France

Country facts France	
Population	62 752 000
GDP per capita (2006, US Dollar)	31 050
Employees in Agricultural Machinery	22 000
Trade unions in the EU Agri-Tech Network	Federation des Travailleurs de la Metallurgie (CGT)
Proportion of employees in unions (general)	8%
Workplace representation	Union and works council
Main level of collective bargaining	Industry and company
Collective bargaining coverage	93%

Source: OECD, Eurostat, und ETUI-REHS (www.workers-participation.eu).
Employee figures from the French “Ministère de l’économie de l’industrie et de l’emploi“.

Sectoral data: Size and structure of agricultural machinery industry

Employment: In 2006, 16,436 people were employed in the French agricultural machinery industry (in companies with more than 20 employees), less than in any other year since 2000. In comparison to the year 2000 (18,625 employees) and despite increasing job creation in the years 2001 (19,328) and 2003 (18,774) this indicates a decline of around 12% and in comparison to the year 2005 (17,137 employees) a decline of around 4%.

Sales and production volume:

The turnover in agricultural machinery/tractors of all companies with more than 20 employees has moved in a range between 3.5 billion € and 4.1 billion € (in 2004) in the last six years. In comparison to 2004 numbers, it slightly declined towards 3.9 billion Euros in 2006.

The production volume of French agricultural machinery and agricultural tractors has been on a high level and increased from 2006 to 2007 by 9.5% (11.2% tractors, 8.0% machinery). Production of agricultural machinery represents almost twice the production volume of agricultural tractors.

Foreign sales account for almost two thirds of the market, whereas the large French agricultural sector accounts for the other third.

In the French market, in the year 2007 the demand for agricultural tractors increased by 16,8% compared to 2006 values. In terms of matriculations of new agricultural tractors, the yearly number of matriculations has constantly moved around 35,000 to 42,000 for more than 10 years. Although standard tractors still claim the highest share, the demand for other tractors is increasing. In general, the demand is clearly moving towards high-power and high-performance tractors with the average performance of standard tractors going up to 122 horse powers DIN in 2007 compared to 107 horse power DIN in 1999 and the average performance of narrow (wine and fruit) tractors going up from 71 to 79 horse power DIN in the same period. The situation in the market for agricultural machinery is similar, with a decline of the market share of low-performance machinery in favour of high-performance machinery.

Export:

Around 60-70% of the French agricultural machinery production are exported and most of the exports go to the EU-25 countries (more than 60%) with Germany as a leading importer, the USA and other

With financial support of the European Commission

European countries. French exports of agricultural machinery have increased steadily during the last years and have almost tripled in the last 14 years, exceeding 2 billion € since 2005.

At the same time, France still relies on imports in order to satisfy the demands of its large agricultural industry. Imports have increased by 11,2% from 2.83 billion € in 2006 to 3.15 billion € in 2007. In 2007, France was importing mainly from Germany (34%), followed by Italy (16%) and the USA (9%), several other Western European countries with 4 to 5 % and Japan with a market share of 3%.

The result is an export deficit which is generally higher for agricultural machinery than for agricultural tractors, but particularly obvious for combine harvesters and new high-power tractors.

Main Product groups and Companies

The main manufacturers of agricultural machinery located in France are, nowadays, subsidiaries of large multi-national corporations. The number of companies with more than 20 employees in agricultural machinery decreased from 211 in the year 2000 to 189 in 2006. Some of the main French-owned companies specialize - for example in spraying or wine- and fruit-growing equipment.

JOHN DEERE	1427 employees	**USINES CLAAS FRANCE**	374 employees
AGCO (Massey Ferguson, Fendt, Valtra)	1223 employees	**KUHN-HUARD**	337 employees
KUHN SA	1152 employees	**Mc CORMICK**	328 employees
CLAAS Tractor (ex Renault Agriculture)	1012 employees	**ETS PELLENC**	275 employees
GIMA	903 employees	**BERTHOUD AGRICOLE**	232 employees

Restructuring of the agricultural machinery sector

Closures: CASE IH became Mc CORMICK

Mergers and Acquisitions: The penetration of foreign companies into the French market has increased with the German group Claas taking over the specialist tractor manufacturer Renault Agriculture (2003: 51%, 2006: 80%, 2008: 100%) and renaming it CLAAS Tractor.

New production sites or suppliers in low-cost countries (China, India) and the opening up of new markets in Eastern Europe seem to be a new trend of the industry.

Main challenges and problems from the trade unions' and works councils' point of view:

- Increasing petroleum prices
- Increasing raw material prices
- European Agricultural Policy
- New engine standards (low level of pollution)
- Increasing engine power
- High quality and innovation
- Increasing R&D costs
- To increase production
- To have low cost production
- To increase working hours
- Workers age and retirement
- Temporary employment
- Work intensification
- Training, qualification, salaries

Trade Unions, labour Conditions and labour relations

Trade union membership in France is relatively low with only around 5% of employees in the private sector in trade unions. Across all economic sectors, the five main competing representative confederations are: the CGT, CFDT, FO, CFTC and CFE-CGC. Their legal status allows them to negotiate and to nominate candidates for elections.

Among the various forms of employee representation is the representation through unions, trade union delegates, works councils, employee delegates, job stewards or health and safety representatives. Furthermore, employee representatives can be members of the board.

The standards in companies are according to the French labour laws (code du travail) and the metalworkers' collective legislation. Special company standards are a working time of 35 hours per week, rules for employee representatives, bonuses and incentives and an obligation for yearly bargaining of salaries and working time at industry and company level. Overtime work is paid at a rate of 25% in addition to the normal salary.
In summer 2008, a new legislation (law on renewing social democracy and working time reform) changing the rules of collective bargaining entered into force and challenged the unions. It enables companies to renegotiate working times and therefore the legal working time of 35 hours per week up to a maximum weekly working time of 48 hours as well as the yearly working time.

Consequently, the main challenges for French trade unions at the moment are salaries, productivity, the regulation of working time, temporary employment, training on days off and the retirement age.

Trade union initiatives and demands

- salary increases
- hiring new workers,
- more power for the European works council

Trade Unions and Employers' Associations

- FTM-CGT
- MEDEF

Project partners in the European Agri-Tech Network:

la cgt	CNH	CLAAS

Additional materials and information:

- Sector report on agricultural machinery in France prepared by FTM-CGT
- Information on workers' participation and collective bargaining in France of ETUI-REHS:

ETUI-REHS WORKER-PARTICIPATION.EU
THE GATEWAY TO INFORMATION ON WORKER PARTICIPATION ISSUES IN EUROPE