Last week Theresa May promised to tackle bad bosses and excessive boardroom pay along with pledging that conservatives will take back centre ground. Sounds good, in theory. But, if she really wants change to come then we need an economic plan that *works for all* and doesn’t leave communities in the North East behind.

Speaking at the Conservative Party Conference, the Prime Minister repeated her commitment to introduce worker representation on company boards. The TUC has just published a new report ‘[All Aboard](https://www.tuc.org.uk/economic-issues/corporate-governance/workplace-issues/all-aboard-making-worker-representation)’ that sets out proposals for making this a reality, arguing that laws to put worker board representation into practice could be on the statute book within a year.

The TUC has long argued that including workers on company boards would change the culture of the boardroom and help boards to focus on long-term company growth.

Workers have a clear interest in the long-term success of their company, as any union representative negotiating with company management knows. They also bring in-depth knowledge of the day-to-day running of their company and are well-placed to advise on the crucial area of [employment](http://www.chroniclelive.co.uk/all-about/employment) relationships, which are critical to long-term value creation.

Company workers are also more likely to understand how the company and its practices – for example on executive pay – will be viewed by the public. There is evidence from across [Europe](http://www.chroniclelive.co.uk/all-about/european-union) that including workers on company boards is associated with lower levels of executive pay.

There is also evidence from Denmark that worker representatives on boards are more likely than shareholder representatives to take broader stakeholder interests, including community interests and environmental impacts, into account.

The Government should legislate to provide such representation, beginning with large companies who very often already provide for workers on their boards in plants in other EU countries, and ensure that time off and training is funded to ensure that such representatives are competent in that role.

All the evidence shows that where workers are genuinely consulted and engaged at work business benefits too, with reduced turnover, decreased absenteeism and improved performance.

In most European countries, worker board representation is an accepted and valued part of corporate governance: in 19 European countries workers have the right to sit on company boards, and in 13 countries these rights are extensive in that they cover private and public limited companies, as well as state-owned enterprises.

Countries with stronger workers’ participation rights – meaning widespread rights for board representation, workplace representation and collective bargaining – do better in terms of their employment rate, expenditure on R&D and the risk among the population of poverty or exclusion, plus a whole range of other indicators.

Experience from Europe also shows that worker board representation operates successfully in countries such as Sweden, Norway and Ireland, who have a unitary board structure, as we do in the UK, as well as in countries that have a two-tier board structure, such as Germany and Austria. So, my message to the Prime Minister would be ‘actions speak louder than words’…

**Beth Farhat**

**TUC Regional Secretary**