



People's News

News Digest of the People's Movement

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A captive Commission – the role of the financial industry in shaping EU regulation

A report by ALTER-EU (Alliance for Lobbying Transparency and Ethics Regulation in the EU) reveals how the European Commission formulates its financial policy almost exclusively on the basis of advice from the financial industry and the very people who were unable to predict the current financial crisis. The report reveals that, at all stages of the policy process, the very same financial sector that the Commission is seeking to regulate has a near monopoly on advising the Commission on how it should do this. See:

<http://www.greenpeace.org/eu-unit/press-centre/reports/a-captive-commission-5-11-09>

5 November 2009

Javier Solana: EU External Action Service will have military as well as civilian personnel

In an interview with *Le Monde*, outgoing High Representative for Foreign Affairs, Javier Solana, defends the appointment of Herman Van Rompuy and Catherine Ashton. Asked whether the new EU External Action Service, which he has previously described as 'the world's biggest diplomatic service', will be complicated by rivalries between the Commission, the Parliament and the member states, Solana replies: 'The service will be a new institution situated between the Commission and the Council. It will be made up of civil and military personnel.' Asked about the priorities of the service, he says it will be

interested first and foremost in neighbouring regions, in the Mediterranean, the East and Russia. However he adds: 'It must also have in mind global action. We are not only an economic or trade organisation. I want, I hope, to put forward a political will to play a role in international affairs.'

Asked if there is a growing gap between Europe and America over Afghanistan, Solana says: 'I don't think that one can talk of a big gap with the United States: there are 30,000 Europeans deployed over there under the NATO umbrella. It is unfair to say that Europe's involvement is too modest.'

See: [Le Monde](#)

4 December 2009

Swedish unions ordered to pay damages after blockade against foreign EU workers

Swedish unions have been ordered to pay around €55,000 in damages to Latvian construction company Laval, a Swedish court has ruled, following a decision two years ago by the ECJ that the Swedish unions were breaking EU law when they engaged in a blockade against the Latvian firm which was refurbishing a school outside Stockholm. The Swedish unions claimed that Laval undercut local wages, but the ECJ ruled that the unions' demands were arbitrary and the strike therefore illegal.

See: [Europaportalen Open Europe research](#)

5 December 2009

Dell to sell its computer plant in Łódź

Dell is to sell the computer manufacturing plant in Poland to which it has been moving production from Limerick. It said earlier this year that it was moving production to Łódź, with the loss of 1,900 Irish jobs. It will be recalled that the European Commission approved a €55 million Polish grant to Dell, which helped the company set up its new manufacturing plant in Łódź, leading to the job losses in Limerick.

But now it is selling the plant to the Foxconn Technology Group which will continue to supply Dell with computers, servers and storage systems. Foxconn is the electronics arm of the Taiwanese Hon Hai Precision Industry Co.

The computer company won approval earlier this year for €54 million in Polish government aid for its move to Łódź. Dell says the sale of the plant will have no effect on the company's remaining 2,000 workers in Ireland.

More on EU taxation: Barroso refuses to rule out Brussels tax

Speaking in the European Parliament, Barroso was asked if he agreed with the bloc's incoming president, Van Rompuy, who is on record for proposing direct taxation.

'I intend to look at all issues of taxation in the EU, we have to look at all resources of the EU,' Barroso said pointing out that tax proposals were the domain of his commission. 'We have promised it to the parliament, the programme with which I was elected was to look at possible "own resources" and this is in the programme that was adopted by this European Parliament.'

When setting out priorities for his second five-year term, the former Portuguese prime minister said Brussels cannot shirk the issue of 'own resources': 'We need to see how the EU can find a more efficient and transparent way of financing its policies.'

Negotiations on the next EU seven-year budget, set to come into force in 2014, are due to start in 2011. The EU is also launching a massive and expensive external action service, beefing up its diplomatic and foreign services with thousands more staff scattered across the globe.

Electrical contractors challenge pay agreement in High Court

A legal challenge by electrical contractors to the validity of the registered employment agreement governing payment of electricians has opened before the High Court. The proceedings by several independent contractors are against the Labour Court and the attorney general and arise out of the legally enforceable registered employment agreement (REA) for the electrical contracting industry.

That agreement governing the remuneration of electricians was between the Technical Engineering and Electrical Union (TEEU) and the employers' bodies, the Association of Electrical Contractors Ireland (AECI) and the Electrical Contractors of Ireland (ECI), and was at the centre of an industrial dispute earlier this year. The defendants have denied the claims and contend the agreement is valid. The TEEU and the employers' bodies are notice parties to the case.

In their challenges, they are seeking declarations that the registered agreement is invalid and in breach of the provisions of the 1946 Industrial Relations Act. They also allege it breaches their rights to earn a living under the Constitution and the European Convention on Human Rights. The High Court has also been asked to consider legal issues concerning the validity of a prosecution brought on behalf of the Minister for Enterprise against an electrical contractor for alleged non-compliance with the registered employment agreement.

If the REA is broken by these employers, the Luxembourg judgement of the ECJ comes into

effect as the REA will no longer be a 'universally applicable' agreement – apply to all workers in that category within a specific geographic area (in this case, the Republic of Ireland) within the terms of the Posting of Workers Directive. What this means is that electricians from other EU countries with lower wage rates and lesser working conditions could be posted here at those rates and conditions. This social dumping would cause a lot of problems in the current economic climate. At a national level, the expiration of a 'universally applicable agreement' in the form of the Social Partnership Agreement has yet to elicit a response from the ICTU.

You can read more about the Luxembourg Judgement at <http://people.ie/english6.html> under 'Trade Unions' and there is a booklet available from post@people.ie

Fine Gael tells it as it is!

'The need for a correction in our public finance is not the only area in which we risk paying an extremely high price for irresponsibility. Our rush to bail out banks and save each and every one of them at great expense to ordinary taxpayers is extremely risky. Ireland is now a regional economy in a much larger economic and monetary union. We no longer have our own money, or our own exchange rate or our own interest rate. In addition, our own Central Bank has no real independent control over banking regulation or monetary policy. That is all coming from Frankfurt. We have entered a new monetary world. We have been there for all of the past decade. Yet the Government's mindset in relation to our banks appears to be stuck in the last century.

Why would any region in a big economic and monetary union feel it is imperative to save every single bank in its region and to pile the cost of those bailouts onto the backs of ordinary taxpayers? It defies logic. Banks go bust elsewhere quite regularly, even in the

United States. Why does our Government think all Irish banks must be saved irrespective of the cost? The Taoiseach has been recently quoted saying he would be there with a chequebook to save any Irish bank. That's barmy. Why? At the height of their mad lending spree the Irish banks were borrowing the equivalent of 45% of GDP on international money markets, and lending it onto property developers and investors and others here. Any banks could have done that. They would not have had to be Irish owned.

Last September the Government gave the most generous guarantee that any government has ever given to a banking sector in the face of a crisis. It promised that Irish taxpayers would refund all deposits in Irish banks if those deposits were lost due to a bank failure. It also promised that ordinary taxpayers would pick up the bill for any defaults on any money loaned to an Irish bank by any other banks or investors including bond holders. The Guarantee was to last for two years until 2010. At the time this Guarantee was portrayed by the Government as essential in order to ensure a supply of liquidity to the Irish banking system. It was all done behind closed doors and the advice given, as well as the debates that took place, were secret.'

From:

<http://www.finegael.org/news/a/772/article/>

EU gives €34.5 million to help subsidise over-fishing of blue-fin tuna

The EU's Fisheries Commissioner Joe Borg has revealed that, between 2000 and 2008, the EU has given a total of €34.5 million to subsidise Mediterranean tuna fishing fleets, despite warnings from scientists that over-fishing is pushing the species close to extinction. Spain received more than half of the subsidy, with French and Italian fleets the next biggest beneficiaries.

This shows clearly the hypocrisy of the EU, which insists on the need to conserve fish stocks while simultaneously encouraging the rapid expansion of a fleet that was already too large. Since 1955, blue-fin tuna populations have shrunk to a quarter of their former size, with the bulk of the reduction occurring since 2002. Between 2001 and the present, the average size of the actual fish has shrunk by half.

See:

<http://www.timesonline.co.uk/tol/news/environment/article6943367.ece>

3 December 2009

Irish Afghan fig leaf

An intriguing but little-noticed reference to the future enhanced role of the Defence Forces in Afghanistan was made in the *Irish Independent* recently. Talks are taking place with the Canadian authorities (as part of the NATO forces in Afghanistan) for the small detachment of Defence Forces personnel in Kabul to participate in the training of Afghanistan's national army.

The Irish Government has always stressed that the current seven-strong complement of administrative and ordnance experts do not play an operational role. Ireland's contribution is tiny in personnel terms but we are now part of a serious escalation in the war underlined by the large reinforcements announced by the US and Britain this week.

Never debated in the Dáil, Ireland's active support for the US/British-led NATO force was authorised by the government in 2002 and does not need Dáil sanction as the force is below the 12-strong threshold for such sanction. It is quietly renewed each year with no Dáil discussion or approval and was renewed by defence minister, Willie O'Dea, last

June, once again without any political or media scrutiny. It may not be too long before a Dáil debate is forced on the government as it is quite likely that the expanded Irish defence role under discussion will necessitate troops reinforcements.

The Defence Forces are also operational in Kosovo and in Chad, as is known, providing political cover for the French in Chad rather than a serious military force – the Defence Forces are a fraction of the French-dominated military presence in Chad. Members of the Irish top brass are delighted with the extra roles and resources accruing to them as a result of these military adventures with Western countries in pursuit of their foreign policy goals. But the expansion of the military and foreign policy role of the EU as sanctioned by the Lisbon Treaty is another factor at play in the increasing militarisation of EU countries, including Ireland.

Last week, Brendan Halligan's Institute for International and European Affairs hosted Michael Semple, the British Secret Service operative expelled from Afghanistan following accusations of under-cover activities by the Kabul government (but described by a sympathetic *Irish Times* as 'reconciliation' efforts). Semple appealed for efforts to persuade 'the public' (Irish, one presumes) of the beneficial reasons for the Western presence in Afghanistan. (*The Phoenix*)

Finally – it's not over till it's over?

A Group of Polish senators is planning to submit a plea to the Polish Constitutional Court to check whether the Lisbon Treaty is compatible with the principles of the Polish Constitution.

See: [Wiadomości](#)

4 December 2009



Dáil calling on the Government not to cut their allowance; Sinn Féin TDs Martin Ferris, stmas bonus; Beth Nunan, formerly of Friars Walk, Cork, now living in Blackrock, Dublin, rement calling on the Government to reduce the size of the Oireachtas. Pictures: Billy Higgins

Oireachtas now over-resourced, say protesters

CAMPAIGNERS FOR a No vote in the Lisbon referendum handed in mock P45 forms yesterday to the leaders of political parties at Leinster House.

In a protest to mark the coming into effect of the treaty, the People's Movement said the Dáil and Seanad should be reduced "in line with the reduction of legislative powers from national parliaments which have now moved to Brussels".

Former MEP for Dublin Patricia McKenna said: "Over 78 per cent of our laws come from Brussels. Surely with so much decision-making power now residing in Brussels, it is unnecessary to burden the taxpayer with the current over-resourced Houses of the Oireachtas."

Meanwhile, Labour Party spokesman on Europe, Joe Costello TD, said in a statement: "There is a palpable sense of relief that the Lisbon Treaty is at last fully in place." He added: "The Charter of Fundamental Rights enables the EU to develop



Former MEP Patricia McKenna protesting outside Leinster House yesterday. Photograph: Matt Kavanagh

as a rights-based union of 27 member states, which can create a unique social market economy prioritising the creation of a sustainable economy, the elimination of unemployment and poverty, and the provision of

world leadership on tackling climate change."

The Lisbon Treaty "gives us a far greater role in influencing EU policy and laws", Mr Costello added.

DEAGLÁN DE BRÉADÚN

budget

"The Lisbon Treaty together with the previous treaties has resulted in the indisputable fact that over 78% of our laws come from Brussels," Ms McKenna said.

The budget will seek to reduce Government spending by €4bn next year via a range of public sector cuts.

Above: reports which appeared in the *Irish Examiner* and *Irish Times*, 2 December 2009.