



## Statement from the ECID regarding the restructuring plan 04/07/2007

### Information

The ECID regrets that the management, in spite of a display of 'reinforced social dialogue', has only provided substantial information on the plans for cutting 12500 jobs because of a court decision. However, the documentation provided on mid-June doesn't still justify the manpower that has to be reduced per country and per activity. It contains different incoherencies and cannot be the reference document for the national consultations. The global dimension of this restructuring, a consequence of the merger between an American company and a French one, is being masked by the artificial European perimeter presented to the representatives, only permitting a very limited view of the situation. In addition, the included distribution between two professional classes is not sufficiently specified. Because the ECID doesn't have the right for an expert as such but only access to the expert for the French Group Committee, it has not been able to engage in a coordinated debate by its members on the arguments provided for each activity. It cannot therefore but formulate general observations and wishes:

### Observations on the motives for this plan

As we sensed, the official figures show that only 52% of the 3767 job cuts in Europe are linked to overlapping of activities between Alcatel and Lucent, 18% would be caused by the transfer of activities -that is, relocations-, and 30% would be linked to the market situation. This distribution shows that the top management has built on this merger to engage in a relocations process more important than in the past, and also to adjust the personnel in accordance to short-term sales figures. It's particularly worrying that both activities 'Convergence' and 'Services', that were presented as the driving force for growth for the future of the company, represent just by themselves 40% from the total of job cuts in Europe. Additionally, cutting almost one hundred jobs in the 'Enterprise' activity is in total contradiction with the displayed ambition for this business and its positive financial situation. The ECID members are specially worried about the strong reduction of the R&D potential in Europe and the transfer of highly qualified activities to low cost countries; we are also worried about the company model based on an increase of subcontracting in strategic activities. Thus, the new management abandons its role of being a European actor involved in the ICT sector in Europe. On occasion of this plan, the social movements reaffirm the urgency for maintaining and renewing the R&D potential and its related tasks in order to strengthen the innovation capacity of the European teams.

### Wishes of the representatives

- Obtain global visibility of the activities of the company.
- A real and in-depth negotiation in each country between management and employee representatives.
- Information on the mobility charter between Alcatel Lucent and Thalès, which should have been subject to dialogue with the social partners.
- Recruiting in all strategic and overloaded sectors with higher R&D investment in Europe.
- An active involvement of the company in European projects in order to develop the ICT sector in Europe. The ECID will keep working in parallel so that a true European offensive strategy for the ICT sector is introduced and competition rules are respected.
- Favoring strategic cooperation between European carriers and providers.
- An active policy for training and adaptation of skills to due to the fast technological evolutions, putting in common the best internal practices.
- The commitment for opening negotiations for a new European Works Council agreement after the summer because the ECID voted unanimously in December 2006 such negotiations. A timetable should be specified.
- An end to the anti-union policy in the USA and other places.