

# 0% Interest Will Cost European Industrial Workers 100% of Their Jobs

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Dear reader,

The labor inspector passed one morning before the harvest.

He inspected a house of champagne.

He visited the harvesters' houses and did not find them to his liking: not large enough, not enough showers. New buildings will have to be built.

Indeed, a grape harvester is considered a seasonal worker. The law on the accommodation of seasonal workers (there are laws on everything in France) stipulates that a seasonal worker must have a housing of at least 9m<sup>2</sup>.

There was a derogation for harvesters until last year: the harvest never lasted more than 15 days. The labor inspectorate tolerated that more than two beds should be placed in a room of 18m<sup>2</sup>.

**But the inspector changed his mind without notice or consultation.**

When I was a student, I was doing the harvest. We slept under the tent or under the stars. The work was harassing and I keep some of the best memories of my life.

But all this was going on in very ancient times.

Where the inspector passes, the work

We must therefore rebuild the houses of the grape harvesters.

A straw for *The billionaires of Champagne* You will say ...

**Except that the profitability of a champagne house, luxury product par excellence and strong margins ... No more than 10% [2].**

They do not have the means to completely rebuild houses for their grape harvesters.

Besides, the HRD who told me this story also does not have the means to recruit an assistant while he works 60 hours a week and that there would be plenty of work for two.

So what did the champagne houses do for the harvest?

They have called on seconded workers.

The pill was bitter for the harvesters, some of whom came with their family and survived only because of this manna, which for some of them accounted for half of their income for the year.

They called the HRD crying. They have begged ... But nothing has done.

Some of them have even enrolled in Luxembourg and Belgium to benefit from the status of a seconded worker ... in their own

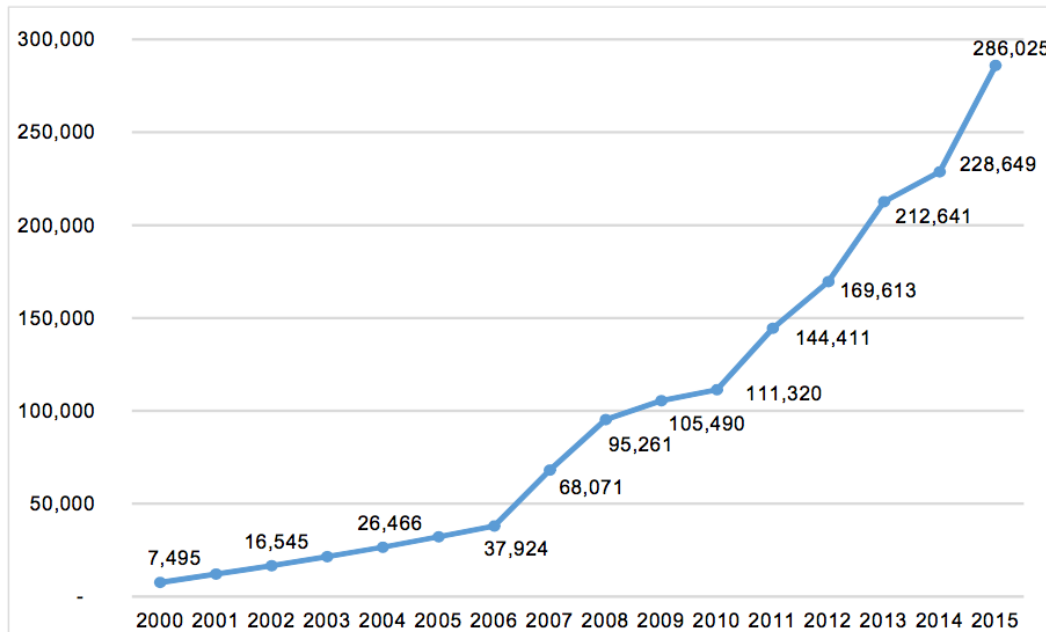
country, here in France. [3]

But the interim agencies took care of bringing them from Poland and Romania and housing them.

So, of course, the Ministry of Economy's propaganda endeavors to explain to you that a seconded worker is more expensive than a French worker thanks to the exemptions of charges on low wages. [4]

*But then why does the number of posted workers explode?*

Chart 2: Posted workers in France, 2000-2015



Source: Direction Générale du Travail (2016), dossier for French national commission to combat illegal work.

The graph above shows the evolution of workers posted to France in a legal and declared

We must add at least as many that are not declared.

There are probably 600,000 workers posted to France. Probably much more.

A report from the European Commission of 2015 considers that "a **Posted worker without a doubt 10 to 50% cheaper than a national worker.**

But in fact... They do not really know!

Even by the confessions of the authors of the report, no study has been carried out to calculate the real wages of the posted workers ... And there is a gap *Between the principles of the European directive and practices* ".

*This is due in particular to the challenge of coordinating abstract and unclear concepts set out in the Directive with very complicated national minimum wage rules. **Even stricter enforcement measures, for example through intensified controls by labor inspectorates, will not be fully effective until minimum wage rates are defined more precisely, Either directly by European legislation or through the ECJ.*** "

You read correctly ! Most employment agencies and companies which abuse the status of seconded worker do so most of the time in a legal way by interpreting texts of badly drafted laws even more badly translated: **The very definition of minimum wage is not clear either in the texts or in the decisions of the European Court of Justice**

Of course, we say that we must then regulate more severely the status of posted workers ...

But that does not solve the problem of companies struggling in an impossible regulatory environment where an ill-tempered inspector can impose unfair, inefficient and unjust standards without any recourse possible.

**The impoverishment of the employees and the fall of the margins of the companies are two concomitant phenomena**  
And it is certainly not by cutting new croupieres in the margins that we will restore better wages.

The issue of posted workers must therefore be resolved at the same time as the simplification of the labor code.

This example of the harvesters who have lost their jobs is symptomatic of the French evil: it is not even the wages that are involved but stupid norms enacted against the interests and wills of both employers and employees.

As the DRH with whom I was discussing bitterly noted, there will soon be nothing more to tear up the vines and replant them in countries of low cost ...

After all the champagne is originally a bad wine that was fermented in bottles of glasses to improve its aromas and whose unexpected bubbles masked the poor taste ...

To your good fortune,

Olivier Perrin

Sources:

[1] <http://www.lefigaro.fr/emploi/2016/04/21/09005-20160421ARTFIG00022-vendanges-la-taille-des-hebergements-des-saisonniers-php>

[2] <http://avis-vin.lefigaro.fr/economie-du-vin/o132088-champagne-la-rentabilite-recule-en-2016-pour-lanson-bcc>

[3] <https://www.marianne.net/societe/les-travailleurs-detaches-en-france-sont-aussi-des-francais>

[4] <https://www.tresor.economie.gouv.fr/Ressources/File/427358>