

## **NO DEFENCE OF THE SITE, NO DEFENCE OF JOBS UNDER ANY CONDITIONS, DEFEND WAGES AND WORKING CONDITIONS!**

Here it's not a matter of defending the company, nor of defending the regional or national industrial infrastructure, but of defending our income and working conditions. Only action which hits the company in the wallet has any chance of making the PSE<sup>1</sup> work for our benefit.

### **The Situation in the telecommunications sector**

Telecoms infrastructure, like other sectors, is one where competition rages, and in the last few years that has translated into restructuring – the fusions of Nokia-Siemens and Alcatel-Lucent in 2006, the bankruptcy of Nortel in 2009, and ceaseless new entrants: ZTE, Huawei etc. This reality calls into question the whole ideology of submitting to the company. From now on it's obvious to everyone that the company doesn't look after workers' interests. The company management say they want a staff that is “passionate”, “motivated” and “value creating dynamos”. But the passionate and motivated side which it demands from the workers only functions to create value for the bosses.

This is the reason they never stop trying to make us “more productive” of capital for the company's bottom line. The slogan “*cash is king*” that all Nokia employees have heard more than once is nothing other than the *leitmotiv* of any company which wants to extract ever more profits from labour. And it doesn't matter much if the company is owned by private shareholders, the state or its employees (as at Huawei). The search for revenue leads systematically to extracting more surplus value from the labour performed by each worker. And let's not forget that the availability of revenue is also the only way to access credit under favourable conditions.

Telecoms infrastructure is also a strategic sector. Capital is not homogenous and different individual capitals engage in battles between different geographical areas as well as within each area. By imposing the GSM standard in Europe at the end of the '80s, the “Brussels bureaucracy” (a direct political expression of the states in the Union) allowed the emergence of numerous European stars of telecommunications. Today there are no more than two, Nokia and Ericsson. By a subtle choice of the standard TD-SCDMA for 3G and by an unflinching will to maintain miserable working conditions with its 996 system (working from 9 in the morning to 9 in the evening for 6 days), the Chinese state has been able to make up for lost time. The United States, as always and like any other capitalist country, uses all political means at its disposal to maintain its domination as the leading world industrial power.

We can see plenty of workers who believe that the argument of defending national interests is the ultimate means of guaranteeing their jobs and conditions. This is plain wrong. The raging telecoms war shows to what extent states do not in any way represent a brake on the domination of capital over labour. It's completely the opposite. States, all states, are only there to reinforce such or such individual local capital and, at the same time, to reinforce themselves as a “special” individual capital.

Competition between capitals is the motor of capitalism. The consequences of these conflicts between capitals are paid for by the workers. The risk of redundancies threatening the employees of Huawei, following the embargo, are the result of aggressive commercial negotiations between the US and China.

---

<sup>1</sup> Employment Safeguard Plan

Investments in 5G have begun. Licences are being handed out in France. New jobs will be created. But how many? And when? And with what conditions for the workers? If you bet on getting out of this individually, you're making a mistake. We can never trust capital and its defenders.

### **And at Nokia?**

In 2016, with the Alcatel-Lucent buyout, Nokia reinforced itself in networks and, in particular, mobile networks, thanks to the sale of its activities in terminals and services along with services in mapping and digital location. In 2019, with 11.5 billion euros, mobile networks represented half the sales of the company<sup>2</sup>.

The telecoms sector is not a sector directly impacted by the Covid-19 crisis but the crisis has provoked a delay in investment in telecoms and, without doubt, a change in priorities. Globally, 5G and associated mobile technologies are going to happen but their speed of deployment will definitely be slower than expected (delay in assignment of 5G licences, delay in availability of 5G smartphones, halting of sporting events which concentrate the need for mobile infrastructure). Nokia is not a company in danger of bankruptcy. Nevertheless, it anticipates any risk of seeing its revenue fall by squeezing "costs" (the mass of wages for a start) and it is the mobile division which is targeted today.

### **The PSE**

The PSE which was set out on 23 June concerns all sectors of the company: global functions, Systems Integration, R&D. It threatens the survival of the Lannion site whose staff was reduced by half and reduced to 400. As for the Nozay site, it will lose around a third of its employees.

1) This PSE is the direct consequence of the competition which reigns in the sector, the frantic scramble to acquire parts of the market which translates into a permanent search to cut costs. For a long time, R&D has enjoyed a separate status. This is no longer the case. Automation allows them to increase deliveries and release more frequent software versions. Putting in place "agile" working allows the introduction of measurement of timings of elementary tasks, metrics of the productivity, quality and pace of work. Everything is in place for a permanent reorganisation of teams and capitalist rationalisation of the sites.

#### 2) The balance of the ALU-NSN fusion

This PSE can also be seen as the last stage of the initial company plan at the time of Nokia's purchase of Alcatel-Lucent, an acquisition which increased the number of staff. In 2019, Nokia reduced the number of employees by 5%, mostly in the US where one worker in ten lost their job. At the beginning of 2020, management announced the closure of the site in Manila where 800 people worked on 4G and 5G. Nokia promised the French state and the unions that it would not make any redundancies before June 2020. This agreement is regularly cited by the unions as proof of the importance and the effectiveness of the state in the preservation of jobs. In reality, the state and the unions only go along with the industrial policies of the bosses (when it isn't directly the state who's the boss), by fake political fights where the social partners negotiate their relationship to the company and/or the state to ratify cutting the cost of labour by subsidising jobs, which most of the time are casual and lower-paid.

---

<sup>2</sup> Global figures, 23.3 billion euros, of which: Networks 18.2 (Mobile Access: 11.6; Fixed Access: 1.9; Routing IP: 2.9; Optical Networks: 1.8)

### 3) “Opportunistic” redundancies

The Covid-19 crisis has had real impacts in some sectors, but it has been used in a general manner by all of the bosses, public and private, as an opportunity to completely change relations with employees. The occasion is therefore a perfect one to bring in redundancies, without doubt planned for a long time, perhaps on a scale which wasn't imagined before the crisis. It is also the occasion for replacing the oldest members of staff who, after around twenty years without hiring anyone new, still represent a significant part, without doubt very important in the eyes of the bosses, of the workforce. More generally, it is the ideal occasion to convince the workers that redundancies are an integral part of the life of the company. Among the engineers, this idea has made such headway that, since 2000, the traditional sector of telecoms equipment manufacturers has been transformed by redundancies. As a result, this flexibility demanded from employees has become the norm.

#### **Our reasons**

The state unions call on the state for help to “save workplaces and jobs”. Thus, we've seen them over the last few years opposing the fusion of Alcatel and Lucent, opposing the purchase of the 3G part of Nortel so as not to compete with Alcatel 3G, clinging on to the software platform TOMIX to preserve shifts, demanding that the state nationalises Alcatel. These are the protectionist strategies which don't fight the logic of the bosses but hope to convince them of the validity of the unions' plans and so contribute to dividing up workers between different workplaces, different sites, different projects and different countries. This same logic leads the unions to sacrifice the contractors to the permanents, as happened with the performance plan at Alcatel-Lucent in 2012.

Yet the unions have not been able to prevent the succession of staff reduction plans which have punctuated the restructuring of the telecoms sector, all carried out with the blessing of the state. What is at stake with the redundancies and is particularly visible this time, is the relation between capital and labour, and in no way the safeguarding of the company or, worse, the national sovereignty invoked by the nationalist slogan “*Keep Nokia in France*”.

Trying to substitute themselves for the bosses, claiming to run the company better than them, as the state unions are doing, is a suicidal logic for the workers.

We do not have to show them that we would be better managers than them, that we will be able to do it better than them. Very simply their reasons and ours are irreconcilably opposed. They seek to exploit the workers more and to reduce to the maximum the mass of wages. We try to preserve our income from work including when it is threatened by the boss. Do we have to cling on to the preservation of sites for that? And if sites “survive” with some of us deprived of income and with others remaining employed but subjected to more exploitation, to the worsening of their working conditions, have we won? No! They don't want us anymore? We don't want them anymore. To counter their PSE, we can only count on ourselves with the vital objective of avoiding the division of the telecoms workers of Nokia into “protected” and “victims” of the PSE.

The defence of sites, the hobby horse of the CGT, seems like a win (including Lannion) but it is at the price of programmed redundancies. Also, the defence of jobs for some, objective number one of the CFDT, will be to the detriment of our comrades who will leave the company against their will. Yet, the only question which concerns us is to defend what are essential, our income and our working conditions (which in fact need to be considerably improved).

## **It is not too late to react**

A few months after the plan was announced, the management and the unions are performing a dance that we know very well because we've seen it with our own eyes plenty of times. If it carries on as always, this ballet is going to end with forced departures matched by extremely poor compensation. We have to interrupt at any price this macabre dance at the expense of the workers. Periods of silence, periodic meetings which allow the management to find the line of least resistance and therefore least cost, individual audit of the impact of the PSE. These actions are of no help. Only a collective and offensive action will change the course of events. You still have to want it.

## **To do it, we must:**

- Allow those who want to leave to do it but without the slightest pressure from the management. Only really voluntary departures are acceptable. The management must substantially improve the level of redundancy money. Plus, departures must be really voluntary and plus the workers who want to remain at Nokia must have opportunities to do so.
- To not give in without a fight to the false choice of jobs or wages. Restoring activity by other companies is often the fig leaf for redundancy. Alcatel-Lucent and Nokia, both of them, have already used this procedure during the purchase of the Orvault site by Altran in 2015, or the transfer of Symbian to Accenture in 2011. Any transfer of jobs to another company must be negotiated from now onwards in terms of wages and working conditions. Today our strength is intact; we must use it for this as well.
- To not accept training proposed in the framework of staff cuts because they are only a smoke screen for the workers, a means to convince them that by following it they will find work. Therefore, to accept training only if it will allow access to stable jobs with good wages and working conditions.
- Not forget, for those who remain, to defend and even improve their working conditions and, to do this, refuse any increase in the duration and pace of work. Without waiting for the application of the PSE, whether or not it's negotiated by the unions.

## ***FOR THE REVIVAL OF WORKERS' INITIATIVE***

Paris, 5 October 2020