EU launches attack on trade union rights

Following the postponement of a decision on the infamous Vaxholm case currently before the European Court of Justice, the European Commission has launched a Green Paper calling for the abolition of hard-won trade union rights. It is available on-line at http://ec.europa.eu/employment_social/labour_law/green_paper_en.htm

The Green Paper, ominously called ‘Modernising labour law to meet the challenges of the 21st century’, is part of a short consultation ending in March aimed at giving life to a White Paper the Commission produced last year on ‘flexicurity’. This claims that if workers embrace ‘flexibility’, job ‘security’ will follow. In the real world, labour rights represent the results, transposed into law, of trade-union battles that were won by the strongest workers and extended to weaker workers. However, the Green Paper ignores the value of social cohesion and agreements reached between organised labour and employers in the member states, and casually opts for an end to collective bargaining.

The Vaxholm case also directly challenges trade union collective bargaining rights. This particular case concerns the Latvian firm Laval which operated in Sweden using low-cost Latvian labour in contravention of Swedish law. Swedish workers took industrial action in protest, arguing that the company had breached Swedish laws under which pay and conditions are determined through collective agreements. The European Commission openly backs the Latvian firm’s social dumping and union-busting activities and claims that Swedish labour laws contravene article 49 of the EU treaties on free movement. If the anti-trade union Green Paper is adopted it would circumvent the need to rule on Vaxholm as collective bargaining would become illegal.

The green Paper claims that ‘stringent employment protection tends to reduce the dynamism of the labour market’. It goes on to suggest that contractor obligations to monitor employment legislation among sub-contractors ‘may serve to restrain subcontracting by foreign firms and present an obstacle to the free provision of services in the internal market’. Such a course would allow the development of the single market unhindered by ‘traditional’ forms of trade union rights such as collective bargaining. This logic would institutionalise social dumping and drive down wages.

Alarm bells should also be ringing following the launch of a joint British TUC/CBI campaign to encourage the adoption of ‘flexible working practices’. TUC general secretary Brendan Barber claimed that such practices would give employees ‘more choice’ and ‘people would get to see more of their friends and families’. A more sober assessment came from Amicus general secretary Derek Simpson who warned in the Times (22 January 2007) that ‘the Green Paper hides behind the language of equality to propose measures to force exploitation and insecurity on to every worker in Europe’.

The Commission’s Green Paper, the Vaxholm case and the drive for a single market all expose the class nature of the EU and the limitations of the concept of ‘social partnership’ espoused by the European TUC and others.