

EUROPEAN PARLIAMENT

1999



2004

Session document

9 February 2004

B5-0090/2004

MOTION FOR A RESOLUTION

further to the Commission statement

pursuant to Rule 37(2) of the Rules of Procedure

by Fausto Bertinotti, Armando Cossutta, Luigi Vinci, Sylviane H. Ainardi and
G rard Caudron

on behalf of the GUE/NGL Group

on the case of Terni and the crisis in the iron and steel industry

European Parliament resolution on the case of Terni and the crisis in the iron and steel industry

The European Parliament,

- having regard to the objectives of promoting growth and employment in the European Union, defending the dignity of labour, providing adequate forms of social protection and combating social marginalisation set out at the Lisbon Summit of the heads of state and government on 23 and 24 March 2000,
 - having regard to the Commission communication COM(2004) 29 of 21 January 2004 which asks the Member States to commit themselves more fully to implementing the Lisbon strategy,
 - having regard to Council Directive 98/59/EC of 20 July 1998¹, which lays down precise procedures with regard to information, notice and consultation with workers' representatives in the event of collective redundancies, with the aim of avoiding or reducing the number of such redundancies and providing for accompanying social measures aimed at retraining workers hit by redundancy and reintegrating them into the productive cycle,
 - having regard to Council Directive 201/23/EC of 12 March 2001² on the safeguarding of the rights of employees affected by transfers of undertakings,
 - having regard to the extremely precarious situation in the iron and steel sector and the lack of a global recovery plan at European-level, as already emphasised in previous EP resolutions,
 - having regard to the scaling-down of employment and the reduction in production capacity, at present only temporarily postponed and also threatened by other iron and steel groups such as Arcelor, with the closure of the blast furnaces at Saraing in Belgium, and Lucchini, with the decommissioning of the plant at Servola (Trieste) in Italy,
 - having regard to the process of relocation to Mexico, India and China launched by Thyssen Krupp in the stainless steel sector, with no regard for the rules on or the safeguarding of employment or the maintenance in the European Union of high-quality production in the iron and steel sector,
 - having regard to Rule 37(2) of its Rules of Procedure,
- A. whereas the Italian iron and steel industry has undergone complete privatisation, starting in 1995, with a drastic reduction in the number of employees from 100 000 to only 40 000 in 2001, while thanks to significant increases in productivity, the annual production rate

¹ OJ L 225, 12.8.1998

² OJ L 82, 22.3.2001

has reached 26,5 million tonnes, which is 8% higher than production levels in the 1990s,

- B. whereas this rationalisation has entailed a reduction in the number of production sites from 68 to 42, of which only 4 are large sites with oxygen converters, while the remaining 38, including the AST plant at Terni, are steelworks with electric furnaces,
 - C. whereas the company Thyssen Krupp, which owns AST Terni, used EU structural funding between 1995 and 1999 to restructure the site and retrain the workforce, turning Terni into one of its three high-tech leading-edge plants in Europe,
 - D. whereas that company provided, in its own business plan, for the closure of AST's magnetic operations, with the announcement of 900 redundancies and continuation solely of stainless steel production at Terni, which nonetheless would soon also be terminated, with even more devastating effects on employment and the region's economy,
 - E. whereas that decision was to have been adopted on 9 February 2004 but, thanks purely to the mobilisation of the workforce, trade union organisations and local inhabitants and organisations, and to the enormous support for the general strike on 6 February 2004, was deferred by Thyssen Krupp, which has convened a meeting of its executive committee for 23 February 2004,
 - F. whereas a scaling-down of the workforce would above all affect new and young generations of iron and steel workers, who started work on the back of the massive generation change that took place during the restructuring of the industry in the 1990s,
 - G. whereas, therefore, a large pool of professional knowledge, obtained thanks to the harnessing of Community funds including the ESF, would be wasted, with there being no employment prospects in the sector,
1. Fully supports the mobilisation of the workforce, trade union organisations and all the inhabitants of Terni and its province aimed at ensuring the continued operation of what is a high-technology production site;
 2. Calls on the Italian Government to adopt and ensure that Thyssen adopts urgent measures, including retraining plans, to prevent the closure of AST Terni; emphasises the prime responsibility that Thyssen and the Italian Government have with regard to managing the employment crisis in Terni;
 3. Condemns the flagrant violations by the Thyssen management of Council Directive 98/59/EC of 20 July 1998¹, which lays down precise procedures with regard to information, notice and consultation with workers' representatives in the event of collective redundancies, with the aim of avoiding or reducing the number of such redundancies and providing for accompanying social measures aimed at retraining workers hit by redundancy and reintegrating them into the productive cycle;
 4. Calls on the Italian Government and the Commission to apply all the measures provided for in Council Directive 98/59/EC of 20 July 1998 to ensure that Thyssen conforms to

¹ OJ L 225, 12.8.1998

European labour legislation;

5. Calls on the Commission to revitalise the European iron and steel sector in Europe by developing production capacities, knowledge and specialist skills in each Member State;
6. Calls on the Commission to make the award of financing under the Structural Funds and in particular the European Social Fund conditional on compliance with precise conditions that prevent recipients from relocating production sites whose consolidation has been the subject of Community assistance;
7. Calls on the Commission to investigate the use of European funds by Thyssen to verify that these have been used for the industrial development of the company and not for financial speculation or other purposes; requests that the European Parliament be informed of the results of this investigation and, if the need arises, that Thyssen be asked to account for the use of those funds;
8. Calls on the Commission to draw up a new framework directive against collective redundancies and for greater protection of employment in a context of the gradual erosion of living and working conditions engendered by an unregulated globalisation of the market;
9. Calls on the Commission, therefore, to bring forward cohesive regulations that shield workers from the unacceptable consequences of company relocations, to promote rules that include social clauses protecting employment and the living standards of the families concerned, and which stipulate that companies must provide undertakings with regard to professional retraining;
10. Invites the Member States concerned (Italy, France and Germany) to hold discussions therefore to review Thyssen Krupp's business plan before 23 February 2004, with a view to supporting and bolstering in the EU, in accordance with the guidelines put forward by the Commission, types of production apt to enhance development, employment and social well-being;
11. Instructs its President to forward this resolution to the Commission and the Council, and to the Italian Government and Parliament.