



Plenary sitting

B8-1053/2016

28.9.2016

MOTION FOR A RESOLUTION

to wind up the debate on the statements by the Council and the Commission

pursuant to Rule 123(2) of the Rules of Procedure

on the need for a European reindustrialisation policy in light of the recent
Caterpillar and Alstom cases
(2016/2891(RSP))

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on behalf of the GUE/NGL Group

European Parliament resolution on the need for a European reindustrialisation policy in light of the recent Caterpillar and Alstom cases (2016/2891(RSP))

The European Parliament,

- having regard to its resolution of 14 September 2016 on social dumping in the European Union¹,
- having regard to its resolution of 25 November 2014 on the employment and social aspects of the Europe 2020 strategy²,
- having regard to its resolution of 15 January 2013 with recommendations to the Commission on information and consultation of workers, anticipation and management of restructuring³,
- having regard to the Universal Declaration of Human Rights of the United Nations, and in particular Articles 22 and 23 thereof on economic and social rights and the right to work,
- having regard to the Charter of Fundamental Rights of the European Union, and in particular Chapter IV thereof on solidarity,
- having regard to the Treaty on the Functioning of the European Union (TFEU), and in particular Articles 6 and 147 thereof,
- having regard to the Treaty on the Functioning of the European Union (TFEU), which requires both the Member States and the EU to ensure the competitiveness of European industry, and in particular Article 173 thereof,
- having regard to Article 174 TFEU on economic, social and territorial cohesion, in particular in areas affected by industrial transition,
- having regard to its resolution of 4 February 2014 on the Action Plan for a competitive and sustainable steel industry in Europe⁴,
- having regard to its previous resolutions on the steel industry and on the restructuring, transfer and closure of companies in the EU,
- having regard to its resolution of 21 May 2013 on regional strategies for industrial areas in the European Union⁵,
- having regard to the recommendations of 12 February 2013 of the High-Level Round

¹ Texts adopted, P8_TA(2016)0346.

² OJ C 289, 9.8.2016, p. 19.

³ OJ C 440, 30.12.2015, p. 23.

⁴ Texts adopted, P7_TA(2014)0069.

⁵ OJ C 55, 12.2.2016, p. 6.

Table on the future of the European steel industry,

- having regard to the Competitiveness Council meeting of 18-19 February 2013, which urged the Commission to present an action plan;
 - having regard to Rule 123(2) of its Rules of Procedure,
- A. having regard to the closure announced by Caterpillar in Belgium, leaving more than 2 000 people out of work, and to its intention of transferring its site's activities to France and to other plants outside Europe; whereas this announcement is linked to the global restructuring and cost savings plan announced in September 2015, which could do collateral damage to the company's many subcontractors, increase the total job losses to more than 5 000 and see the company cut as many as 10 000 jobs worldwide in the coming years;
- B. whereas Caterpillar has said it is also considering closing its facility in the north of Ireland as part of business restructuring there, which could result in the loss of up to 250 jobs;
- C. whereas with 2015 sales and revenues of USD 47.011 billion, Caterpillar is the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives; whereas the United States Senate Investigative Committee formally pointed out in 2014 that Caterpillar had been avoiding paying taxes by shifting profits to its Swiss subsidiary since 1999;
- D. whereas the French group Alstom has announced its intention of stopping production of trains at Belfort by 2018 and transferring these activities to another site located in Reichshoffen, leaving 500 people without employment, because the current level of orders for locomotives for freight and high-speed trains manufactured in Belfort does not justify keeping the factory open;
- E. whereas Alstom has made more than EUR 6 billion in profits in the last ten years, and its current difficulties therefore stem inter alia from a lack of investment on the part of irresponsible shareholders since its privatisation;
- F. whereas Alstom was weakened by the sale of its energy division to the US company General Electric in 2014, and whereas the company is to a great extent a victim of 10 years of the EU's inability to protect industry, when not directly destroying it in the name of free competition, as the Commission did by scuttling several Alstom rescue plans;
- G. whereas the railway construction sector is a strategic factor in the ecological evolution of transport, which is necessary in Europe and incompatible with the rail liberalisation driven by the Commission with four successive directives that opened the market in the railway sector;
- H. whereas the European industrial sector has played a historically significant role in the European integration process;
- I. whereas the steel industry is essential for growth and prosperity in Europe and is

currently suffering from a substantial drop in demand, causing a continuous loss of jobs and competitiveness which does not bode well for the necessary recovery of the European economy;

- J. whereas in order to ensure cohesion within the European economy, an excessive concentration of high-value-added industry in a few regions, including in the base-metal sector, should be avoided;
 - K. whereas research, development and innovation in this sector is key for European industry; whereas plant closures often result in an irreversible loss of technology and know-how, and deskilling of the industrial workforce;
 - L. whereas the austerity measures have generated deep social hardship for the workers and regions affected; whereas high unemployment rates in the EU correlate with its shrinking industrial and manufacturing production base;
 - M. whereas relocations within the EU encourage a social downward spiral and are incompatible with any effective and consistent industrial policy, cohesion and development;
 - N. whereas companies involved in restructuring have a responsibility to put social dialogue at the heart of the restructuring processes and should act in a socially responsible manner, as experience has shown that socially and economically sustainable restructuring is never achieved without sufficient social dialogue, with a special focus on informing and consulting workers;
 - O. whereas differences between insolvency regimes among EU Member States lead to loopholes that are used by multinationals to minimise their losses when restructuring, while maximising the societal cost of their relocation decisions through the transfer of assets from one country to another;
 - P. whereas recovery and self-management of companies by workers is a common solution to insolvency proceedings which maintains the level of activity and jobs, showing that it is a real alternative for maintaining quality jobs in the EU;
1. Express its strong solidarity with workers, their families and those who are directly affected, and demands that measures be urgently adopted to support workers and their families by helping them keep their employment or find new jobs, to support local economies and to assist the regions in overcoming this difficult economic and social situation;
 2. Strongly condemns these unacceptable closures, the restructuring plans and the strategic economic decisions made by the multinationals, leaving thousands of workers out of a job;
 3. Denounces the dismantling of policies for European industry and calls for the creation of alternative policies in collaboration with workers' representatives, with a European objective of reindustrialisation and energy transition;
 4. Urges the Member States to ensure adequate social protection and working conditions

and decent wages, by means either of law or collective agreements, as well as effective protection against unfair dismissal;

5. Condemns the lack of a real EU industrial policy that could protect EU workers from multinationals' speculative decisions; calls for an industrial policy that allows state participation in strategic industries, including nationalisation, in order to maintain key production and jobs;
6. Emphasises the importance of the skills and qualifications of the workers in both the energy sector and the railway industry; calls for active employment and industrial policies that ensure that this knowledge is developed and recognised as an important asset of the European base-metal industry; asks that the maintenance of industrial know-how and a skilled workforce be considered in assessing the viability of production in any particular plant;
7. Calls on the Commission to come forward with a European framework for insolvency proceedings that puts not only creditors, but also workers, at the centre of the process, focusing on preserving as many jobs as possible; calls to this end for instruments such as employee buyouts and worker self-management to be facilitated in order to keep factories in production despite the insolvency of their owners;
8. Calls for a revision of competition policy and state aid rules with a view to facilitating public intervention aimed at maintaining social and regional cohesion, improving labour and environmental standards and addressing public health concerns;
9. Calls for a moratorium on the liberalisation of rail transport and for an independent impact study of the previous stages of liberalisation which involves worker representatives and users of the sector;
10. Denounces the Caterpillar group's profits, dividends paid to shareholders and interest paid to banks and creditors, and the austerity policies pursued in Europe that reduce demand for private and public operators;
11. Denounces the fact that without effective country-by-country reporting, multinationals can transfer profits to another country while declaring losses and even insolvency; calls for an extension of country-by-country reporting obligations to all administrations, not only EU countries and non-cooperative jurisdictions, as well as for reinforced information obligations for companies that close factories or declare insolvency in any Member State;
12. Urges the Member States to recover all the resources dedicated to supporting companies in the form of subsidies, tax benefits, land price reductions, etc. when a company decides to relocate or close its production plants;
13. Recalls that the potential aid granted by the European Globalisation Adjustment Fund cannot be used to facilitate departure from the site, and insists that the European Globalisation Adjustment Fund be used to help workers recover their factory in order to maintain jobs;
14. Calls for both the EU and its Member States to ensure that adequate financial funding is

available for training and recovery actions to support critical transition periods in European industry;

15. Calls for another European policy not based on social tax and fiscal dumping, and urges the Commission to tackle the social dumping that arises from delocalisation to third countries, including by means of a revision of competition rules, with a view to avoiding both delocalisation processes and a worsening of the effects of the crisis;
16. Emphasises that restricting demand must not lead to unfair competition for jobs among the Member States; calls, therefore, for a solution that safeguards and creates good jobs and industrial activity in Europe's regions;
17. Asks for both the EU and its Member States:
 - to find ways of saving these jobs by spreading production over a number of plants and limiting shareholders' dividends;
 - to ensure transparency in financial transfers from the European subsidiaries to the parent company in the United States or in tax havens;
 - to implement sanctions against the multinational Caterpillar if it persists in its restructuring plan;
18. Stresses that EU standards of corporate social responsibility cannot be implemented when a company relocates its production without heeding the social consequences of its economic decisions; calls for mandatory instruments to compel companies to internalise the social costs of their relocation decisions;
19. Issues a strong call to the EU and the Member States to push forward an agreement on the United Nations binding treaty on transnational corporations, which is currently being discussed in the UN Human Rights Council, in order properly to address abuses by transnational companies; calls in this connection for economic, social and cultural rights to be incorporated into the scope of this agreement;
20. Instructs its President to forward this resolution to the Council, the Commission, and the governments and parliaments of the Member States.