



Press release from the Alcatel-Lucent European Works Council (ECID)

26th February 2007

Management refuses to suspend its restructuring plan. Action continues in defence of jobs and against the plans to off-shore R&D and strategic activities. Management finally acknowledges European Works Council rights.

With 4500 job cuts in Europe, 1468 of which have been officially announced in France and 877 in Germany, the company's innovation resources will be significantly weakened by this management decision, as R&D and strategic activities are in the front line. The plan consists in off-shoring resources to low cost countries, notably China, India and Russia.

The vigorous reaction by the workforce is, above all, a protest against:-

- the policy of low-cost relocation and desertion of Europe
- the practice of coupling jobs and skills to short-term variations in sales figures
- the scandalous dividend payment to shareholders,

and is a call for:-

- a reduction in executives' exorbitant salaries at a time when the workforce is subject to strict economy measures

- a positive strategy to encourage initiative and new product developments within the current context of a major technological change.

A company which bases its strategy on cost reductions instead of investing in the potential of its workforce is heading towards disaster. It is a company that is afraid of the future.

Like the French government, which, ambiguously, expressed the desire for an industrial vision for the telecoms sector and R&D before implementing this restructuring plan, **we call on European governments to react to this plan, which goes against all European intentions of increasing R&D capacity and its ICT industries' innovative potential.**

This will be the theme of a European-wide demonstration and of other initiatives to be decided, on 1st March, co-ordinated by the EMF (European Metalworkers' Federation). This will be a meeting point for protestors who conducted wide-scale demonstrations in France on 15th and 22nd February, in Germany on 22nd and 23rd February, and for protestors in Belgium, the Netherlands, Italy and Spain, where various initiatives were taken to demonstrate a unanimous refusal to accept this descent into the depths.

Under threat of legal proceedings for not following the mandatory consultation procedure with ECID, management has agreed to provide full documentation to the workers representatives in the near future and, allowing sufficient time for them to form their opinions, to organise another meeting to take place mid or end of February with Mrs. Russo and senior management of the major activities of the group. Pending this meeting, national consultation dates will have to be changed.