Industrial restructuration and in the European Union and relocation

1994/2208(INI) - 22/10/1996

At the end of a close vote, the Committee adopted the report by Mrs Heidi HAUTALA (Greens, FIN) on industrial restructuring and relocation within the EU (own initiative). Relocations are a complex problem. As the report underlines, they can be positive in creating jobs in certain sectors, but they can also have detrimental effects in removing employment from regions which have no alternative. The report therefore proposes a series of measures to limit the negative effects both inside and outside the Community. Within the EU, it was important that priority be given to sustainable development and that measures be taken to deter speculation, which undermines economic decision making. In order to prevent fiscal and social dumping, the report called for these areas to be harmonised, including the provision of uniform social cover prohibiting any derogation clause. In addition, a revision of transport pricing could significantly affect certain relocation decisions. As regards support through the Structural Funds, there should be an element of conditionality associated with long-term commitments on employment and local development. Lastly, with regard to relocation and restructuring, European Works Councils were needed to guarantee transparency of relocation. The report emphasized in general terms that existing Community policies, such as competition, industrial, trade and internal market policies, are not adequately coordinated. Outside the Community, the report stressed the need for social clauses to be incorporated into commercial agreements, on the basis of the ILO (International Labour Organization) Conventions.