



Betriebsrat

”Betriebsrat“ is the German word for Works Council.

But what does a German Works council actually do? And what’s the role of the union?

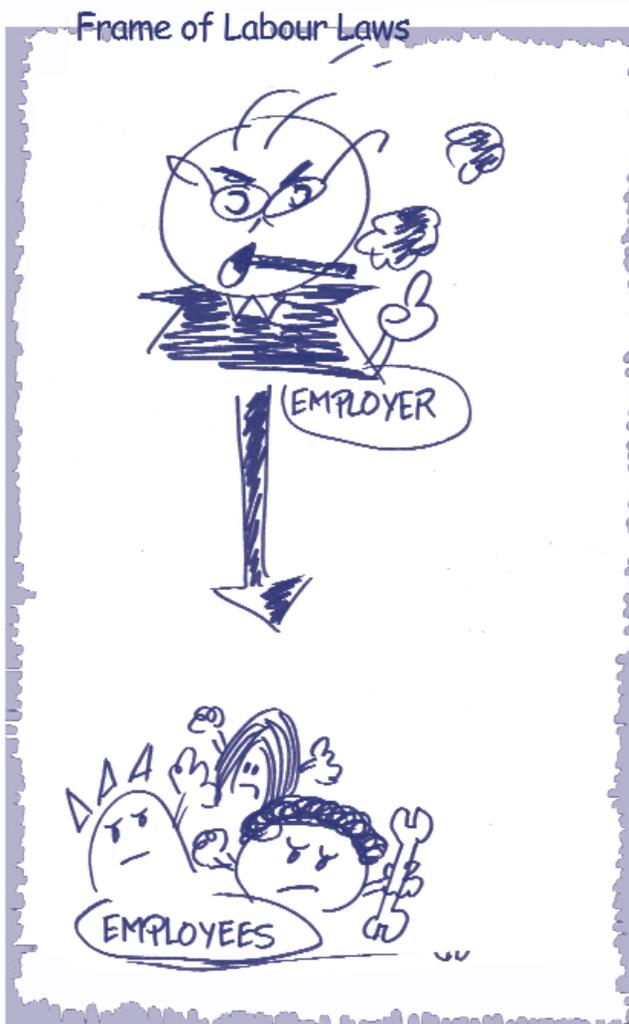
Employment relations in Germany and the United States are basically similar – on one side is the employer and on the other side are the employees. The employer holds discretionary power over employees within the confines of applicable law. →Pict01

Without employee representation it is in the employer’s sole power to decide on wage levels, fringe benefits, shift schedules and other working conditions. If a worker has a problem, he or she has to turn to the employer – either the supervisor or a Human Resources representative – to

seek a solution. The employer’s decision is final. Every problem, even if it involves the same situation as faced by another employee in the past, is treated individually. This makes it very difficult, if not impossible, for a single person to affect change. That’s why there are unions and why the right to form a union is a basic human right. In Germany as in Alabama, every employee has the free choice to become a member of the union. In our case the union is the metal workers’ federation, IG Metall.

IG Metall negotiates with an employers’ association for an agreement covering a specific industry and region. The agreements are binding for every company that is a member of the employers’ association. The terms of the agreement must build upon the “floor” of respective laws. Collective agreements provide for extended holiday leaves beyond the legal level, extended payments to sick workers, Christmas bonuses, holiday bonuses, a shorter 35-hour work week, and of course, wages.

→Pict01



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GERMAN SYSTEM

In purely legal terms the collective agreements apply only to union members in a company. In practice, employers normally grant the provisions to all employees in the hopes of limiting union membership. They know that the more union members, the stronger the union.

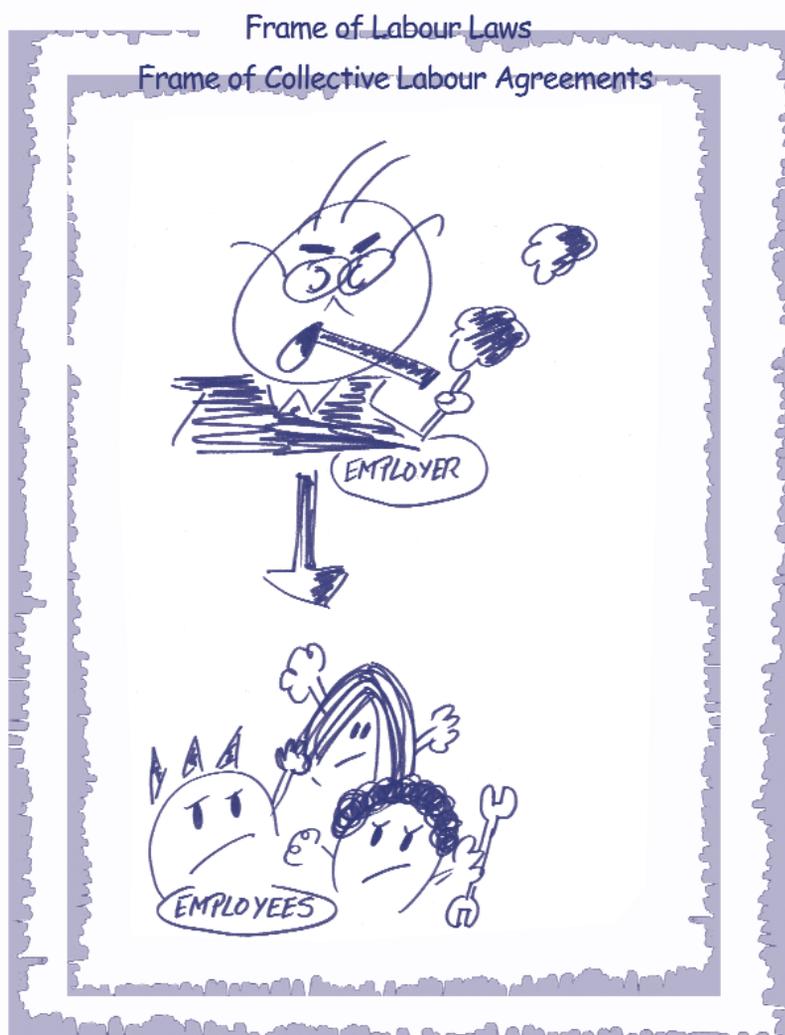
Pict02

But while employment laws and collective agreements restrict the employer's behavior, it still has a lot of discretion in dealing with employees.

Here's where the Works Council comes into play. In Germany, this employee representation body is elected by

the total workforce of a plant every four years. The size of the works council depends on the size of the workforce. All members of the works council have to be employees of the plant. The works council has a number of legal rights and duties. It negotiates with management on issues within the plant and on the wishes and requests of the employees. It monitors the employer's adherence to laws and collective agreements, agrees on the beginning and end of the daily work day, determines whether the employer can order overtime, has certain rights regarding hiring and dismissals, and a good deal more. In a nutshell: the Works Council looks after the needs of all employees.

The employer must deal with the Works Council when it wants to make changes. For example, if the employer wants to modify the shift system or change lead times or introduce a new IT system, the employer has to negotiate with the Works Council. An agreement – called a plant agreement - must be reached and signed by both parties.



Pict02

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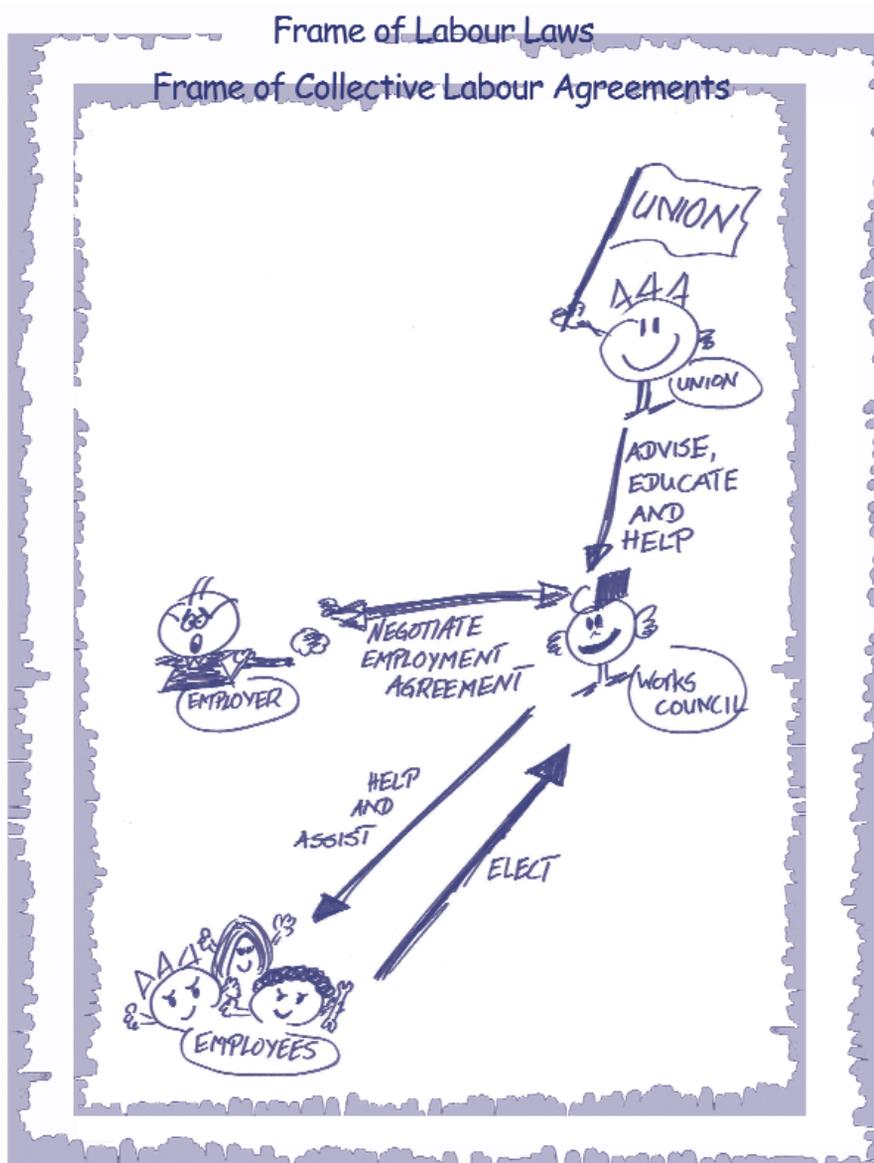


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Now, the employer is not only limited by laws and the collective agreements, it now has to adhere to plant agreements that hold for individual plants or sites. Regulations in these agreements cannot be changed unilaterally but have to be negotiated.

In order to carry out their manifold tasks and responsibilities, members of the Works Council need extensive education and ongoing support. Here the union plays a big role. Unions provide assistance and legal advice to the Works Councils whenever needed. While the employer is legally obliged to fund education for Works Council members, it is normally carried out by the unions. Even though Works Councils are formally independent from the unions, in practice they are closely interrelated. In Germany, IG Metall members hold the majority of seats on the works councils in all Daimler plants.

Pict03



Pict03





GERMAN SYSTEM

Since it is almost impossible for the union and the Works Council to coordinate with every single person in the plant prior to negotiations and decisions, a parallel structure was created at the Daimler plants with the installation of IG Metall shop stewards. Union members in every department elect a shop steward from among themselves. The shop stewards are the link between the Works Council, the union and the workforce. They convey information in both directions. Stewards discuss issues directly with workers in their area and bring those opinions to the union and the Works Council. And they bring information and news from the union and the Works Council to the workers in that area. Shop stewards ensure that everyone is kept informed and involved. *Pict04*



Pict04

