# Statute for a European company: involvement of employees

1989/0219(CNS) - 01/02/2001 - Amended legislative proposal for reconsultation

On 30 June 1970, the European Commission presented its first proposal for a regulation concerning a European Company. This proposal was modified in 1975. On 25 August 1989, the Commission presented new proposals concerning the Statue for a European Company and an associated directive regarding the involvement of employees, which were modified in 1991. The European Parliament gave its opinions on the proposals but the Council subsequently decided that the correct legal base for the proposals was Article 308 of the EC Treaty. In December 2000, the Council agreed unanimously on guidelines for political agreement on two acts concerning the European Company (SE): the Regulation on the Statute for a European Company and second, the Directive supplementing the Statute for a European Company with regard to the involvement of employees. The Council decided to consult the European Parliament again following legal/linguistic finalisation of the texts, given the substantial changes introduced since Parliament was last consulted, including the change in legal basis. Against this background, the rules relating to employee involvement in the SE are the subject of the Directive on which agreement was reached in the Council in December 2000. The provisions contained in that Directive form an inseperable complement to the aforementioned Regulation and must be applied in parallel. This Directive supplements the Regulation as regards the involvement of employees in the affairs of the European Companies, in order to ensure that the creation of an SE does not entail the disappearance or reduction of employee involvement existing within the companies participating in the establishment of an SE. Other provisions of the Directive include procedures for the information and consultation of workers at transnational level and the management or administrative organs of the participating companies deciding to set up an SE. Finally, Article 7 (c) of the Directive is changed to allow for Member States to fix the rules which are applicable in the absence of any decision on the matter for a Statute for a European Company registered in their territory.