Wages and inflation:

Management serves up a COLA zero... Unacceptable!

SUD
AGENCE FRANCE PRESSE

On November 30, HQ trade unions met with management to begin the mandatory cycle of annual wage talks (NAO). Five months after an extraordinary NAO that resulted in a gross wage hike of €70 per month, one could have reasonably expected a similar cost-of-living adjustment, or COLA, to compensate more of the high inflation rate in 2022. But the talks were a cold shower: management announced no general wage hike until 2024!

In July, certain trade unions – including *SUD* – considered the deal reached with management to be insufficient while the signatories considered it an "initial response to the emergency" and promised to seek more if inflation persists.
(See our tract: *Wage talks: A disappointment as high as expectations* https://www.sud-afp.org/spip.php?article681)

Today it is clear that inflation has persisted, and that the July deal was not enough to compensate AFP staff for their loss in purchasing power. With the annual inflation rate estimated at 6.2% in November, the €70 per month and reduced health care contribution are not enough. Especially after years of a wage freeze.

The HQ trade unions were united on November 30 in calling upon management to halt the erosion of our purchasing power. Even if that requires it going hat in hand to the French state to ask for an increase in the compensation for our public interest mission and/or its subscription.[1]

But management rejected this outright, arguing that the July increase is sufficient and that "*the situation hasn't gotten worse*". In other words, inflation hasn't risen enough since then for management to reopen the subject. And for the cherry on the cake, management announced there would be few bonuses and promotions at the beginning of 2023, contrary to previous years when it was attempting to show the benefits of an Anglo-American-style wage and bonus system.

The COM is to blame

Management said its refusal to seek more money from the French state is also due to the upcoming negotiation for the next **Aims and Means Contract (COM)**, which will cover the period of 2024 through 2028. It said asking for more money now would weaken its bargaining position in those negotiations to get more money.

That may seem reasonable on the surface, but several points must be kept in mind:

The current COM is particularly harsh for AFP, with compensation for our public interest mission frozen at €113 million per year since 2018 (save for special financing for Plan Fries) and subscription fees fixed at €20.5 million. If these were indexed for inflation, then AFP would have received nearly €33 million more over the period.

The times are such that we all need to watch our expenses, but if AFP staff are making an effort, it is the French state that is pocketing the benefits as its financing of AFP decreases in real terms year after year.

Management also said that it must demonstrate **sound financial management**. We agree! *SUD* doesn't call for squandering funds on risky projects or swanky parties… On

[1] See the Intersyndical statement published before the opening of the NAO – http://u.afp.com/iNsJ

the other hand, cost-of-living adjustments and creating new posts instead of repeated reorganizations to cover holes are not profligate.

By rejecting cost-of-living increases management offers us nothing but the perspective of reduced purchasing power, which it justifies by saying that, in its opinion, overall working conditions at AFP are comfortable, pointing to our number of vacation days…

Except, of course, our situation has become less and less *comfortable* thanks, in addition to inflation, increased workloads due to not replacing departing staff and other *cost-saving* measures made at our expense.

Some recent examples of these: management is refusing to increase the flat monthly expenses allocation of €138 despite Paris reporters using scooters getting hit with a new parking fee. It is trying to reduce or remove altogether bonuses for new photo and video journalists. And management successfully delayed the renegotiation of the remote working agreement. The extension of the current agreement for a period of six months lets management escape contributing to our higher heat and electricity costs during the difficult winter months ahead.

Neverending sacrifices?

While our purchasing power erodes, management isn't exactly applying financial austerity to itself. The CEO recently spent four days at the World Cup in Qatar (including the France-Tunisia match), with three of the Agency's directors in tow. That follows a visit the previous week by the editor-in-chief to the AFP staff working the event… Are all these visits necessary? (Not to mention their carbon impact...)

SUD **calls on management to reverse its position, take responsibility for the situation, and seek to engage the French state as soon as possible.** The possibility of **general wage hikes** to compensate for inflation must remain open. Staff should not be the ones to pay for a bad COM.

For the many HQ staff who already have 20 years working at AFP the situation is even more dire: they don't have any more guaranteed wage increases in their career plans to help compensate for the impact of inflation. Many have been suffering from an erosion of purchasing power for years. That is why *SUD* is calling for **additional seniority bonus levels**, and we welcome two other trade unions joining this demand.

The next NAO meeting is scheduled for January 12, when management is expected to make its proposals, which are likely to be minimalist.

Staff should be ready to mobilize to defend their purchasing power which risks to considerably erode again in 2023 under continued inflation.

Paris, December 6, 2022
***SUD*-AFP (Solidarity-Unity-Democracy)**