

**Wages:**

# We Give, Management Takes



## Negotiations info bulletin 4

**Hoog Plan falls short of Hoog promises!** In 2013-2014 CEO Emmanuel Hoog insisted that efficiency gains would produce enough savings to allow for increases in our wages, which have now been frozen for three years<sup>1</sup>.

At the negotiation session on a new AFP wages and benefits agreement held on May 13, attended by the CFDT, SNJ and SUD unions, management unveiled its proposed formula for future wage increases for HQ-status staffers. Here are the three points that make a mockery of management claims:

### 1/ You give me 1,000, I'll give you 500 (if you're lucky)

If you thought that the Hoog Plan<sup>2</sup> was going to be an exchange of **Reduced Working Time (RTT) days off for wage increases**, then here's the crucial detail they hadn't mentioned yet: you will only get a fraction of the RTTs you give up in cash, if any. For example, if we give up 10 RTTs then management will give us at most the value of five in wage increases! The formula is complex, but getting anything at all is dependent on AFP financial performance improving, and even then we would get only a slice of the improvement.

### 2/ We are expected to finance AFP's investments

If you thought that AFP would now finance its investments through the new subsidiary AFP-Blue, then the proposed formula shows that management intends to let **investment gobble up much of the savings made at the expense of staff**, as has been the case for years. No less than half of any improvement in the operating profit would go to investments!

### 3/ And guess who's going to pay for management's mistakes!

If you thought the other half of the hoped-for savings would go entirely to employees, think again. Believe it or not, management's formula would have a chunk of any savings that are supposedly to go to employees contribute in fact to the cost of bringing its payment practices into line with the law! Thus part of the RTTs management wants to take from us will go towards what it should have been paying in wages and employee contributions for years. SUD has often criticised management's **immoral and often illegal payment practices**<sup>3</sup>. Now that many of those failings have been acknowledged, they have the chutzpah to ask us to pay for them.

**The charade is over.** We now know what meagre counterparty management is offering for the sacrifices that it is demanding of us under its proposed wage and benefits agreement. And **the meagre counterparty is purely hypothetical. A highly likely scenario is that our wages will simply remain frozen.** The new Aims and Means Contract with the French state should give us an indication whether AFP will ever have enough financial room for manoeuvre to raise our salaries, irrespective of the formula.

Management's sinking of the hopes it raised opens the way for staff and unions to reunite to block the Hoog Plan and push for cost of living adjustments we have been unfairly denied.

## Only if we stand united can we stop cuts to our wages and benefits

<sup>1</sup> For example see our criticisms in: <http://www.sud-afp.org/spip.php?article286>

<sup>2</sup> See our first info bulletin on the negotiations (in French): <http://www.sud-afp.org/spip.php?article554>

<sup>3</sup> See (in French): <http://www.sud-afp.org/IMG/pdf/nao.pdf>

