

Wage talks:

A disappointment as high as expectations



The wage talks demanded by trade unions recently wrapped up with an accord signed by the CGT, SNJ and CFE-CGC. For *SUD*, which did not sign, **the deal wasn't good enough**. Given the widespread incomprehension at the staff assemblies and since, here is an overview of the issues at stake and the accord.

What will I get?

70 euros gross over 13 months, or 910 euros per year before tax, upon which you apply your seniority bonus. The measure is backdated four months, which you will receive with your July pay, or an extra 280 euros gross. In addition, management will now cover 80% of our complementary health plan charge (uMEn), compared to 50% previously, which represents a gain of **24.80 euros per month**.

But we need to point out that this gain from not having to pay as much for the mutuelle is not subject to retirement contributions by AFP but is subject to a double tax imposition. Contrary to what certain trade unions affirmed when *SUD* raised this point this point at the last staff assembly, this gain of 24.80 euros raises your taxable income by 49.60 euros. Once the CSG-CRDS social tax of 9.7% and income tax withholding are made, the real net gain is 15.03 euros (assuming a 10% income tax rate).

Stringers, the most precarious amongst us, get an increase of just 2.5%!

Why didn't *SUD* sign?

Because the accord didn't meet the mandate trade unions solicited and received from staff for **a general wage hike of at least 5% and which was the joint demand of the unions at the outset**. It is true that negotiations require compromise, but we feel more like we've been compromised.

If management and certain trade unions speak of an average wage hike of 2.3 percent, the reality is that for many of us the percentage is much less. With inflation nearing 6% and due to surpass that level in the coming months, the amount is clearly insufficient. At the end of the day, **97% of staff will end up with a wage hike less than inflation and will see their purchasing power decline**. And that after having suffered a considerable erosion over the past decade.

But the deal favors low-wage staff, right?

Yes and no. Today but not tomorrow. A uniform bonus may seem to offer an advantage, but it is a short-term one for many. That's because if it really favors low-wage staff, it means they will be disadvantaged when they are promoted to higher categories. That's because a wage hike in percentage terms would provide a bigger impact at the higher end of the wage scale, ensuring a real salary progression, while small uniform bonuses will over time erode those differences.

Some will say that a wage hike in percentage terms means that low-wage staff would get less in absolute terms. That's true, but **there was nothing preventing us from adopting a percentage increase with a minimum amount – let's say 80 euros – to ensure a bigger boost to those with the lowest revenue**. This is a mechanism being adopted by several companies, but was dismissed at AFP as being too complicated... Given that we know that only a couple dozen people will get a real boost from the uniform bonus (and we're happy for the apprentices), the cost of introducing a floor wouldn't have been much. There was thus no legitimate reason for pitting "low" and "high-wage" staff against one another and dividing staff.

It's still better than nothing, right?

Of course. We're sure everyone will be happy with getting that backdated 280+ payment in July. But beyond that personal sentiment, **"better than nothing" is not a defensible**

strategy for a trade union. We can't be satisfied with a situation that ensures our living standards slide year after year after year.¹

Trade unions should ensure their demands are clear, realistic, and based upon the needs of our members. That is why our demand was linked to inflation. With the formulation of "at least 5%", was even under the inflation rate. Is that so irresponsible?

But management blackmailed us, right?

It is true that management threatened to give us less unless enough unions signed a deal, or to cut jobs if we forced it to give us more. But **management didn't wait until raising our salaries to start cutting jobs** (i.e., the "voluntary departure plan" of 2019).

Furthermore, we must remember that negotiations depend to a large extent upon the balance of power between the parties. Management has the advantage over us, and it doesn't hesitate to exploit that. If in the short-term we can be satisfied with the lesser evil, **each time the unions give in to this sort of blackmail** (and this isn't the first time) **we weaken our ability to have an impact.** If we don't get out of this deadly spiral, we'll just lurch from disappointment to disappointment.

Does AFP really have the means to compensate for inflation?

Rest assured, *SUD* doesn't want to sink the agency financially, as some would have you believe. **What weakens the Agency are management's plans and the disengagement of the French state.** During the first staff assembly, most trade unions supported asking the state to increase its support for the Agency. It is a demand that we believe we should all insist upon more forcefully.

Remember, the 2019-2023 Aims and Means Contract fixes the state's contribution for our public interest missions (MIG) €113.3 million per year, plus €20.54 million per year for its subscription to our news content. A refusal to increase these for inflation would mean that the French state makes savings at our expense.

Is it realistic to get a new raise at the end of the year, as some unions say?

Yes, with the support of staff and unions which are truly combative. But if we want a real increase to our wages, then we can't settle for flat-sum bonuses and insurance discounts.

But management was very clear during our last negotiation session: "*Don't hope for a general wage hike after what we're giving you now*". For *SUD*, the negotiations were a failure as we had the chance to obtain the first general wage hike in a decade without having to wage a legal battle. But very quickly after management made its offer for a uniform bonus certain unions abandoned the initial demand a general wage hike of 5%... **Let these unions explain how we'll obtain tomorrow what we couldn't get yesterday!**

So, what should we do?

Try, again and again, to force management to halt actions against the long-term interest of staff.

For that, *SUD* proposes that **all trade unions call a new staff assembly upon the return from summer vacation** to debate and determine a clear objective to compensate inflation and ensure the maintaining of our living standards. We'll need the mobilization and support of staff: **join a union!**²

SUD scored 17.37% of the vote in 2018 with a promise to be a competent and combative union for all categories of staff. **This September, the bigger our score, the more weight we'll have in the negotiations to come.**

Paris, July 11, 2022

SUD-AFP (Solidarity-Unity-Democracy)



¹ *SUD* has figures showing the diminishing gap between our salaries and the minimum wage: <https://www.sud-afp.org/spip.php?article646>

² Here's how to join *SUD*-AFP: <https://www.sud-afp.org/spip.php?article3>