



Members of the EP Employment Committee

5 July 2012

Dear Member of the European Parliament,

Before 9 July 2012, you have the possibility to submit amendments on the draft report developed by Mr Alejandro Cercas on Information and consultation of workers, anticipation and management of restructuring (2012/2061(INI)).

With this letter, we seek to inform you about the far-reaching consequences that the proposal made by the rapporteur to demand a directive on restructuring would have on Europe's capacity to create growth and jobs.

Restructuring is at the heart of economic and social adaptation to change. It is a condition for economic success and job creation. As rightly acknowledged by article 173 of the Treaty, **speeding up the adjustment of industry to structural changes is part of the conditions the EU and Member States must ensure for the competitiveness of European industry.** At the same time, a constructive social dialogue is needed in companies to ensure that the negative consequences of change for workers are minimised.

Therefore, **a balanced policy approach to restructuring should prevail.** We believe that the Commission's green paper on restructuring is a balanced basis because it puts companies' and workers' needs on an equal footing. By contrast, the proposed directive on restructuring would only create new burdens on companies and delay companies' decision making without addressing the priority of many Europeans nowadays, which is to find a job.

More specifically, several proposals made in the draft report are unacceptable:

- **Requiring European companies to negotiate social plans** would ignore the different ways in which Member States organise support for redundant employees. Some Member States assume that affected workers should be placed under the responsibility of employment services and benefit from social protection, while others impose more onerous obligations on companies. Harmonisation at the EU level would be detrimental.
- BUSINESSEUROPE asks for a new European approach to education to better match companies' skills needs. **The proposal to establish an individual right to a given number of hours of training** at European level would go beyond what the EU can do under its social and education policies. Rather, the EU could contribute to upgrading educational and vocational training systems at national level through the European Social Fund.



- **Imposing on companies to monitor on a permanent basis the psychosocial health of employees and workers made redundant** would create far-reaching and costly obligations with no return in terms of workers' employability.

Moreover, in September 2012, the European Commission will review its 2010 flagship initiative on industrial policy of which the EU initiative on restructuring is an integral part. BUSINESSEUROPE asks the Commission to ensure that all new legislative proposals are subject to competitiveness-proofing. Clearly, the draft directive presented by the rapporteur would not pass such a test.

**Therefore, we urge you to reject the draft report and to choose a different approach.** Instead of imposing costly new obligations on companies, what is needed is a focus on measures that will stimulate private-sector-led economic growth. BUSINESSEUROPE has put forward its proposals to restore business confidence to 'grow out of the crisis' – see attachment. We invite you to draw inspiration from them in your reflections on the role of the EU in the field of restructuring.

Adapting to change requires **an integrated approach covering multiple areas e.g. industrial, employment, education, innovation, and regional policies.** As ever, there is a need to further develop the EU single market, to improve access to international markets and to increase the innovative capacity of European economies.

On labour markets, actions are mostly needed at national level to **boost job creation and facilitate labour market transitions**, so that even when people face redundancy they can feel confident that opportunities exist in other jobs or sectors. This should be done in the context of the European Commission's employment package published on 18 April 2012.

I hope that you will find these elements useful and remain at your disposal for any clarification you may need.

Yours sincerely,

Philippe de Buck