

no²eu

yes to workers' rights

www.no2eu.com

An information bulletin on developments
within the European Union for the
labour and trade union movement

exit left







Introduction by RMT general secretary Bob Crow

25 years after then European Commission president Jacques Delors addressed TUC Congress in Bournemouth promising full employment, better workers' rights and protection from Tory free market policies in return for full support for the 'European project', it is clear that delegates were sold a pup.

Unemployment in the Eurozone remains at a record 12 per cent.

In countries forced to make huge spending cuts in return for 'bail-outs' by the 'Troika' of the IMF, the European Union and the European Central Bank youth unemployment tops 60 per cent.

In Britain and across the EU, health care, education and every other public service face the same EU demands for privatisation and opening to market forces which, of course, the Con Dem coalition is only too happy to oblige.

The proposed EU/US trade deal currently under negotiation also contains mechanisms to remove the ability of member states to decide what sectors, such as the NHS, should stay in the public sector and hands power to unaccountable tax avoiding corporations.

Collective bargaining rights are also being hollowed out by EU diktat and European court rulings which encourage social dumping and severely weakens trade union powers to defend workers.

Over 30,000 Belgian protesters marched through Brussels in June to oppose EU demands to abolish the country's wage-setting mechanisms agreed with trades unions.

The Belgian government has already implemented harsh EU austerity measures but economic affairs Commissioner Olli Rehn announced that Belgium must conform by next year or face a 780 million Euro fine.

The EU catch-all phrase 'free movement' also hands bosses the ability to dictate the terms of employment through exploiting a reserve army of labour in the relentless pursuit of profit.



In this deal, where the scales are tilted so dramatically against workers, the question of what rights workers are entitled to scarcely enters the equation.

This is because the legal scope of the right to free movement for workers is shaped by EU courts and by directives and regulations outside the scope of democratically accountable bodies, such as national parliaments.

Decisions of the European Court of Justice in the Viking, Laval, Ruffert and Luxemburg ECJ cases also take us back over 100 years to the Taff Vale judgment when any trade union activity was perceived by the bosses to be 'in restraint of trade'.

Global companies operating in EU states are free under EU law to tender for procurement building and service contracts in Britain and hire cheaper labour from abroad.

The workers can then be 'posted' to this country under terms and conditions established in the country of origin. These terms and conditions may be less than those negotiated on national or sector-wide agreements by trade unions.

The 1996 EU Posted Workers' Directive says workers posted to a destination country need only be paid the minimum terms laid down in domestic legislation (such as the UK minimum wage), giving bosses the right to smash up nationally-agreed rates of pay.

'Free movement' within the EU impoverishes workers in a race to the bottom and creates a 'brain drain' in Eastern European countries, condemning them to a future of underdevelopment and decline.

European TUC general secretary Bernadette Ségol has noted that EU policies "are attacking industrial relations system, are putting pressure on wages, are weakening public services and weakening social protection...the core aspects of the social model".

So in the Humpty Dumpty world of the EU 'social Europe' is really 'anti-social Europe'.

The reality is that EU treaties are based on Thatcherite economics which ban large-scale public investment to stimulate demand so preventing even the possibility of full employment.

The EU-led attack on trade union rights has been most intense in countries receiving financial 'bail outs' which really only pay the debt owned by Europe's largest banks rather than the country itself.

In Greece, Spain and Italy companies are now legally entitled to set worse terms of employment under the guise of EU demands to increase economic 'competitiveness'.

The EU insists austerity will increase 'competitiveness'. But as Greek bosses drive down wages dramatically there is no sign of economic improvement. In fact, these attacks have directly led to a weakening of the Greek economy.

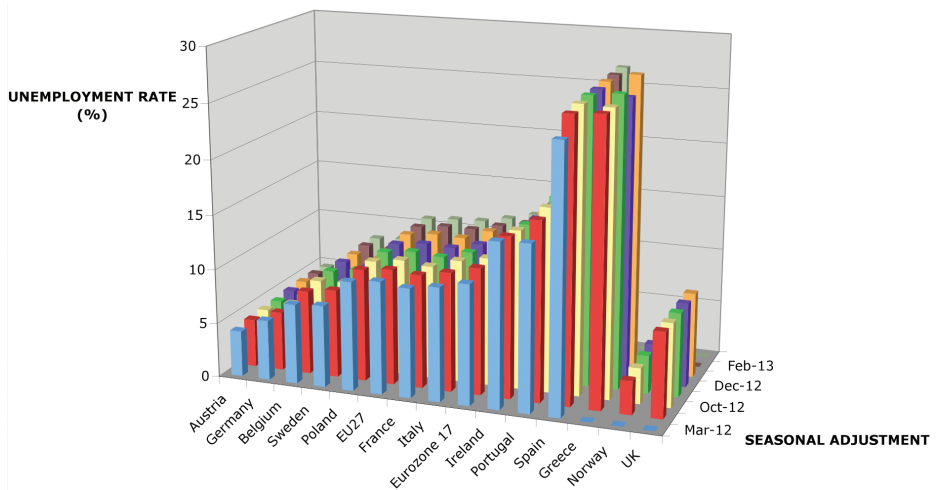


Working people across Europe are sick and tired of the EU business model of fiscal fascism and polls in Britain show that voters want a referendum on EU membership. So why not give them a referendum?

The No2EU campaign will be standing in the 2014 Euro elections under the slogan 'No2EU -Yes to Workers' Rights'. The neoliberal Tory-boys of UKIP should not have a monopoly for opposing a corporate-dominated, anti-democratic EU whose policies they largely support.

The EU supports the privatisation of public transport, so does UKIP. UKIP opposes real workers' rights, so does the EU.

Our movement created the basis for democracy in the 19th century with The Chartists and the demand for universal suffrage which is now being taken from us in the 21st century by the EU. The only rational course is to leave the EU and rebuild Britain with socialist policies.



No2EU says:

- Yes to workers' rights
- No to austerity
- Reject EU treaties that curtail democracy and demand privatisation
- No to EU policies that privatise our transport and postal services
- No to the EU-US Trade Agreement which threatens the existence of our NHS
- Yes to a publicly-owned, socialised health care service free at the point of use
- No to racism and fascism
- Yes to international solidarity of working people
- Withdraw from the European Union



Zero-hours contracts

2013 marked an historic regression in the UK labour market with over one million people working on zero-hours contracts.

While the share of workers' pay and conditions covered by collective agreements continued to decline from around 70% in 1984 to below 33% today, a new and unwelcome watershed of mass casualisation of work has been reached.

The longest and deepest economic recession in history has provided employers with an excuse to slash wages and incomes and permitted new and insecure forms of employment to become mass phenomena, directly determining the pay and conditions of millions of workers in Britain.

So-called 'workfare' schemes (working for unemployment benefit with sanctioned benefit-withdrawal in instances of refusal of work), a massive extension of 'outsourcing' (both through direct privatisation and by increasing reliance on third-party employment through 'labour-only supply agencies' and outsourcing specialists) by local authorities, government departments and the NHS, and the scourge of 'zero-hour' contracts have become the 'new normality' for millions of workers in Britain.

Zero-hour contracts are the dirty secret of an increasingly de-regulated labour market.

A Chartered Institute of Personnel and Development (CIPD) survey estimated one million people were employed on contracts.

The trend towards zero-hours contracts, the growth of 'under-employment' and the flourishing of labour agencies are making traditional aggregate labour market measures such as 'full-time equivalent' (FTE) jobs almost redundant.

When these rapid changes are combined with punitive government sanctions against the unemployed such as 'workfare' this is a recipe for an unprecedented race to the bottom in wages and working conditions.

Average public-sector wages fell from £16.60/hour (2009) to £15.80 (2011), while private-sector wages dropped from £15.10 (2009) to £13.60 (2011). The collapse in value of UK wage earnings has been made worse by attacks on social security benefits.

TUC general secretary, Frances O'Grady has described this as "the longest fall in real wages since the 1870s". This profound regression is a symptom of a deliberate plan to restructure employment, not only in Britain, but in a coordinated fashion across the EU.



‘Europe 2020’

Destroying the concept of a permanent job with rights and replacing it with precarious employment using a permanent reserve army of cheap labour is not only a British phenomenon. This is the core strategy of global banks, employers’ organisations and EU institutions and is favoured by neoliberal politicians in countries across Europe.

The contours of the class war policies carried out by the Tory-Lib Dem coalition government against the working population of Britain were laid out in 2000 by the European Commission in the so-called Lisbon Agenda: a plan to liberalise the economies – and specifically the labour markets – of EU member states.

The much-derided Lisbon Agenda with its promise of ‘flexicurity’ (flexible labour markets to achieve high capital investment-led growth) was followed by ‘Europe 2020’ - a 10-year strategy proposed on 3 March 2010 by the European Commission for "a smart, sustainable and inclusive economy... [to] help the EU and the Member States deliver high levels of employment, productivity and social cohesion" with greater coordination of national and European policy.

The accuracy of this prediction can be seen in the unprecedented levels of unemployment created by the Eurozone in order to ‘restore competitiveness’ to the economies of so-called ‘peripheral’ countries (Ireland, Greece, Portugal, Baltic states).

The EU’s ‘2020 Agenda’ openly calls for wages to reflect productivity, which means cutting wages even further in to compete with the ‘core’ high-investment economies of France and Germany.

In reality, the wholesale suspension of trade union collective bargaining as a condition of a ‘bail out’ in Ireland, Portugal and Greece has demonstrated that workers’ rights and trade union collective bargaining are an obstacle to the EU’s plan to restructure labour markets.

The European Commission, IMF and the European Central Bank now directly intervene in national wage negotiations in Ireland, Greece and Romania to weaken collective bargaining.

As Professor Richard Hyman has noted: “[a] larger puzzle is why the majority of European trade unions were for so long supportive of a project of European integration in which neoliberal aims predominated ... a European political economy which is patently hostile to workers’ rights.”



Scraping the bottom of the barrel

In Germany, the so-called 'Hartz 4' measures since 2005 introduced workfare – known as 'One-Euro Jobs' – on a large scale. Such measures to make the labour market more 'flexible' have contributed to a shift away from steady, well paid, unionised jobs towards more precarious and low-paid employment.

There is no national minimum wage in Germany. Temporary work has mushroomed and many workers, particularly women, have to resort to so-called "mini jobs" or "one-euro jobs", which allow workers to earn up to €400 per month without losing social security benefits. In 2010, a total of 7.3 million Germans worked in these kinds of positions.

If Germany is the model for other European countries to emulate, including Britain, then ask yourself, what would a UK labour market look like with seven million workers 'employed' on zero-hours contracts? What levels of trade union organisation, wage bargaining, pension and sickness arrangements could be achieved under such conditions?

The truth is obvious. The 'flexicurity' promoted through 'Euro 2020' is a freedom for employers to exploit workers without let or hindrance from trade unions, Wage Boards, or Employment Tribunals.

Germany's experience as a 'role model' for an integrated European labour market has been a disaster for workers.

In countries where unions have rejected the crude neoliberalism of 'Euro 2020' by taking generalised, mass strike action to defend their pensions, wages and social rights, the "Troika" of the European Commission, European Central Bank and the International Monetary Fund, has made ending collective bargaining a pre-condition for financial 'bail-outs'.

The new EU "Competitiveness Pact" will promote social dumping and outsourcing and increase retirement age at a time of mass unemployment. The Commission is giving itself extra powers to fine member states up to 1% of GDP in order to enforce austerity budgets.

EU or democracy

EU policies offer workers austerity, unemployment, low wages and privatisation. Despite growing opposition across Europe the undemocratic structures of the EU continues to centralise powers, particularly in the Eurozone. The EU wants to build its own army and create a single foreign policy which would reflect the big business interests the EU was built to serve.

We need to break with the European Union in order to build a future of prosperity and fairness. We need to re-establish democratic controls over financial markets. The only way that this can be done democratically is by campaigning for Britain's withdrawal from membership of the EU in order to build a society that trade unions were created to fight for.

Yet the British trade union movement has avoided an informed debate on Britain's EU membership for much of the past 25 years, preferring instead to seek solace in a mythical 'Social Europe'.

Now, in the age of austerity in Europe, with representatives of EU institutions imposing untrammelled neoliberal 'solutions' on the working class of Greece, Portugal, Cyprus, Spain and Ireland, it is impossible to believe in such mythology.

If our movement is to represent and defend workers under zero-hours contracts and other 'flexible' employment strategies, we must identify the real origin of anti-worker, neoliberal policies in Europe.

The trade union movement has a key political role to play in developing an alternative to EU membership that ensures real social and collective bargaining rights for workers and a commitment to social equality in place of the current reality of declining wages and increasing profits.

A failure to build a broad, progressive coalition of opposition to continual EU centralisation means to abandon the debate to the UKIP and in particular the xenophobic, far right. Europe's workers deserve better.





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www.no2eu.com

Useful websites

www.euobserver.com

www.caef.org.uk

www.democracymovement.org.uk

www.people.ie

www.nationalplatform.org

www.german-foreign-policy.com

www.openeurope.org.uk

www.eulobbytours.org

These are all good sources of information but No2EU does not necessarily agree with all material posted on these websites