Industrial restructuration and in the European Union and relocation

1994/2208(INI) - 13/11/1996 - Text adopted by Parliament, single reading

In adopting the report by Mrs Heidi HAUTALA (Greens, FIN), the European Parliament emphasized that business relocations can have a positive effect in creating employment in certain sectors, but that they can also have adverse effects when they remove employment from regions which do not have any alternative. Parliament therefore proposed a series of actions designed to limit the negative effects of such relocations both inside and outside the Community. Within the Community, it was important that priority be given to sustainable development and that measures be taken to deter speculation, which undermines economic decision making. In this respect Parliament stressed that the success of EMU will constitute a major step towards solving this problem. In order to prevent fiscal and social dumping, the European Parliament called for these areas to be harmonised, including the provision of uniform social cover prohibiting any derogation clause. As regards Community support via the Structural Funds, there should also be an element of conditionality associated with long-term commitments on employment and local development. Lastly, Parliament called for European Works Councils to be set up to guarantee transparency of relocation. Parliament 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 European Parliament stressed the need for social clauses to be incorporated in commercial agreements, on the basis of the ILO Conventions. It called on the Commission to investigate the consequences for relocations within the EU of greater freedom of movement for workers and greater mobility for their pension rights.