

# The Seventeenth Countess Markievicz Memorial Lecture.

## World Class Participation

Des Geraghty MEP

## **The Countess Markievicz Memorial Lecture Series**

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The Irish Case

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The Countess Markievicz Memorial Lecture has been established by the Irish Association for Industrial Relations with the support of the Department of Labour. Countess Markievicz was appointed Minister for Labour in the Executive of the first Dáil Eireann in 1919. The object of the Memorial Lecture is to provide an occasion for a substantive contribution to discussion in the Industrial Relations area by a distinguished practitioner or academic.

The seventeenth lecture was given by Mr. Des Geraghty on the 9th. November 1992 in Eolas, Botanic Road, Glasnevin, Dublin 9. Mr. Des Geraghty is a member of the European Parliament and serves on the Economic, Industrial and Monetary Committee of that institution. He has a distinguished record of trade union and industrial relations experience serving as National Group Secretary in the ITGWU and subsequently as a National Industrial Secretary in SIPTU following the amalgamation of the ITGWU and the FWUI in 1990.

He was previously an Industrial Relations Tutor in the Education Department of the ITGWU and later that unions Communications and Publications Officer. He has written and lectured extensively on Industrial Relations topics and combined that with a vast practical experience as an industrial negotiator in both the public and private sector. He was also a member of the Executive Council of the European Federation of Building and Woodworkers Unions.

### Introduction

Speaking at a Countess Markievicz Memorial Lecture is a particular privilege for me. My association with this event is both personal and professional because of my family's association with the Countess. My father Tom Geraghty was one of the 'Ceád Slua' of the Fianna Eireann founded by Countess Markievicz in Camden Street Dublin in 1909 which was acknowledged later as one of the elements which led to the 1916 Rebellion in which the Countess herself paid such a prominent part. But perhaps more importantly she was one of the great radicals of Irish Society who contributed not only to the National Movement but also to the Women's Movement and to the struggle for uplifting the poor and underprivileged of our society.

My work place in Liberty Hall was familiar to her in its earlier existence as the Headquarters of the Citizens Army and the soup kitchens of the 1913 Lock Out. The Countess was a leader of a changing Ireland and had both the courage and convictions of someone with a vision of a better world in which we could all be treated as equal citizens of a truly democratic Republic.

It is my belief that we cannot have a truly equal and egalitarian society if democracy is only exercised at election times but is absent in the world of work and in civil society generally. Nor can we have a stable and progressive society built on vast differences in income, wealth and the power and privilege that goes with it. For me Industrial Democracy is an essential component in any truly democratic society and is particularly required if Irish Society is to tackle the great problems of unemployment, underdevelopment, poverty and persistent emigration. It is no longer an option but a necessity in a modern and highly competitive world.

In this paper I will be arguing that we must change the whole culture of the work place by moving away from the present managerial elitism to a more effective participative one based on shared responsibility. We must overcome the negative legacy of our adversarial industrial relations system and learn to manage the process of change better. We must acknowledge the legitimate aspirations of both workers and management in the modern economy and the unequal power relationships that now exist. In this increasingly competitive world of the global economy, the Single European Market and new technologies we have little time to waste in making fundamental adjustments in the way we manage the world of work. The need for fundamental change is a challenge for employers and trade unions alike as it is a challenge to our legislators to provide the legal basis for it.

The issue of the ownership of resources, capital and industry is an important question for another day, but for today how we are managing our resources is the critical issue.

### **World Class Participation**

*"In some national settings participation is seen as a method of installing industrial democracy and as a necessary corrective that extends the rights conferred by political democracies into the industrial area. At the point at which political argument begins, however, participation and its definition is shaped by the conflict of interests between the management and labour reflecting basic differences in the views of how industry should operate and about how human activity should be regulated."*

Employee Participation in Western Europe - EC Working Paper.

The debate on the question of industrial democracy, labour management cooperation or participation has been with us for a long time. It has been variously considered as an important means for raising productivity, improving industrial relations, assisting the process of rationalisation, improving communications in the enterprise or democratising the world of work. It has elements of all these but does not provide a simple solution for any of them.

Of particular importance to us must be the emphasis placed on the issues of participation, information disclosure, consultation and company structures within the European Community. It is hoped that we will have a new Directive on the Right of Workers to Consultation and Information in Trans

European Companies. In more recent times issues of Health and Safety, financial participation and European-wide Works Councils are of particular importance with the completion of the Single market and deserve a better response from us here in Ireland than has been evident to date. While we have solutions to Industrial Relations' problems and only limited understanding by many workers of the scale of our problems many employers and their managers persist in opposing more participative structures.

At company level the need for more participative structures has been highlighted by rapid changes in technology and the consequent organisational changes required to make proper use of that technology. Health, safety and environmental issues as well as quality of life questions, working time and flexible working all revive the debate on participation in a new context. As always, however, it is unavoidably a highly political issue reflecting the range of different perspectives on power, authority, legitimacy and control within the economy. But it is the questions of change and competition which must make the issue central to all our deliberations.

The world of work is made up of a wide variety of competing interests each with a different emphasis on what should be the objective of participation. Proposals in this area are generally greeted with different degrees of scepticism or enthusiasm, depending on who is involved or on what is the perceived objective of the proposal. Unfortunately, it is more often raised in response to a crisis than as part of any long-term vision of our economy.

Management and trade unions have, in the past, tended to have distinctively different perspectives on the subject. Trade Unions generally favour indirect or representational forms of participation while company management, where they embrace the idea at all, are generally more interested in direct forms of participation involving work reorganisation, quality control or productivity improvement schemes. We have many such examples in the private sector which have been beneficent to both management and workers.

Unfortunately, in some cases employers seek to positively exclude trade unions from these issues and develop them as an alternative to representational democracy.

There is also, in many countries, a political debate on the advisability or otherwise of legal or regulatory approaches versus a more voluntarist approach evolved through the collective bargaining system. That particular issue has become one of the more intractable ones in the EC in recent years and is still one of the central issues in the debate on the 'Social Dimension' of the completed internal market. While employers argue for voluntarism, they rarely accord workers and their trade unions increased influence without legislation.

It is one of the most difficult to resolve given the wide differences which exist between the collective bargaining systems in the member states of the EC and

the different business cultures which exists in US, Japanese and European transnational companies. It is further complicated by the political perspective of the UK Government which is generally hostile to any form of legal regulation of participation or joint consultation. In the European debate Irish employers have generally opposed any increased powers for workers. Our national efforts have been quite limited with our progress in the area of formal participation schemes being quite modest. In most instances it has failed to transcend the in-built limitations of our traditional adversarial industrial relations system. It has very little legal or structural support and often sits uneasily between collective bargaining and good intentions, e.g. we have very few Worker Directors in the Irish private sector. The appointment of worker directors has not been extended beyond a limited number of semi-State companies covered by legislation and has encountered outright opposition in the private sector, except in very few cases.

We have, in most companies, made little progress on effective below-board consultative structures and must look to more direct forms of employee involvement through quality control, productivity schemes or team working to find significant evidence of innovation. In my view there is enormous potential for development in this area but we need the will to do something about it.

The Joint Declaration of the FIE and ICTU in June 1991, arising from the PESP negotiations was an important advance. Although quite limited in substance, it did signal the changing attitude of employer and trade union representatives at national level. It did address the circumstances in which business must now operate and set the issue of participation in its proper context as an issue for employer and trade union co-operation in responding to the new challenges of competition, European integration and our own national experience under the PESP.

It recognised that all of us must now take account of

- (a) Increased competition requiring structural changes, more efficiency and a stable industrial relations environment;
- (b) Developments at EC level, including the social dialogues;
- (c) The economic and social consensus developed at national level.

In my view this is a logical development for us now, given our ability to create a relatively sophisticated national level of collective bargaining under the PESP with the virtual absence of any similar integrated collective bargaining and consultation structures at sectoral or enterprise level. While not expecting every individual small enterprise to have a formal PESP-type structure, I cannot see how such important central bargaining can be sustained without increased participation at other levels of our economy. This is particularly necessary in our larger internationally trading enterprises in both the public and private sectors.

## The New Competitive Environment

With the completion of the EC Internal Market and a future G.A.T.T. Agreement we are facing the prospect of an even more competitive environment than ever before with even fewer national safeguards for inefficiency or competitive disadvantage. The currency crisis has created its own particular problems as has the abnormally high interest charges. The combination of completed EC Internal Market and the unpredictable implications of the GATT negotiations the inclusion of the EFTA Countries in the EC free trade area are all creating new pressures in an already difficult and competitive economic environment. Competition will intensify and increase the pressure on pay, conditions and job security.

We have to live with the fact that the economy is totally dominated by the ruthless logic of the market place and is devoid of any national sentiment or traditional safeguards for the weak and inefficient. There are few 'sheltered sectors' left in either the public or private sectors and no guarantee that there will be any left in a few years time.

The future capacity of our economy to create new employment opportunities, to safeguard existing jobs and protect our living standards now requires urgent strategic responses at enterprise level. It requires a proactive anticipation of change rather than a reactive hostility to it.

In an open and competitive market economy I tend to agree with the view of Professor Michael E. Porter of Harvard Business School that "there is now no such thing as a competitive nation, nations are only competitive in certain industries and industry segments." If that is so we must now look increasingly and critically at the quality of our individual enterprises and industrial segments and their ability to survive a highly competitive market place. If we are to avoid becoming a low pay, low quality economic area we must do the job better than anyone else. Our inherited structures and power systems are a major obstacle to such a development taking place.

It is evident that the ultimate ability of Ireland to benefit from newly emerging 'global economy' will increasingly depend on our ability to develop world class enterprises, equal to, or better than, the best that exist anywhere else in the world.

How we respond will also determine how many of our citizens will participate in the future world of work and how well we can provide for those unable to do so. The quality of our work organisations will, in turn, determine the quality of the goods and services we produce and determine the actual strength or weakness of our real economy.

## The New Reality

Many of the perceived political or philosophical differences which have, in the past, limited our progress at enterprise level are becoming less and less relevant in today's world. The divisions between rich and poor, between employed and those excluded from employment, are as intractable as ever but are not always reflected in the modern management/worker relationship. There are, of course, new divisions between core workers and part-time or contract workers, often employed under deplorable conditions of employment. In fact, in some of the best, traditionally well paid establishments there are often significant numbers of low paid and poorly organised workers. These workers represent a particular challenge for the trade union movement and deserve special priority treatment within the collective bargaining system. I believe there is a growing divide between haves and have nots, between those with capital and those with none but that is not now at the centre of the worker/manager conflict.

There is now the possibility for a growing convergence of interest between progressive managers (also employers) and progressive trade unions in modern enterprise. The 'New World Order' is drawing new contours on the economic map and creating new prospects for realignment, co-operation and, hopefully, a more sustainable economic balance. We in Ireland need to recognise that more than most. Tackling the "real social divide" requires much more global thinking and more fundamental political thinking than we have seen to-date.

## People and Technology

*"One of the clearest and yet most difficult to implement lessons of the past decade is that investing in advanced technology alone is not an effective strategy for transforming organisations or enhancing organisational performance. Failure to integrate new technology with organisational changes and human resource innovations leads to an under-utilisation of technology and fails to capture its full potential."*

## MIT - Lessons from a Decade of Experimentation

The last decade has been characterised by enormous changes in the production system because of the advent of new technology. Technological change has been quite dramatic as has been the consequent changes in work organisation. The switch from production-led companies to market-led organisations, from manufacturing to services has also made significant differences as has the increased emphasis on the need for continuous education and training for workers operating within the modern work system. The need for new skills and greater flexibility between skills and between skilled, semi-skilled and unskilled is increasingly obvious.

A new 'division of labour' has also developed with the shift of considerable production capacity from the developed world to the underdeveloped world. We have also seen an interesting separation of the controlling corporate



financial institutions from the individual enterprises even within the same transnational conglomerates. The old labour/management divide is often more difficult to delineate in many enterprises. It certainly no longer provides clear battle lines for the conflict between the 'haves and have nots' in society.

In my view the modern enterprise in our era must increasingly be considered much more as a 'multi-stake holder entity' in which a series of new relationships have to develop between the investors (public and private), the working management, the employees and the customers. Undoubtedly they are not equal stakeholders but they all have an interest which dare not be ignored for long. The relative power and influence of each group is, of course, extremely important and the power relationship will continue to give rise to conflict but that does not have to be a destructive conflict.

The gradual development of this concept of enterprise has been accompanied by a lot of experimentation in work organisation in Europe and the US. This has also been spurred on by the Japanisation of some of the new industrial sectors. The traditional American (and UK) conception that the corporation exists solely to maximise shareholder wealth has increasingly been challenged and is seen increasingly to represent an anachronistic view in the modern world. The demands of a more educated work force, of the customers and tax payers now dictate a set of new relationships.

The old model is also seen to be less efficient, less flexible and generally unable to adapt quickly enough to the needs of a changing world. How many more disputes about change do we need before we acknowledge this truth?

This is clearly evident from studies by MIT of Boston who have argued convincingly in the home of capitalism and competitive individualism that

*"sustaining human resource innovations requires a multiple stakeholder view of organisations and grievance systems that provide all employee groups a voice in the strategic directions of the enterprise."*

It is clear also that, in many situations, the management of the individual enterprises find that they have a much greater identity of interest with the employees of their own individual company than with the financial stakeholder. Frequently the overriding concern of investors is about the margin of profit, the consistency of the return on the investment and the relative value of the dividend and likely return available elsewhere from a similar investment of capital. For a serious management their investment is much more than that and their involvement is much more multi-dimensional than the profit and loss account alone. Which they must meet the requirements of the shareholders they also recognise their responsibility to all the other stakeholders.

The MIT study drew the inevitable conclusion that the

*"outcome of this debate (on participation) will be heavily influenced by the extent to which labour representatives are treated as legitimate partners to the change process at the level of the individual enterprise and in national policy making."*

Given the traditional US employer and government hostility to trade unions and labour organisations generally, this conclusion represents quite a radical departure in strategic management thinking. Those concepts have taken hold in a considerable number of companies and are challenging the traditional concepts of competitive individualism, hierarchical management systems and the traditional attitudes to labour organisation.

It is equally evident from the introduction of new technologies into production and administrative systems that many of the over optimistic expectations of that technology have not been fully realised. The overwhelming body of analysis and experience in Ireland and elsewhere points to the critical importance of the 'human or people factor' in technological change. The MIT research concludes that enterprises must develop and fully utilise all their human resources to compete effectively in a world economy at a time of

*"shortening product life cycles, intensified price competition, greater specialisation in production markets and rapid advances in technology requires human resource practices that support*

- (a) development of well educated and highly motivated and multi-skilled workforce;*
- (b) high levels of participation in problem solving and continuous improvement in productivity and quality and*
- (c) sustained labour/management co-operation."*

It is clear to me that the centrality of people and the importance of labour/management co-operation is the inescapable conclusion from decades of experimentation and innovation in the modern enterprise. Yet that essential 'humanisation' of the world of work can only be developed by building a high level of trust based on the firm foundation of achieving fairer distribution of benefits and recognition that each worker is a free and responsible partner in the enterprise. While he/she may still be only the junior partners, nevertheless that partnership is now essential.

For us in Ireland it must also mean creating sustainable employment for those who wish to join in such a partnership. It means introducing agreed safeguards against the unrelenting 'labour shedding' policies which show scant regard for the real value of people. It also requires from employers a commitment to re-investment of profits and diversification into new activity rather than perpetual competitive 'organisational contraction'. That is a reasonable quid pro quo for continuous labour management co-operation and hopefully the correct basis for building a successful economy.

Inevitably, participation in the world of work is considered more meaningful than participation in decision making in a country with such high levels of unemployment and the total 'exclusion' that joblessness means for so many. But that is no excuse for avoiding the issue of meaningful participation for those at work.

## Trade Unions and Change

*"The winds of change do not threaten our foundations - some decaying branches may have to yield and buds that bear no fruit may have to perish - but this movement will not be uprooted by a few new-fangled theories or brand new experiments. Indeed our very solidity should encourage us to reach out to change to lead the charge for change."*

ICTU - Trade Unions and Change, July 1989.

Our traditional adversarial industrial relations system based on 'voluntarism' has served us reasonably well in the past and reflects the nature of power in our society and the relative strengths or weaknesses of the parties involved in the negotiating process. It is a system which has been jealously guarded by the trade union movement against undue legalism or employer and government attempts at rigid or inflexible regulation. Yet it is in need of readjustment to identify more clearly who, and what we are adversarial about.

Much of the more localised forms of 'free collective bargaining' on pay and conditions of employment have, in recent years, been supplemented by very effective central bargaining mechanisms from the employer/labour conference to the tripartite system of the PESP. Yet the need for local engagement on a wider agenda is increasingly obvious.

However, some local elements of our local adversarial system have proven not the most effective ones for dealing with a continuous process of change in highly competitive conditions. We must now address those inadequacies.

Without having to surrender any bargaining power, I believe we should try to shift the emphasis from bargaining about every individual change to a more logical bargaining for the resultant benefits of such change. This is what the Americans refer to as 'gainsharing'. To achieve such a switch it does require a confident involvement by workers in shaping the nature of that change itself. They must have the security of being full partners in such processes. That requires new structures such as European-style Works Councils in the work place to deal with information and consultation and the strategic managerial policies of the company. It could also allow workers to create more satisfying jobs with less demarcation and more creativity at work.

I also hold the view that, if workers don't nurture and protect their own employment nobody else will do so satisfactorily. None of us can, any longer, afford to leave the function of management to any anonymous group called

'the management'. We are all entitled to seek involvement in decision making that affects the biggest investment of our lives which is our labour.

It is evident to me that any successful change to a modern system of collective bargaining must also be supported by adequate measures to guarantee full, frank information disclosure and must integrate, considerably more consultation, joint responsibility and strategic decision making in a more structured way. It must allow also for a better distribution of the benefits of participation through an effective bargaining system centered on a realistic knowledge of what is possible.

For such a system to work here in Ireland it needs better legislative support, increased institutional back up from employer and trade union organisations and more active encouragement by the government and its various agencies. I would like to see a more comprehensive framework for such an advance negotiated at national level and be implemented in accordance with the EC Social Charter proposals on information, consultation and participation rights for employees. Why wait for Brussels to set the agenda when we could so easily do so ourselves.

A series of Works Councils could now be put in place without a major change in current practice, provided these Councils were given genuine authority and clear areas of responsibility within the enterprise. Statutory endorsement could follow at a later stage with, hopefully, some extension of the concept of worker directors in all large enterprises. We could well adopt some equivalent of the European two-tier based system to accommodate the roles now expected of the various participants in the work system. We could, of course have an entirely 'Irish Model' based on the present collective bargaining structures.

I believe firmly that trade unions should have nothing to fear from such innovations nor should they be concerned at the consequences of more active engagement with management in the strategic decision making process. I see no evidence elsewhere of such participation undermining, in any way, the ability of organised trade unions to pursue their aspirations for better conditions of employment or their objectives in the wider economic and political sphere. It would mean however that the 'mystique of management' would be gone and be replaced by a greater 'transparency' about decision making.

It does mean a changed role for local representatives and full time officials but I believe at this stage it is one which would be widely welcomed by many, if not the majority, of trade union representatives who recognise the limitations of the present system.

Employer responses to 'participation'.

*"Both indirect and direct forms of participation serve different functions within the organisation; the former aims principally to improve worker representation in decision-making processes, while the latter aims principally to improve worker*

*motivation. But employers' support for direct forms should not prevent them from recognising workers legitimate interests in establishing indirect forms to represent their possibly conflicting interests in relation to company policy and strategy."*

Legal Regulation and the Practice of Employee Participation in the European Community.

European Foundation of Living and Working Conditions.

My long experience of dealing with Irish employers in both the public and private sectors has helped me to draw a very clear distinction between two common but distinct approaches to business management. The first is the traditional one where 'management prerogative' hierarchical structures, low levels of trust and high levels of exploitation and conflict make change very difficult to achieve. In practice change only takes place in a crisis and both employers and trade unions depend on 'crisis management'.

The other one is the more progressive managerial approach which seeks to minimise control and supervision, increases co-operation and trust and accepts the necessity for trade unions and for reasonable pay and conditions of employment. In such companies change can generally be managed successfully to the mutual benefit of both management and workers although the negotiation of change can, at times, appear to be painfully slow and frustrating. However, good management still requires managers to manage and to make decisions which are generally accepted by those who are being managed.

In practice a natural alliance can sometimes develop or be built between the progressive management and progressive trade union shop stewards or representatives even within the limits of the traditional adversarial industrial relations system. That co-operation can often be sustained during long periods while the enterprise is functioning successfully but can also come under severe strain when the cold winds of recession or competitive pressure disturbs relationships or when redundancies, cut-backs and pay curtailment become the norm. In such situations we often do not have the necessary structures to respond to the more difficult circumstances nor do we have the 'agreed' safeguards necessary to ensure that 'fair and reasonable compromises' can be worked out in the interests of all concerned.

It is my view that a proper combination of both direct and indirect participative structures in our industry would facilitate a much more rational and informed response to such situations and ensure the survival of many more enterprises during difficult times. Unfortunately, we may lack team culture in most of our employments but that is no excuse for not developing it now.

In a survey of Irish management carried out in 1989 by a Professor Andrew Kakabadase of Cranfield School of Management it was pointed out that

*"Ireland is identified as developing good managers. The problem in Ireland, however, is that insufficiently developed teams are in place, leading the organisations. Such*

*poor teams do not address general concerns within the business. Hence, insight as to the nature of the organisation's problems is not the problem. Activating insight is the concern. By allowing such concerns to exist for any time in the organisation, a negative culture begins to emerge, middle management and staff become demotivated and hence have neither the wish nor drive to improve performance."*

If we could adapt the better elements of 'human resource management' and avoid the obvious manipulative anti-trade union elements which use new management techniques simply to reinforce managerial control, we could find an excellent basis for achieving progress. Trade union responses can help shape the nature of H.R.M. and create a more egalitarian model.

For that to happen management and workers must build on the view that most work is not inherently distasteful. Most people want to contribute to important goals that they themselves help to set. They can generally exercise far more creative, responsible self-direction and self-control than their present jobs demand. They can help to solve problems both large and small.

The progressive company management must create an environment in which everyone can contribute to the limits of their ability. They should not be afraid to encourage full participation or consultation on important matters while continually broadening the opportunities for self-direction, self-control and self-fulfilment by everyone in the workplace. Is that not the job we all aspire to.

For that to happen in this country we have to overcome the deep fear and suspicion which years of 'legitimate mistrust' has engendered. We do urgently need new structures and new labour management initiatives to tackle such barriers to progress and allow the more modern and progressive managerial approaches to prevail. We have a long way to go to achieve such a situation but there are some positive examples beginning to emerge.

### **The Role of the European Community.**

Over the last two decades the Commission of the European Communities has made a whole series of proposals seeking to extend employee participation within the member states of the EC. These range from the original 1970 proposal for a European Company Statute to the more recent proposals on information consultation and participation of employees contained in the 1992 Social Charter. These also form part of the Social Chapter in the Maastricht Treaty although that is only applicable to eleven member states of the EC because the UK Government opted out.

The process has been particularly slow with persistent opposition from conservative governments and the employer organisations. Our own CII has, at times, campaigned vigorously to oppose EC proposals in this area such as the 'Vredeling Directive' and our own government has also supported the view that progress on participation might have a detrimental effect on foreign investment. I find it difficult to understand that view given the European-wide nature of these proposals and absence of any evidence that high levels

of participation mean low levels of investment. There is far more evidence to support the opposite view.

The Community has adopted three directives which have given employees enhanced participation rights. These are the 1975 Directive on 'Collective Dismissals' making consultation with employees obligatory before large scale redundancies take place. That was followed by the Directive in 1977 on 'Transfer of Undertakings' which provides safeguards in connection with mergers and takeovers and the transfer of rights and obligations to the new employer. It was followed up in 1978 by a Directive on mergers of public liability companies within any member state. More recently there have been initiatives in respect of employee participation in profits and enterprise results and employee participation in health and safety at work. There have also been Declarations on such matters as employee participation in the introduction of new technologies.

One of the most controversial proposals was the Draft Fifth Directive, dating back to 1972, and subsequent amended proposals on the structure of public limited liabilities with the German-style two tier based structure. This was to involve significant employee representation where 'not less than one third of the members of supervisory boards' were to be appointed by workers as their representatives. Similarly, the 'Vredeling' proposal of 1983, on procedures for informing and consulting employees, met with fierce hostility and extraordinary employer lobbying to ensure that it was not implemented. They were successful but in my view we were all the losers.

Now we have very specific proposals in the Social Charter which form part of the newly developing 'Social Dialogue' between employers and trade unions at EC level. In some respects they represent a revival of some components of the Fifth Directive and the 'Vredeling' Directive. It is, perhaps, interesting to note that, although these proposals constitute part of the package relating to the completion of the internal market on 1st January, 1993, they have not been given any particular priority by the UK Presidency. Nor will they be given top priority until they have a political priority in the E.C.

There is good reason to hope that there is now considerably more support for such initiatives within the member states of the Community (excluding the UK) although in recent times there has been particular sensitivity about the question of 'subsidiary.' A lot of subsidiarity in the work place could work wonders in British and Irish employments.

Through the Social Dialogue there is the prospect of constructive progress between the different social interests which should facilitate considerably more progress in 1993 than we have seen in the last two decades.

I believe that we here in Ireland should take our own initiative in developing a more 'European' model of information disclosure, company restructuring, employee representation and participation. We should also increase our experiments in group working, team work, total quality, new value added

production management etc. until we achieve the type of world class business organisations necessary to effectively manage change and face the competitive challenge of the emerging global economy. I do not accept that the small scale of Irish enterprise is a legitimate excuse but it should make labour/management co-operation more attainable.

Conclusions:

1. The challenge of protecting existing employment and creating new jobs now requires a strategic alliance between management and workers in Irish industry. That alone would justify a major initiative in industrial democracy.
2. Ireland should, without delay, set about implementing fully the proposals of the EC Social Charter in respect of information, consultation and participation and not wait for EC Directives or Regulations for Euro companies.
3. Steps should be taken to expand on the Joint FIE/ICTU Joint Declaration of 1991 to increase both direct and indirect systems of employee participation at enterprise level.
4. The government should provide funding for the necessary supporting agencies such as the ICTU/IBEC and the IPC to provide adequate assistance for training, consultation and advice in participative structures.
5. Information on the best practices in participation should be made available to managers and employers and some more details be drawn up on co operation agreements (e.g. collective bargaining agreements) which provide for the development of a process of increasing employee participation.
6. A failure to begin such a process of modern managerial adjustment will make Irish enterprise extremely vulnerable to competitive pressures from the more flexible enterprises at the top of the market and the lower cost producers at the bottom of the market. The consequences for us will be persistently high levels of unemployment and a constant threat to our living standards.  
Surely, our survival instinct alone should make us better participators.....