Safeguarding of employees' rights in the event of transfers of undertakings

1994/0203(CNS) - 29/06/1995

The President of the Council outlined the current situation on this matter. It will be examined further by the Permanent Representatives Committee under the incoming Spanish Presidency. The aim of the proposal is to revise Council Directive 77/187/EEC of 14 February 1977 in the light of the impact of the internal market, new tendencies in Member States' laws on the rescue of undertakings in economic difficulties, the case-law of the Court of Justice, the adopted revision of the Directive on collective redundancies and the legislation already in force in most Member States. The following are the main changes proposed by the Commission: - to clarify the application of the obligations of the Directive to transnational transfer decisions and to groups of undertakings; - to make provision for greater flexibility for transfers carried out in the context of insolvency proceedings; - to reformulate and clarify the scope and definitions of the existing Directive; - to clarify the laws on the transfer of one part of the undertaking' s activity.