

Press release of the European Works Council (IRS) of GE/Alstom

The European Works Council (IRS) of General Electric suspends talks with Management

Paris. The members of the Power & Renewable working group of the European Works Council of GE/Alstom have suspended talks with the Management on Wednesday 10 February 2016. This working group was appointed to discuss restructuring plans with the Management which affect the former Alstom sectors "Thermal Power" and "Renewables". The company had announced detailed restructuring plans for all former Alstom Energy Sectors on 12 January 2016, including a staff reduction of around 6500 employees. As a result, a consultation and information process has started with the European Works Council (IRS) in accordance with French law.

In the morning of 10 February, the Works Council had noted that first steps of implementing the plans were already taken by the Management in different countries, such as Estonia, Germany, Great Britain, Sweden and Switzerland. In Estonia, for example, they started with the reduction of 150 jobs. This is completely against the agreement which has been signed by Management and Works Council. In an immediately initiated clarification with the Management the IRS delegates came to the realisation that the information given by the Management, in particular regarding the planned job cuts, is not consistent and that there are reasons to doubt the credibility of information. The Works Council was able to point out several examples where the Management used different and incomprehensible values as a calculation basis for the reduction numbers of the individual sites.

The members of the Power working group have therefore decided to suspend talks with the Management until the Management stops the implementation of plans in all countries concerned. Furthermore, to start discussions with the Management again, the Works Council expects the Management to correct the data concerning the planned staff reduction and to present the data to the delegates in a trustworthy manner.

In a declaration which was given to the Management by the Select Committee of the European Works Council one day later, the employee representatives explain their displeasure regarding the approach of the General Electric Management in this information and consultation phase in four points:

- The figures concerning the planned staff reduction are inconsistent and cannot be used by the delegates in a reliable way. Since those figures are the basis for discussions with the Management and required for the fulfilment of the tasks of the Works Council, it is the Management's responsibility to create a reliable and comprehensible data basis.
- Although the information and consultation process has started over a month ago, the experts of the French Secafi-Alpha institute and the German INFO institute (both appointed by the IRS) still do not have received any documents or contact data for interviews to prepare their expertise.
- The delegates of the Power working group of the IRS have, due to start of implementation of plans in various subsidiaries, reasonable doubts as to whether the Central Management has the power to control the procedure at the individual sites.
- The quality, completeness and the timely information delivery, which were determined in the Methodology Agreement between the Management and the European Works Council in January, are highly debatable.

The IRS delegates call on the Management to fix all the criticised discrepancies in order to lay the foundation to resume the talks.

The IRS delegates emphasise the fact that the Management has also signed the Methodology Agreement. The recognition of this agreement by the Management is absolutely essential for the Works Council in order to fulfill its tasks.

The American Management must also accept that the delivery of essential, complete, useful and credible information is mandatory to resume the talks.