

# UK has 500,000 state workers with spe

France's *fonctionnaires*, with their special job statuses, are preventing the country from moving forward, says a new book that is pushing for public sector reform

By Oliver Rowland

CIVIL servants are the most powerful lobby group in France and they hold back progress because of selfishness, says Agnès Verdier-Molinié, director of the independent think-tank iFRAP, which specialises in analysing the performance of the state. In theory, France's millions of *fonctionnaires* are disinterested public servants. The truth is that they are mainly interested in gaining - and keeping - more advantages, which "paralyse" successive governments, says Ms Molinié, author of *Les Fonctionnaires Contre l'Etat - Le Grand Sabotage* (Albin Michel).

#### Why did you write this book?

Because the power of the public sector has no equal. I wanted to explain how this public lobby is, above all, interested in its own survival - and increasing its power, acquired advantages and special working statuses - rather than in the general interest. The situation is serious because the people who would like to reform the country don't manage to do it properly. There are little reforms, not real reforms because of this lobby. The subject is taboo and I want to open that discussion up.

#### How many *fonctionnaires* are there?

Civil servants proper, who work for central government or councils or public hospitals, are 20% of the working population, a great deal compared to the OECD average of about 15%. But I am also talking about those working for state companies, who also have a "public sector" job status, such as EDF and GDF, which takes the figure to about 24% - or seven million people who think, above all, about preserving their special statuses. Alongside the private sector there is this public one where everything is done according to different bases.

You might have a nurse who works in a private clinic and on the other side of the street her sister works as a state hospital nurse, and they will not have anything like the same salary, the same conditions for sick leave, unemployment, retirement and so on. And one will have a job for life and the other will not. That's what we find shocking. Why should a driver at the National Assembly be paid double what a driver for a big private company gets? Thanks to years of tweaks to their status and remuneration they have created this parallel world.

#### Do they also have a lot of holiday, for example?

Like employees in large firms in France, but not most people in small businesses, they take about nine weeks' holiday due to the 35-hour week rules [time in lieu for overtime], which were not originally meant to apply to them. Absenteeism is also twice as high in the public sector compared with the private sector. The *Chambre Régionale des Comptes* found the rate was 27 days per person per year in some Paris hospitals.

In the private sector, especially in



Agnès Verdier-Molinié believes that France could have reacted more effectively to the economic crisis if it had not been for the *fonctionnaires*

small and medium-sized firms, if you are absent due to illness you are often not paid for the first three days, then you are paid half of your salary by the state health insurance. In the public sector you are immediately paid 100% by the state or the council. The public sector has got used to the idea that people are paid whether they are at work or not.

#### You said that the special statuses were "a gift to the communists" after the Second World War?

Yes, because France was in a difficult situation and it was necessary to form an alliance to make a government.

They had worked in the Resistance and promises had been made. Georges Bidault, the head of the government, needed them to give their okay for the French Union [similar to the British Commonwealth]. It was originally just for people who worked in central government, then it was extended to public hospitals and local council employees under pressure from the unions and communist ministers. The unions pressed for extension to as many people as possible and so we saw special statuses given to people like EDF and GDF workers as well.

#### Once acquired, it seems the special statuses are set in stone - I heard that the early retirement age for train drivers was based on the fact they used to do dirty work with coal...

That's right, and the unions have become entirely at the service of the public sector. They forget about the private sector because only 2.5% of

private sector workers belong to unions, compared to 15% in the public. Also, the unions are about 85% funded by public money, about €1-2 billion a year. That includes the cost of "lending" them workers. A state teacher might really work entirely for a union, and still be paid by the state. When the unions complain about job cuts in education they don't mention that several thousand teachers are working for them, not in front of a class.

#### And when something is not to their liking they strike - the

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#### French are the European "champions"...

Yes, and if you look at days lost in 2008, for example, 62% were in the public sector, whereas in the 1960s it was 5%. What I reproach also is the fact they are not interested in future generations.

Take the crane operators who have caused blockages at the Port of Marseille. For the port to provide work in the future it has got to have lots of ships unloading, but they don't care if there's no more business, they just want the best possible salary, bonuses and working status. They get €5,000 a month on average - there are 36, all CGT members.

In 2010 there were three consecutive months of strikes. I was talking

to someone who uses the Port of Marseille for deliveries who is obliged to pay for an expensive insurance policy or else ship owners will not deliver there.

#### Many readers will also have been affected by train strikes...

Yes, the problem is these people have all been given jobs for life and their interest is not necessarily the public service they are paid to do. They have been told repeatedly that their job belongs to them.

#### Do strikers not lose pay?

They do, since 2003. However while central government keeps a record of who is on strike, the local councils and hospitals do not, so how can you tell who was on strike so as to not pay them?

#### Has Sarkozy's minimum service helped?

Yes, it had been talked about for 15 years and no one had dared to do anything, and it has helped a lot. During big strikes public transport still works, more or less. However, all through the year there are quasi strikes, such as 59-minute ones [which enable strikers to avoid losing pay], or they make use of the *droit de retrait*, where an employee can stop work if there is immediate danger. It has become a pretext as soon as there is, for example, some incident of aggressive behaviour.

#### Would more privatisation help?

There is strong opposition to it. Opponents say it is dangerous, that it has caused accidents in the UK. They always find examples to claim



it is an awful thing to do, that if we privatise the SNCF people will die. Then the difficulty is that we privatised EDF and GDF but the state remained involved; even Sarkozy promised EDF would remain majority state-owned, because he was under enormous pressure.

*La Poste* was turned into a limited company, but it is still only publically funded. It was done at the worst time, just as Lehman Brothers went bankrupt and everyone was saying capitalism was going to wreck the world and why did we want *La Poste* to become a horrible capitalist company? The debate is always very ideological.

I suggest we get rid of the special status for people not directly working for core government services, like defence and security, the rest should be on ordinary contracts.

I also think some public services could be delegated to the private sector. Opening to competition is essential. The state health insurance pays 30% less for an operation in a private clinic than one in a hospital because they are better managed.

The SNCF is 30% more expensive than its European competitors, partly because its staff budget is too much. It has already lost a large market share in freight, which has been opened up, due to the problems of the special statuses. Sometimes, however, the same firms that are paralysed at home by their staff are capable of competing in other countries.

#### In your book you mention some extreme tactics, like EDF workers carrying out sabotage to cut off people's electricity...

It's not that common and the unions generally say they are opposed to it,

# cial work status, France has 5.5 million



The French are the European "champions" of striking - but 62% of working days lost in 2008 were in the public sector

They are theoretical and don't test you on the work you are going to do, just your ability to regurgitate. I have spoken to politicians who have a mixture of *fonctionnaires* and *contractuels* [temporary contracts] working for them and they say the *contractuels* are often better, but have not passed the exam. People say they could take them if they wanted to, but some people are good at practical action and not at passing exams. A contract worker in the public sector has even fewer rights than in the private sector and is treated poorly by the *fonctionnaires*.

**I notice that in other countries, such as Germany, Sweden and the UK, that most people who work for the government, unless they are in the army, for example, are on the same contracts as in the private sector.**

In Britain there are only 500,000 state workers with a special public sector status - France has 5.5 million. There, Mr Bloggs who worked in the public sector can go and work for a private firm and then come back. In France there are two systems and, for example, if you are a teacher you do that for life, you don't have a varied career.

**Last year, however, *fonctionnaires* were concerned by the pension reforms...**

Their retirement contributions are progressively going up, but we think

the state will compensate them. Their pensions are still better than the private ones and we want them to be the same for everyone. Also, some public sector workers, for example in EDF and the SNCF, will still be retiring much earlier than other people.

**We hear in the news about civil service jobs being cut...**

The problem is there have been central government cuts, but not in the hospitals and local government. At the same time as 30,000 central government jobs are cut, 40,000 are taken on in local government. Also, the current reforms do not manage to make savings and expenditure on staff keeps going up. The *Cour des Comptes* and Jacques Attali said we need to freeze the *fonctionnaires'* salaries.

**I thought that was being done?**

It is now, but last July, when other countries were lowering or freezing salaries, we put *fonctionnaires'* pay up by a billion. Also, they are freezing the index point [the basis for civil servants' pay, which is multiplied by other factors according to the post], but not pay increases due to time in the job, which represent 3% each year. Furthermore, *fonctionnaires* benefit from the GIPA, a guarantee their salaries will always go up by as much as inflation.

**Do you think other countries have**

**reacted more effectively to the needs of economic recovery?**

Yes, because we are blocked by the *fonctionnaires* and can't do anything. Ministers tell me in private that it's awful even for them. It is urgent to get rid of the taboos because you can't discuss it. My book is critical, but not insulting, but people accuse me of wanting to dismantle public service, which they say is the foundation of France, our history. We never had your Thatcher reforms that re-established more economical healthy bases.

**Sarkozy was elected on a platform to do this, has he failed?**

It's very difficult because inside the ministerial cabinets - and those who help the president - it is all *fonctionnaires*. Cameron surrounds himself with advisers from civil society, such as entrepreneurs, not just civil servants. Here the jobs are full of *énarques* [graduates of top civil service school ENA] who think they know what is good for France better than everyone else.

There are two important parts to the debate - firstly over the special status itself and secondly, does every public service have to be run by civil servants on a special status? Can we run public services differently?

I am holding a round table debate at the Senate on this subject matter in June. I think we should delegate more tasks to the private sector and see if it does things better.

but some people do it, because they think they own everything. They even went to cut off the electricity of a senator, whose wife was seriously ill, because of the pension reforms.

Another problem with special statuses is that each person is evaluated alike, based on time in the job. If two people start at the same time in the

same government office, after five years they will be on the same salary even if one is always off work and the other works like mad. It creates frustration for those who are motivated.

**You also criticise the competitions to become a *fonctionnaire*...**

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