

Social Protection in France

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Looking at the broad history of Western Europe, one can say that it was during the 18th century that civil rights were introduced, in the 19th century, political and economic rights, in the 20th century, social rights.

This was not easily realized nor did it happen at the same pace in all countries. Quite often, there were social and political struggles, economic crises, conflicts, wars, revolutions.

Since the end of the 20th century, we see a global decline in social rights more or less everywhere: in France, in Europe, in all the rich and developed countries.

Governments and bosses say that with economic and financial globalization, each country must do better than the other. They have installed everywhere a fierce rivalry between economies, in the name of freedom of trade and free exchange. To be more “competitive”, they push for imposing less social rights, a lower buying capacity of the majority of workers, more difficult working conditions, the reduction of financing and competency of public services.

Its very visible aftermath is the steep increase in inequalities between a minority of privileged persons and the majority of populations.

Origins of social protection in Western Europe

The social protection that gradually took shape was aimed at protecting the life of each person against life’s risks, and this from birth to death. Therefore, it consisted in assistance for the family (with child-birth), assistance in illness, unemployment, exclusion, old-age.

New needs for social protection are coming up because of economic, social, demographic developments and changes in the way of life among peoples (more and more living in cities, more and more broken families due to divorce and separation of

couples; more and more persons who are aged and dependent for their daily needs; greater mobility and precariousness of employment, etc.)

This social protection has a price. It consists in 1/3 of gross domestic product, 1/3 of economic activities of rich countries and used for solidarity such as: solidarity among single persons, childless couples, parents with children; solidarity from healthy persons with the sick, the handicapped, dependents; solidarity from young and able-bodied persons with the aged.

The sum allotted to the totality of social protection represents more than that used by the states, regions and communes to finance public works, public services, public administration.

But, these «expenses» yield great returns : better health for the population in general, and therefore equally better health for labour ; less tough and less difficult personal lives; a slightly better social climate; financial gains for numerous sectors of the economy (chemical and pharmaceutical industries, health industries, retirement homes, etc.).

During the 19th century, solidarity was essentially practised within the family. It was necessary to have many children in the hope that they be able to work and help their aging parents. Most families lived in the rural areas and several generations lived under the same roof, which necessitated a minimum of solidarity between generations.

Alongside this, one may get « charity » coming from churches and rich benefactors.

At the end of the 19th century and the start of the 20th century, in England, Germany, France, in the U.S., industrialization intensified. Populations moved within countries and big migrations took place between countries (from certain European countries towards other more industrialized European countries; from Europe to the U.S., etc.) Families broke down. Old types of solidarity became more difficult (to realize) and gradually disappeared.

The struggles that ensued, on the one hand, and the need among certain employers to maintain available and qualified labourers, on the other, enabled the birth of solidarity systems, though still minimal and quite insufficient, within certain big companies : maritime, mining, railway, etc.

After the war of 1914-1918, systems of social contributions among employers and employees were progressively put in place to cover accidents at work, old age, invalidity, sickness.

These forms of solidarity were often professional, limited to a company or to a professional sector, but obligatory in this sector or this company for all salaried workers and all the companies in the sector.

In the years 1920-1940, the systems made available to a minority of workers were extended to others. With the crisis of 1929 and the sudden rise of unemployment, a special solidarity for the unemployed was sometimes put in place.

The installation of Social Security in France, from 1945-1950

After the war of 1939-1945, new political power struggles in each country, in France in particular, as in the international geopolitical power struggles, led to important legislative developments. In France, it is with the 1945 laws that a whole legislation and regulation were to be formed to gradually build the system of social protection which prevailed in this country during the period called the "Glorious Thirties".

Little by little, almost the whole population were to benefit from a system of social protection, either through a particular scheme or through the general scheme. In 1945, legislation had envisaged a universal system, identical and equal for all, but this could not materialize, due to the attitude in certain social categories which did not want to "lose" the level that was already achieved by their particular (trade or industry) scheme (railway employees, electricians, mine-workers, etc.) or did not want to contribute to the high level demanded by the general scheme (free-lancers, craftsmen, traders, agricultural planters, etc.)

The funding of social protection systems has always been the subject of big debates : whether it be by taxes, with the understanding that all persons of a country will benefit from the social protection, whatever their situation may be within an economic activity ; or by social contributions, paid by both employer and employee, which means that in order to benefit from this social protection system, one must first have contributed to the fund.

In Germany, it's the obligatory professional insurance system that predominates. Contributions are paid proportionate to one's salary and social rights are justified either by the practise of a professional activity or by kinship with the worker.

In England, the system of financing through taxation predominates. Social rights ensue from citizenship.

The French system has recourse to both: to contributions of employer and employee; and to taxation, to taxes more or less directly allotted to funding for certain social security expenditures.

Present debates and stakes of social protection

Policies concerning the family

The policy regarding assistance to families can be concretized in several ways : granting special leaves to facilitate maternity (days of leave paid to the mother, before and after delivery); granting days of leave to facilitate care for the child's first months (for mother and father); direct allowances to help pay for certified nannies or private persons, or the opening of day nurseries and care centers for little children.

All through infancy and the youth of children, forms of aid are still be accorded ; this continues to be practised in France, with allowances given to parents up to their child's majority age, "family" allowances paid according to the number of children, or deduction in the taxes parents would normally pay according to their income.

There are ongoing debates: Should "allowances" be given to all families

with children, including families with high income and owning big properties? Should the allowance given from the first child on be increased or should a ceiling be set starting from a certain number of children? What ceiling should be fixed for fiscal advantages related to the presence of children in the couple? In a woman's professional career and ultimate retirement, how to take into account the fact that it is mostly the women who interrupt, in varying lengths of time, their professional activities to ensure the care of young children?

Health policies

In France, financing mostly comes from social contributions of employees and employers, though we know that these latter have more and more ways of getting totally or partially exempted from certain social contributions (for reasons of placement or employment incentives, etc.) Besides, since the start of the 1990s, a Generalized Social Contribution (CSG) exists, more or less paid by all earning families and adjusted according to their income.

Its objective is to cover the health expenses of persons, by contributions, on the one hand, and by public services, on the other. This concerns the cost of medical consultations (at the general practitioners, specialists, etc.), the cost of medication bought in pharmacies, the cost of special treatments (massage, radiation, reeducation, etc.), the cost of surgery and hospitalization, the cost of transport (ambulance), cost of preventive measures against possible future illness (medical tests, etc.)

The policies employed for twenty years now have resulted in raising the remaining cost directly charged to each patient who quite often must pay more obligatory social contributions, who must try to spend for a complementary insurance or a private one which will take full or partial charge of the complement which is not reimbursed by Social Security's Health Insurance. Medicines which are paid beforehand by Social Security are not covered by these.

Hospitalization is a very important health and financial issue. The current governments are reducing the resources attributed to hospitalization in the public sector, favouring the network of private clinics, some of which are now on the stock exchange list.

Debates are still on about financing private medicine, about financing the pharmaceutical industry, from production by the chemical industry to retail distribution by pharmacies. With the pretext of creating responsibility among the sick, governments are leaving parts of certain medical fees to be personally paid by the patient; its most frequent aftermath is that the poorest families lose access to certain treatments (dental, for example).

Old Age

Concerning retirement or pensions, the attacks by government have been numerous during the past fifteen years.

While the country is suffering massive unemployment (around 10% of the working population), since 1993, through diverse steps and reforms, the retirement age has been pushed higher. In fact, while the legal age is still 60, many persons

are forced to work more years (if they can) to try to gain a less feeble retirement pension. Normally, a retirement pension should take into account 75% of the quoted salary (that of the best 10 years of the person's professional career).

As a whole, despite several attempts of governments and managements, retirement in France is still working according to the so-called system "of distribution": it is today's active workers, by their contributions deducted monthly from their salary, who pay for persons who are presently retired. And the act of contributing now gives the active workers the right to receive, "when their turn comes", a retirement more or less adjusted according to their employment salary and the number of years they have worked and contributed.

There are constant attacks of banks and financial institutions to render inevitable a system that works on the basis of capitalization, where each individual can gain retirement benefits according to profits, during retirement, of the capital which he will have gathered during his active professional life.

Unemployment and Social exclusion

Assistance for the jobless is also subjected to attacks, to questionings and diminution. There are already ongoing fights around the inventory of unemployed and "jobless" persons.

Regularly, restrictions are established to diminish the number of unemployed persons who could apply for benefits, to reduce the level of their unemployment benefits, to get something back in exchange, etc. Assistance towards reintegration is particularly inefficient; what is essential is to have dynamic economic and financial policies that create employment linked to a policy of reducing working hours; but the opposite is what is happening.

Dependence

With the aging of part of the population, old and very old persons are having difficulties assuring a decent daily life, whether on their own or with the help of relatives.

These new needs are still far from being effectively addressed by the collectivity, be it by social protection or by territorial public services.

Handicap

Persons can suffer from handicaps, be they physical or mental, since birth or in the course of life, eventually in line with their professional activity, by illness or due to accidents. In France, the coverage of handicapped persons is still very much insufficient in many fields : schooling, professional training, access to jobs adapted to handicapped workers ; rendering city life and the surroundings accessible to handicapped persons.

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P.S.

* Translation MJ.