

Reviving worker participation in Portugal and
Europe: towards a progressive agenda to
democratise the economy

Revisiting worker representation on boards: the forgotten EU
countries in codetermination studies

The difficult standing of BLER in Italy

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Historical context

- Article 46 of the Constitution - never implemented in the post-war period
‘the right of workers to collaborate, in the manner and within the limits established by law, in the management of companies’
- On 10 June 2025, a law on worker participation came into force
- In the past: reluctance of the social partners to establish mutual responsibilities by law:
 - employers concerned about their property rights and prerogatives;
 - trade unions concerned about their autonomy.
- The strength of left-wing parties (class consciousness)

Negotiated participation

- Participation rights through collective bargaining (since the 1980s)
- Company cases:
 - IRI, ENI (state-owned groups)
 - Alitalia, Electrolux-Zanussi, Luxottica, Lamborghini, Ducati
- Limited diffusion (sporadic)
- Limited experience over time
- CCNL (metalworking; energy and oil)

BLER: experiences and obstacles

- Company law reform (2003)
 - independence requirement excludes the presence of workers in supervisory bodies
 - in contradiction with European directives
- European Company Directive (2001/86/EC) providing for mandatory negotiations on the involvement of employees in SEs (Decree Law 188/05)
- Directive 2005/56/EC on cross-border mergers also includes provisions for the protection of existing employee rights in relation to BLER (Decree Law 108/08).
- Law 92/12 (Monti/Fornero Reform) not adopted

SE – foreign multinationals

- Internationalisation of supervisory/administrative boards
- Fresenius, Allianz and USB with Italian representatives
- Positive experiences:
 - An additional channel for representing interests
 - A new arena for international cooperation

FCA-PSA cross-border merger

- FCA PSA merger agreement (17/12/2019)
- Cross-border merger pursuant to the provisions of Directive 2017/1132/EU
- Directive regulates employee participation in company activities (Supervisory board/BoD)
- Guarantee of the same level of participation (the ‘before and after’ principle)
- Protection against the risk of circumvention of participation rules
- PSA had two employee representatives on the Board of Directors
- Maintenance of existing levels of participation at PSA – extended to the entire group

Stellantis board of directors

- 2 employee representatives (France, Italy)
- WWC was to appoint the representatives
- Alternatively: through a process involving one or more bodies representing Stellantis employees
- 'Joint project' included information and consultation procedure
- Final opinion of PSA employees: 8 November 2019
- The merger plan was adopted on 27 October 2020
- FCA EWC was informed on 18 December 2020

Appointment of employee representatives

- Appointment effective from 17/01/2021
- The French representative chosen by the French representative bodies
- The Italian representative was appointed by FCA management (Head of People Operations at Google)
- Former FCA workers remain excluded from information provided at board level (at this historic stage!)
- Italian trade unions have expressed their disappointment
- Other priorities: safeguarding employment levels; establishing a European Works Council

A missed opportunity

- The internationalisation of corporate bodies has been undermined, thereby preventing a new level of Europeanisation of industrial relations.
- FCA has succeeded in excluding former FCA workers from BLER.
- In a period of profound change in the automotive sector, the traditional obstacles to BLER have been reconfirmed:
 - the hostile attitude of companies
 - trade unions that seem to have other priorities

Trade union positions

- On 14 January 2016, CGIL, CISL and UIL adopted a joint declaration claiming rights of participation at various levels, including corporate governance and organisational participation, as well as economic and financial participation.
- On 28 February 2018, Confindustria signed a joint declaration with CGIL, CISL and UIL on the content and guidelines of industrial relations and collective bargaining, emphasising the importance of a more effective and participatory industrial relations system.

Position of the CGIL

- Legislative action implementing Article 46 of the Constitution implies the need for a law on representation, representativeness of trade unions and employers' organisations, and trade union democracy, with workers voting to approve national labour agreements, with erga omnes effect.
- The elective nature of workers' representatives in participatory bodies
- Proposed popular initiative: Charter of Universal Labour Rights (09/2016)

The CISL's legislative proposal and the adoption of the law (I)

- Popular initiative law promoting worker participation in companies proposed only by the CISL (27/11/2023)
- Law No. 76/2025 on workers' participation in the management, capital and profits of enterprises
- Compared to the original proposal, the law that came into force on 10 June 2025 is a strongly reduced version
- No enforceable rights: introduction of participation only on a voluntary basis and through negotiation
 - a law that should promote company-level participation
- BLER, economic and financial participation, organisational and consultative participation

The CISL's legislative proposal and the adoption of the law (II)

- Participation of one or more worker representatives in the supervisory board, the board of directors or in the controlling body
- Also in representation of employees participating in financial participation plans
- But BLER is only possible if the company articles of association provide for the presence of workers' representatives on the boards - companies are not forced to negotiate
- With regard to BLER, the law does not represent an advancement on the possibilities that already existed before: the law codifies the status quo
- Art. 46 speaks about the right of workers to participate in the management of companies. But law no. 76/2025 does not include any enforceable right.

Conclusions

- Negotiated participation: unsatisfactory results
- The main obstacle: employers' associations
- No pioneering role of state-owned companies
- Impact of European directives: non-existent
- Unfavourable balance of power
- The Italian approach to participation is evolving, but remains faithful to its traditions, which are deeply rooted in collective bargaining and information and consultation rights, but exclude mandatory board-level employee representation

