate the establishment of, or collaborate with, the European Works Council (EWC).
- Reach out to works councils in other countries through (European) trade unions and explore whether regular meetings would add value.
- Participate in (international) networking events and training on (European) employee participation to exchange experiences and best practices.
- Seek training to enhance your ability to strengthen international employee participation within your organisation.
- Explore with your director the possibility of entering into a company agreement (WCA Article 32) to involve employees from foreign branches and establish an International Works Council (IWC).

How do you strengthen employee participation with international colleagues in your organisation?

Contact us for more information.

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