

# France prepares drastic overhaul of Labour Code

Kumaran Ira  
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After French Prime Minister Manuel Valls announced on Wednesday that the government's controversial labor code reform will be further redrafted in the interests of the employers, Labour Minister Myriam El Khomri promoted the reform in a series of interviews this weekend.

The report, titled "Simplifying, Negotiating, Securing the Labor Code for the 21st Century," outlines a drastic attack on fundamental rights won by the working class in the 20th Century. Its measures are largely based on the Combrexelle report submitted to the Socialist Party (PS) government in September, which would give sweeping powers to unions and employers to negotiate firm-level contracts that violate the national Labour Code. The Labour Code would be effectively rendered null and void.

The report states that its measures "will give more weight to firm-level contracts, closer to realities on the ground, and reinforce industry-level negotiations. ... This matches the government's objective the last three years of reinforcing the role of social partners," i.e. the unions and management.

The reduction in the number of professional branches, or industry groups, from 700 to 200 would also give more power to unions and bosses to rewrite existing contracts. After a consultation between the Labour ministry, bosses, and the unions, a draft law will be presented early next year, on adjusting working hours to company requirements, to be adopted in mid-2016.

It adds, "It is necessary to rethink how society protects its workers, while also giving firms new confidence that they can adapt to invest and create jobs."

In fact, Socialist Party (PS) officials and the press have made clear that employers and France's corrupt union bureaucracy will do an end run around

protections offered by the Labour Code, and impose whatever conditions they can get away with on the workers.

Valls, who has repeatedly boasted of the PS's devotion to the needs of business, hailed the Labour Code reform as a "revolution." He explained that how a company could use it to evade French law, which technically sets the work week at 35 hours.

He said, "Imagine that a company needs to launch a new product that requires it to make each shift work 48 hours per week for 12 weeks. Today it's impossible, unless you are in very specific sectors and have administrative authorization. Tomorrow, if a firm-level agreement allowed for it, it would be possible."

The Labour Code reform comes after the PS implemented sweeping austerity measures and pro-business reform since 2012 that have undermined workers' living standards and sent unemployment soaring over the last three years. Under the so-called "Responsibility Pact", the PS imposed more than €50 billion in social cuts and €40 billion cut in corporate taxes.

As it nonetheless continues to fall behind its rivals economically, the French ruling class sees the Labour Code reform as key to dramatically boost its competitiveness at workers' expense. The press is hailing the reform as a social attack on the scale of the Hartz IV law imposed in 2005 by Germany's Social Democratic government under Gerhard Schroeder, or of the attacks on US and British workers in the free-market offensive of the 1980s. *Le Monde* wrote, "we have begun to hope. With the Combrexelle report, PS-led France will take on the Labour Code. ... There is no need to go back to the mythic struggles of the beginning of the free market revolution: the firing of 11,000 air traffic controllers by Reagan in August 1981

or the interminable strike that led to the defeat of British miners by Margaret Thatcher. France will deal with the subject, hopefully, the way all the calm social democracies of old Europe did. By ramming it through. Courageously.” In order to impose this flagrantly unpopular measure, which amounts to a pseudo-legal manoeuvre to break the law in the financial interests of the super-rich, the capitalist class is relying on the collaboration of the union bureaucracy against the workers. Since the 1980s, the French unions have been integrated into management, acquiring ever more the social character of a middle class police force directed against the workers.

They desperately seek to prevent workers struggles as they are overwhelmingly funded by the state and big business. While most of their funding (90 percent) coming from company and state subsidies, member dues only represent 3 to 4 percent of their budget. The unions’ financial dependence on the state and business reflects the decades-long collapse of their base in the working class; only 7 percent of the French work force is unionized.

France’s main business federation (Medef) welcomed the reform and called to further modify labour rules in favor of business. Medef chief Pierre Gattaz said, “Today’s announcements go in the right direction, but we must go further.”

Deriding “the incomprehensibility of the Labour Code and its obesity,” Gattaz called for closer collaboration with the unions: “Let us have the courage to pass from a culture of suspicion to a culture of dialogue and confidence!”

The unions responded positively to Gattaz. The PS-linked French Democratic Labor Confederation (CFDT) openly praised the Labour Code reform, cynically hailing it as “social progress for workers,” designed “to ensure more clarity on labour law for workers and to reinforce social dialogue.”

The Stalinist General Confederation of Labour (CGT) union voiced a few toothless criticisms of the reform, calling it “a new gift to the Medef.” However, the CGT plans to continue to suppress working class opposition to the PS’s reactionary social agenda as it has ever since the election of the PS’s François Hollande as president, in 2012.

The demands of the bosses are moreover entirely in line with the unions’ broader policies. In recent years,

they have signed many deals lengthening working hours without compensation. In 2013, they signed a deal with automaker Renault to cut its workforce, freeze wages and increase working hours 6.5 percent, handing the company €500 million per year. In September, they endorsed a 39-hour work week with only 37 paid hours at a Mercedes-Daimler subsidiary, Smart, at Hambach.



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