

France: Thousands of retail workers strike for better wages and conditions

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On February 1, thousands of French supermarket and hypermarket workers went on a one-day strike to demand better wages to offset price rises. The workers are also seeking improved working conditions and are opposing proposals to increase Sunday work hours. There are also fears that automatic checkouts will threaten jobs for thousands of workers.

The strike coincides with a dramatic fall in President Nicolas Sarkozy's approval rating.

The walkout was called by the CGT (General Confederation of Labour), the CFDT (French Democratic Federation of Labour) and FO (Workers Power) trade unions in response to the refusal the previous day of the large retail company association FCD (Federation of Trade and Distribution) to accede to union demands.

"We are demanding a real salary rise to 1,500 euros gross a month," stated Charles Dassonville of the CGT retail section, adding that they were not intending to sign the agreement negotiated with the FCD that had granted minor concessions. The employers, who had previously illegally docked wages for breaks taken every four hours, had agreed to stop this practice, which would increase wages by 5 percent.

The strike was comprised largely of female checkout clerks. Despite intimidation by management, 80 percent of hypermarkets, 70 percent of supermarkets and 50 percent of warehouses were affected throughout the country, according to trade union estimates. Some 20 shops had to close. In many cases the walkouts lasted several hours and were accompanied by rallies, demonstrations and the handing out of leaflets.

Nouvel Observateur commented, "What happened yesterday at Carrefour, Auchan, Champion, Monoprix and so many other supermarkets is 'historic.' It's the first mass strike of check-out staff.... It's the strike of the new modern proletariat, mostly unskilled and female."

The general secretary of the CGT, Bernard Thibault, speaking on RMC radio on the morning of February 1, said he was "satisfied" to have been able "to bring together the efforts of three trade unions in order to highlight the social and salary situation of the staff in the large stores."

This comment epitomises the complacency and cynicism of the trade union bureaucracies, whose response to the plight of these low-paid workers in calling a day of action last Friday was merely an attempt to boost their poor credibility. They are making a bid to halt the decline in their dues base and will do everything in their

power to limit to ineffective protests the fight against the drop in living standards of workers. They have no intention of mounting any real fight against the retail chains or a political challenge to the government's offensive against workers' rights.

The CGT and the other unions played a treacherous role in helping Sarkozy to dismantle the special regime pension schemes by dividing, isolating and betraying the rail and other workers fighting to defend their pension rights in the last three months of 2007. This experience must serve as a warning to the retail workers as they enter into struggle against the employers.

The unions have just signed an agreement with the government on work contracts giving employers increased rights to hire and fire. The agreement also destroys legal protections in the labour code.

A recent report, prepared for Sarkozy by former Socialist Party president François Mitterrand's closest advisor Jacques Attali, apart from urging the reduction of labour costs to enhance the competitiveness of French industry, proposes the deregulation of the retail sector and the removal of restrictions on Sunday working and trading, a key demand of the chain store owners. Ex-Socialist Party candidate Ségolène Royal has also greeted the report favourably.

France has 1,435 hypermarkets, 5,525 supermarkets and 4,074 low-cost outlets. They employ around 636,000 people, of which 61 percent are female workers and 39 percent male workers. According to union figures, 63 percent are full-time employees and 37 percent are part-time employees.

The profits of the hypermarkets are colossal. For example, Carrefour operates more than 12,500 stores. In 2007, its sales grew by 7 percent in real terms, versus 6.3 percent in 2006 and 4.3 percent in 2005, according to company figures. Revenues in 2007 were around €92.3 billion. Its operating income was €4.8 billion and net income was €1.8 billion in 2006. Auchan had revenues of €35 billion, and its net income was about €760 million.

Jérôme Bedier, president of the retail bosses association FCD, said that the strike was "incomprehensible" and affirmed, "We must reassert the truth. Our sector is not an insecure job sector: 90 percent of our staff are on indefinite contracts."

In fact, the overwhelming majority of workers in this sector are on the minimum wage (the SMIC—€1280 per month). However, part-time workers earn proportionately less than the SMIC and the retail bosses in many cases refuse full-time employment, preferring to have a good cushion of workers who can fill gaps in

staffing needs. Overtime is not paid above normal rates.

In 1993, 8 percent of France's workforce was on the minimum wage. In 2005 and 2006, this had risen to 16.3 percent and 15.1 percent respectively.

The *Nouvel Observateur* comments, "While it is the fashion to say that the 35-hour week is a catastrophe, the check-out ladies fight for 35-hour contracts. Monsieur Bédier cannot be unaware of the fact that 30-hour contracts are forced on people with crazy work schedules which prevent any home life." Other reports speak of much shorter minimum contracts. The high rate of unemployment and the loss of jobs in the car and steel industries as well as high-tech companies mean that workers, often with high educational qualifications, are obliged to take such low-paid jobs.

On February 2, *Libération* reported on interviews with check-out staff: "Suddenly we get told that instead of 9 a.m. till 3 p.m. you get a 3 p.m. to 7 p.m. stint," one worker noted. "No break is allowed if the stint is under four hours.... Sometimes they make us come for three and three quarter hours." The newspaper noted, "The checkout women complain about excessive gaps between stints. Thus, Sylvie has to come in one day from 10:15 a.m. to 1:15 p.m. and then from 4 p.m. to 8:31 p.m., and it's not worth the time and expense of going back home between stints."

There is virtually no promotion or career progression. At Carrefour, the second largest retailer in the world behind Wal-Mart, workers with 30 years seniority earn the same as those in their first year. A large proportion of the poorest workers are employed in the retail sector.

Even this source of labour is due to dry up. It is estimated that the automation of the checkouts will bring about the loss of between 200,000 and 400,000 jobs.

The retail workers strike last Friday reflects a growing concern over skyrocketing food, home and energy prices and falling purchasing power in Europe. On the same day, workers in Germany went on strike for wage rises of 8 percent and more. Berlin urban transport was brought to a halt for the first time in over 10 years and Vattenfall electricity and gas workers struck, as will ThyssenKrupp employees next Wednesday.

The *Financial Times* reports in its January 31 issue that Eurozone inflation has surged to a 14-year high of 3.2 percent. "The surprise pick-up in inflation, from December's 3.1 percent, indicated that the 'hump' in inflation caused by higher fuel and food prices is proving larger and longer-lasting than the ECB [European Central Bank] anticipated," the newspaper noted. "January's rate was the highest since the ECB took responsibility in 1999 for monetary policy in the Eurozone, which now covers 15 countries. It is also above its target of an annual rate 'below but close' to 2 percent."

Christine Lagarde, minister of the economy and finance, announced at the beginning of the year that in comparison with the 2007 inflation rate of 2 percent, France "would have a greater inflation in 2008."

The FT points out that the ECB, in keeping Eurozone interest rates at 4 percent, has not responded to the US Federal Reserve Board's decision to drastically decrease interest rates to 3 percent. The Fed's decision favours dollar expenditure and boosts inflation in the United States and, with it, the decline of the value of the

dollar.

The ECB expresses the policy of the European bourgeoisie to defend the value of the euro despite the decline of the dollar. In 2002, a euro was worth around 98 cents. Today it is worth \$1.48. The ECB wants the loss of competitive edge for European goods created by the advantage that the cheap dollar gives American exports to be compensated by forcing the European working class to endure lower living standards.

The FT explains: "Annual inflation is generally forecast to ease during this year, but the ECB's fear is that the temporary rise will become longer-lasting if it feeds through into wage demands. The ECB's tough language has been aimed recently at sending a strong signal during the current round of wage negotiations."

The Sarkozy government is under great pressure both from the French and European bourgeoisies to stand firm against any attempt by the working class to offset the cost of living with wage rises. The austerity measures commenced in 1983 by the Socialist Party administration of President François Mitterrand, squeezed by world finance and the threat of the collapse of the value of the franc, meant wage freezes and cuts in social programmes. Corporations are demanding that this process be accelerated.

According to the recent poll published by TNS Sofres, President Sarkozy's popularity has fallen by 8 points, from 49 percent to 41 percent. According to the poll, 87 percent of French people believe the government is incapable of combating rising prices, and 70 percent think he cannot reduce unemployment. Some 66 percent predicted "a lot of social conflict" within the coming two or three months, and 46 percent think these problems could lead to clashes and violence.

The retail workers strike is a further sign that the large majority of the population is reacting against government austerity policies. They are resisting the attacks on their living conditions. There is no doubt that part of the revolt is a growing political hostility to the Sarkozy administration, as the president's promises of "buying power" are revealed to be hollow. His extravagant and vulgar attraction to wealth and the company of vacuous celebrities and millionaires lends an explosive bitterness to the movement.



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