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**INFORMATION A LA PRESSE
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EXCERPT FROM A SPEECH BY MR HENK VREDELING, VICE-PRESIDENT
OF THE COMMISSION OF THE EUROPEAN COMMUNITIES, ON THE OCCASION
OF THE INAUGURAL MEETING OF THE RHINE-IJssel-EMS INTER-REGIONAL
TRADE UNION COUNCIL ON 8 NOVEMBER 1980 IN DINXPERLO

At the end of October the Commission approved a proposal which will have a major impact on consultations between the two sides of industry in the Community, namely the draft Directive under which the management of large firms both at domestic and international level will be obliged to disclose information to their employees and to consult them on decisions affecting the interests of the undertaking as a whole.

In some Member States - the Netherlands and the Federal Republic are fortunate enough to belong to this group - managements are already legally obliged to inform and consult representatives of their employees about restructuring plans affecting the establishments or subsidiaries in which the employees earn their living. The one major problem that remains unresolved concerns employees of large firms with more than one subsidiary. Workers in such firms may be kept abreast of developments at their own work place but they are still very much left in the dark when it comes to matters affecting the undertaking as a whole, especially where the company is established in more than one country. This is an absurd state of affairs since the fate of the company as a whole impinges every bit as much on the employees as developments at their own place of work.

Of course, we have long been conscious of the fact that there is a need to strengthen the workers' position in this regard. Some time ago, both the Organization for Economic Cooperation and Development (OECD) and the International Labour Organization (ILO) drew up codes of conduct in this field. Unfortunately, these codes are not legally binding. In the present situation, all we can say is that employees have no guarantee that their justified demands in this field will be met. Let me add that these demands are all the more justified in this period of economic stagnation and unemployment when workers are constantly confronted with the threat of restructuring or closure of firms.

I am completely at a loss to understand the vehement reactions on the part of the employers to the Commission's proposal. Please to not misunderstand me here: I certainly did not expect the employers to welcome the Commission's proposal with open arms - such a response would have seemed unreal, even unnatural, because although the Commission's proposal falls short of laying the foundations for a revolution, there is no denying that its purpose is to give workers some control over the power of the employers. I can quite appreciate that the employers will not be rejoicing at this prospect, but they have not confined themselves to moans and groans; instead, they have adopted a position of irreconcilable opposition to the proposal and have been sending out some rather alarming noises from their defensive 'laager'.

I have no wish to hold forth against the employers - this is hardly the time and place for such polemics. However, I would like to stress once again that all the Commission has done with its proposal is to lay down procedures which in this day and age should have become normal practice in all firms. These procedures have long been part of everyday practice in the Benelux countries and in West Germany. Have they led to a deterioration in relations between management and employees in these countries? Is the investment situation worse there than elsewhere? On the contrary. A process of discussion and consultation and consultation contributes to a climate of trust between the two sides of industry which can only be beneficial for the employers. One would expect modern, intelligent and imaginative firms to realise this instead of mounting a relentless campaign against this practice as they have done up to now.

Finally, I am bound to say that I am particularly pleased that the Commission, albeit after carefully weighing up the pros and cons and beating about the bush for so long, has finally taken the important political decision to present this proposal for a Directive to the Council of Ministers.