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## MOTION FOR A RESOLUTION

to wind up the debate on the statement by the Commission

pursuant to Rule 103(2) of the Rules of Procedure

by Sepp Kusstatscher, Jean Lambert, Jean-Luc Bennahmias, Elisabeth Schroedter and Monica Frassoni

on behalf of the Verts/ALE Group

on the steel industry (Terni)

**European Parliament resolution on the steel industry (Terni)**

*The European Parliament,*

- having regard to the Charter of Fundamental Rights of the European Union, in particular the provisions relating to social rights, in conjunction with Article 136 of the EC Treaty, pursuant to which Member States undertake to pursue the promotion of employment, improved working and living conditions, adequate social protection and social dialogue, the development of human resources with a view to lasting high employment, and measures to combat exclusion,
  - having regard to Directive 2002/14/EC of 11 March 2002 on informing and consulting employees and Directives 98/59/EC of 20 July 1998 and 94/45/EC of 22 September 1994 on the establishment of a European Works Council and on the approximation of the laws of the Member States relating to collective redundancies, both of which served to harmonise the instruments of the dialogue between the social partners;
  - having regard to its previous resolutions concerning the iron and steel industry and industrial restructuring and mergers, in particular the unanimously adopted resolution of 12 February 2004 on the crisis in the iron and steel sector, which referred to AST/Thyssen Krupp at Terni;
  - having regard to Rule 103(2) of its Rules of Procedure,
- A. having regard to the continuous job losses in the iron and steel industry within the EU,
- B. concerned about the cessation of technologically advanced production of types which, in recent years, have been seen as models of technological know-how and therefore worthy of protection for employment reasons and in order to maintain market shares,
- C. whereas at the beginning of 2004 Thyssen Krupp had already decided to close the magnetic unit of AST at Terni, which would have involved the loss of 900 jobs in the area,
- D. whereas, thanks to the mobilisation of workers and trade unions, as well as representatives of the local authorities, and thanks to measures also supported by the European institutions, the decision of Thyssen Krupp was withdrawn, and whereas on 17 June 2004 a Memorandum of Understanding was signed in order to continue the production of magnetic grain-oriented steel sheeting at the Terni site,
- E. whereas less than six months after that agreement, the company, which did not attend the meetings already scheduled on 23 November between the social partners and the Italian Government, confirmed its intention, at the last meeting of its Board of Directors, of closing the AST unit producing the magnetic iron sheeting; whereas this decision was implemented on 7 February 2005, compelling the 360 workers concerned, without warning, to start drawing unemployment benefit,

- F. whereas there is no reason of an industrial nature which clearly justifies non-compliance with the agreements signed in June 2004, and whereas moreover the company's profits have increased by 55% and recently exceeded € 844 million,
- G. whereas, in its investment plan, Thyssen Krupp had undertaken to make Terni the European centre of excellence for magnetic iron sheeting, and in June 2004 the Italian Government had made related concessions in terms of infrastructure and energy costs,
- H. having regard to the renewed mobilisation of the employees and workers concerned, trade union organisations, local people and representatives of the local authorities,
- I. having regard to the huge amount of public expenditure, granted from the Structural Funds under Objective 2 and from the ESF, in order to develop the local system and infrastructure and for professional training, which AST/Thyssen Krupp could directly and indirectly have drawn upon,
- J. whereas solidarity needs a concrete expression from the Member States, for both present future generations, to promote the necessary economic and social cohesion in order to support the disadvantaged areas and to reduce disparities between populations within the Union,
1. Calls on the Italian Government and the Commission to promote immediate initiatives to urge Thyssen Krupp to revoke its decision to close the magnetic steel unit within AST at Terni and to reinstate in their jobs the 360 workers affected by that decision;
  2. Calls on Thyssen Krupp, irrespective of the initiatives of the Italian Government and the Commission, to maintain the level of employment, respect the investment plan produced last June and enhance the other steel production lines not directly linked to the 'core business' of stainless steel;
  3. Expresses solidarity with the workers affected and their families, including workers occupied in ancillary companies and in sectors linked to AST's production who are in danger of becoming unemployed;
  4. Calls on the Commission and the Member States to adopt a resolute strategy to cope with industrial restructuring and its social impact, with the aim of preventing adverse repercussions on employment, on conditions at work and on regional development, in accordance with the Commission's work programme concerning the management of production changes and their social consequences adopted in November 2002 in agreement with the social partners;
  5. Reminds the Commission that, following the winding-up of the ECSC, its responsibilities include dealing with the economic and social consequences of the development of the European iron and steel industry and clearly indicating proposals for safeguarding industry, particularly the iron and steel industry, within the new cohesion policy that will enter into force on 1 January 2007;
  6. Considers that Europe must create better conditions for the development of advanced industrial sectors using high technology by investing in research and innovation, drawing

on EU funds from the Seventh Research Framework Programme, which should also be used to develop new materials, new designs and new products in order to ensure innovation and sustainable development of traditional industrial sectors;

7. Considers that all subsidies from public funds, including the Structural Funds, must be conditional on agreements on maintaining the level of employment, on local development and on dedicated investments to modernise production;
8. Considers that the Commission should draft a legislative proposal for strengthening the provisions related to the prohibition on relocation in the case of enterprises that receive Community subsidies, both by extending the period during which the firm concerned must continue production in the relevant region and by asking it to commit itself to provide alternative solutions in terms of product innovations or new working procedures, so as to maintain levels of employment;
9. Calls on the Member States to promote and strengthen the social dialogue, with due respect for national and European legislation on informing and consulting employees, and to adopt effective measures to protect trade-union representatives;
10. Instructs its President to forward this resolution to the Commission, the Council, the governments and parliaments of the Member States and the social partners.