



The role of trade unions in the setting of state employees remunerations in France

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Main rules for the remuneration of State employees

A law-mandated negotiation process between the unions and government

The actual practice of negotiation

Main rules of remuneration

Remuneration comprised of two parts :

- A basic wage / a legal rate of remuneration
 - This basic wage must respect the guaranteed minimum wage
 - This basic wage is mainly awarded depending on seniority and level of responsibilities
- Various bonuses (bonus of productivity, overtime pay works, or travelling allowance...)

Main rules of remuneration The goals of the wage policy

The remuneration of state employees is designed to take into account the following elements :

- seniority
- qualification
- responsibility
- overtime work
- individual performance / result
- collective performance / result

The legal negotiation process

The negotiation between trade-unions and the French State is mandated by the law

trade unions have authority to discuss the raise of remuneration with the government

- The government and the trade unions share statistical information
- Negotiation takes place for at least once in a year
- All the elements of the wage policy which may have consequences on the level of the remuneration must be included the discussion

The actual practice of negotiation

- The wage policy is set for three years
- During these three years, government and unions meet once a year...
- ...in order to discuss whether or not action should be taken to adjust wages to the economical context (inflation, financial crisis or budget-deficit, level of the debt, ...).

The actual practice of negotiation

- To stop the increase of the payroll cost, the government decided to trim the work force (Since 2007 : only one recruitment for two retired persons)
- In 2011 and in 2012 government decision to freeze the basic wages for all the public sector

Some figures

Overall, 5.3 millions public-sector employees concerned by the negotiation, of which:

- 2.4 millions employed by the State (including the military) / 73 billions € for the remunerations (2008) - 45 % of the state budget
- 1.8 million employed by the local authorities / 48 billions € (2008)
- 1.1 million employed by state hospitals and other public health facilities / 24 billions € (2007) .