French National Assembly approves enabling act to rewrite labor law

Francis Dubois 18 July 2017

On July 13, after only a few days' debate, the French National Assembly approved the draft enabling act presented by French President Emmanuel Macron's government on July 10. The Assembly is thus authorizing the government to drastically rewrite labor laws by decree, without any further input from parliament. This vote, newspapers wrote, marked the start of Macron's term in office.

The labor law Macron aims to rewrite was imposed in July 2016 by President François Hollande without a parliamentary vote, using the emergency provision in Article 49-3 of the constitution.

The enabling act passed with 270 votes of Macron's The Republic On the March (LRM) and of the so-called "constructive" (pro-Macron) section of the right-wing The Republicans (LR) party. There were 50 votes against, including Jean-Luc Mélenchon's Unsubmissive France (UF) and the Stalinist French Communist Party (PCF).

During the election campaign, Macron made modifications of the labor law one of the key planks of his government's program. Since its formation, the government has sought to involve the trade unions in its decisions. They have not opposed the principle of Macron ruling by decree.

In ruling by decree, Macron intends above all to avoid broader discussion of his policies among workers and youth, which could provoke mass political opposition to his government. The decrees authorized by the enabling act only indicate in very broad outline the changes Macron intends to make to the labor law. Their real content could be measures that are even more drastic than those described until now, and will be determined in the coming weeks in discussions with the trade unions.

The National Assembly has given the government a

blank check to modify the labor law as it sees fit; after the vote, no further amendment is possible. The government has six months to specify what measures it will take.

The fact that these first major laws of the Macron government are to be imposed by decree creates a precedent for the rest of Macron's term. The last French government to use decrees was that of Alain Juppé, who imposed some of his attacks against pensions and Social Security via such measures in December 1995, after the union bureaucracies led mass strikes against Juppé's cuts into a dead end.

Among the measures being prepared by the government is the so-called "inversion of hierarchy of norms." That is, companies are now allowed to negotiate contracts with trade unions that violate industry-level contracts and national labor legislation. This will give employers full power to implement flexible and precarious working conditions, constantly blackmailing workers by holding over them the threat of a plant shutdown if they refuse conditions that are worse than those specified by industry-level and national labor law.

Another measure is the so-called "project contract," which is in fact a temporary contract limited to the length of a particular "mission," specified by the company, modeled on contracts for construction workers to build a specific building. Such contracts aim to replace the Defined-Duration Contract (CDD), which the bourgeoisie sees as too inflexible. It will also inevitably tend to replace the standard, Indefinite-Duration Contract (CDI) that offers greater job security, thus signifying an enormous increase in the precariousness of labor.

The clause on strenuous work is to be largely eliminated. This allowed certain layers of workers,

whose work is physically demanding or dangerous, to retire before the legal age limit under certain conditions—a policy that the employers systematically sabotaged and sought to suppress. The Macron government has cut out half of the contents of this clause, undermining whatever impact it once had.

The decrees also would impose a ceiling on fines employers are forced to pay to workers if they are sued and found guilty of "abusive sacking" by the labor courts. What is being considered is a reduction by 50 percent of the maximum indemnity, which often had a deterrent effect on the bosses. A major reduction would deprive the labor courts of all real power and effectively give a green light to bosses to sack workers.

In a gesture directly aimed at encouraging investment funds to place their capital in France, the government aims to allow economic sackings due only to profitability considerations facing a company at the national or European, as opposed to global, level. A transnational corporation will thus be free to artificially create accounting problems in its French subsidiaries in order to justify mass sackings. This provision had been taken out of the labor law last year in the face of mass protests.

The Macron government's intention is to radically reinforce the already profound deregulation introduced by last year's law into the labor market. This would make workers entirely "flexible" in response to the needs of business, creating conditions to encourage the hedge funds and financial investment houses of the financial oligarchy in France and internationally, who are seeking the highest rate of return, to invest in France. It opens the door to a massive intensification of the exploitation of workers in the country.

The trade unions play a critical and treacherous role in this process. This is why Macron's decrees are slated to give them even more power and money at the level of individual firms, in order to impose the destruction of basic social rights. Macron is considering in particular the creation of a "trade union cheque." In its own words, this proposal intends to reinforce "the possibility workers have to bring to the trade union of their choice financial resources advanced wholly or partially by the employer." This would finalize the transformation of the unions into organs of the bosses and the capitalist state.

Under the none-too-credible pretext of struggling

against "trade union discrimination," the government aims to officialize a privileged status for union delegates compared to other workers. It proposes "reinforcing the training of trade union delegates, promoting career change [e.g., after a plant shut-down] for workers having trade union responsibilities or an elected representative mandate, favoring the evolution of conditions in which trade union militancy is carried out or also the recognition of the significance of an elected mandate in the unfolding of a career and the competences acquired through this militancy."

Given the decrees and measures now being prepared, which put into question social rights acquired by the working class over decades of struggle, it is ever clearer why the financial aristocracy needs a state of emergency, and why Macron wants to make it permanent by writing it into law.

The state of emergency—a measure imposed under the pretext of counter-terrorism, after attacks carried out by Islamist networks armed and financed by Western intelligence for regime-change wars in Libya and Syria—is now to be used in an attempt to repress opposition to the social attacks of the French financial aristocracy.

The massive abstention in the legislative elections—fully 57.4 percent in the second round—shows that the LRM parliamentary majority has no legitimacy for its reactionary agenda whatsoever. In the first round, it received the vote of only 16 percent of the French electorate.



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