

Mass layoffs planned after French elections

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Politicians and trade union officials in France are discussing plans for a wave of mass layoffs after the May 6 second round of the presidential elections.

On Friday the daily *Le Monde* gave an overview of sectors of the industry in which plant closures and job cuts are being considered. French industry is being hit hard by the economic crisis and has lost ground against its international rivals. Last year France had a record trade deficit of 70 billion euros (US\$93 billion), and French companies are now preparing to regain market share by attacking jobs and wages.

The planned attacks on the working class are compatible with the economic programs of both presidential candidates, the Socialist Party's (PS) Francois Hollande and incumbent conservative President Nicolas Sarkozy. Both have pledged to carry out structural reforms to make French industry competitive and balance the state budget by 2016 (Sarkozy) or 2017 (Hollande).

However, only one week before the second and decisive round of the elections, Sarkozy and Hollande are trying to cover up and distance themselves from the planned offensive by the French bourgeoisie against the working class.

According to various reports, French Labor Minister Xavier Bertrand has told companies to wait to announce their redundancy programs until after the elections, and not to fire workers before.

In an interview published on Saturday in *Le Parisien*, Hollande confirmed the planned cuts, stating that labor leaders were warning that companies in France were preparing job cuts after the elections.

"Decisions are being prepared which have been postponed," Hollande told the newspaper. In an attempt to distance himself from the cuts, he declared: "It is not our victory which will trigger redundancy plans after May 6."

The trade unions, which are supporting Hollande in

the second round, are well informed about the planned attacks. François Chérèque, the leader of the CFDT union, said: "Business leaders and human resources managers tell me that every week, the minister [of labor] calls them in order to tell them to postpone [their plans] if they had any intentions of sacking workers."

The statement by Chérèque is quite revealing. He admits that the trade union apparatus are already discussing the planned layoffs with management. Nevertheless, they are unwilling to warn and mobilize workers against the coming attacks. Instead, they are lining up behind Hollande's economic program and the drive to make French industry competitive at the expense of the workers.

In March Chérèque published a statement in *Le Monde Economie* under the title "competitiveness is the concern of all," in which he declared that "the CFDT is ready to discuss" measures to boost the economy.

In the automobile industry, several thousand jobs are threatened and the survival of entire plants is in question. PSA Peugeot Citroën, the biggest automobile producer in France, plans to cut 6,000 jobs in Europe, mainly in France. In Aulnay-sous-Bois, a city in the northeastern suburbs of Paris, 3,300 workers fear the closure of their plant at the end of the current production of the Citroën C3. The future of the plant in Valenciennes, in the Nord department, is also considered uncertain.

France's second automobile producer, Renault, is also considering laying off workers in the plants of Maubeuge and Douai in the Nord department, where the Scenic and Kangoo models are produced. Renault has recently opened two new sites in Tangiers, in Morocco. The company reportedly plans to shift larger parts of the French production to low-wage countries.

In the transport sector, Air France has frozen salaries and stopped hiring. The firm is currently in negotiations with the trade unions to revise the contracts. The

railway company Novatrans, a subsidiary of the SNCF, which had heavy losses in the past, will lay off 260 workers. The future of the shipping company Société Nationale Corse-Méditerranée (SNCM) is also in question. It was privatized after negotiations with the CGT trade union in 2006, and became a subsidiary of Veolia. The company now threatens to cut 800 of its 2,000 employees.

The finance sector is also planning to eliminate thousands of jobs in the middle of a deepening sovereign debt crisis in the euro zone. In a move to strengthen their capital, French banks and insurers have announced plans to eliminate 7,200 jobs, including 2,500 in France. The major French banks Crédit Agricole, Société Générale, and BNP Paribas plan to cut 2,350, 1,500 and 1,400 jobs, respectively. The French global insurance group Axa plans to cut 1,600 jobs in Germany to improve its competitiveness.

At the end of March, Telecommunications Regulatory Authority (ARCEP) President Jean-Ludovic Silicani, said that the entry of Free Mobile in the market of mobile telephony is likely to lead to the loss of 10,000 jobs to its competitors. The owner of Free Mobile, French billionaire Xavier Niel, has announced plans to wage an aggressive price war against France Telecom, Vivendi's SFR and Bouygues Telecom, the leading Telecommunication groups in France.

According to *Le Monde*, mass sackings are also planned in other sectors of the economy, including nuclear industry, media and agrifood.

Last Wednesday the ministry of labor announced that France's unemployment rate is 10 percent—the highest since September 1999. In March 2,884,500 people were registered at employment centers as having not worked for at least one month. The total number of people unemployed or working severely reduced hours in France was 4,582,000.



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