

Keeping wages low :In France, no real labour shortage, but rationing of seasonal workers and occupational travellers during covid

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7th Regulating for Decent Work Conference



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▶ **COVID-19 and the world of work: Towards a human-centred recovery**
6-9 July 2021, Virtual Conference, ILO Geneva



COVID-19 and the world of work: Towards a human-centred recovery

The 7th Regulating for Decent Work (RDW) Conference will examine the impacts of the COVID-19 pandemic on the world of work and discuss policy and

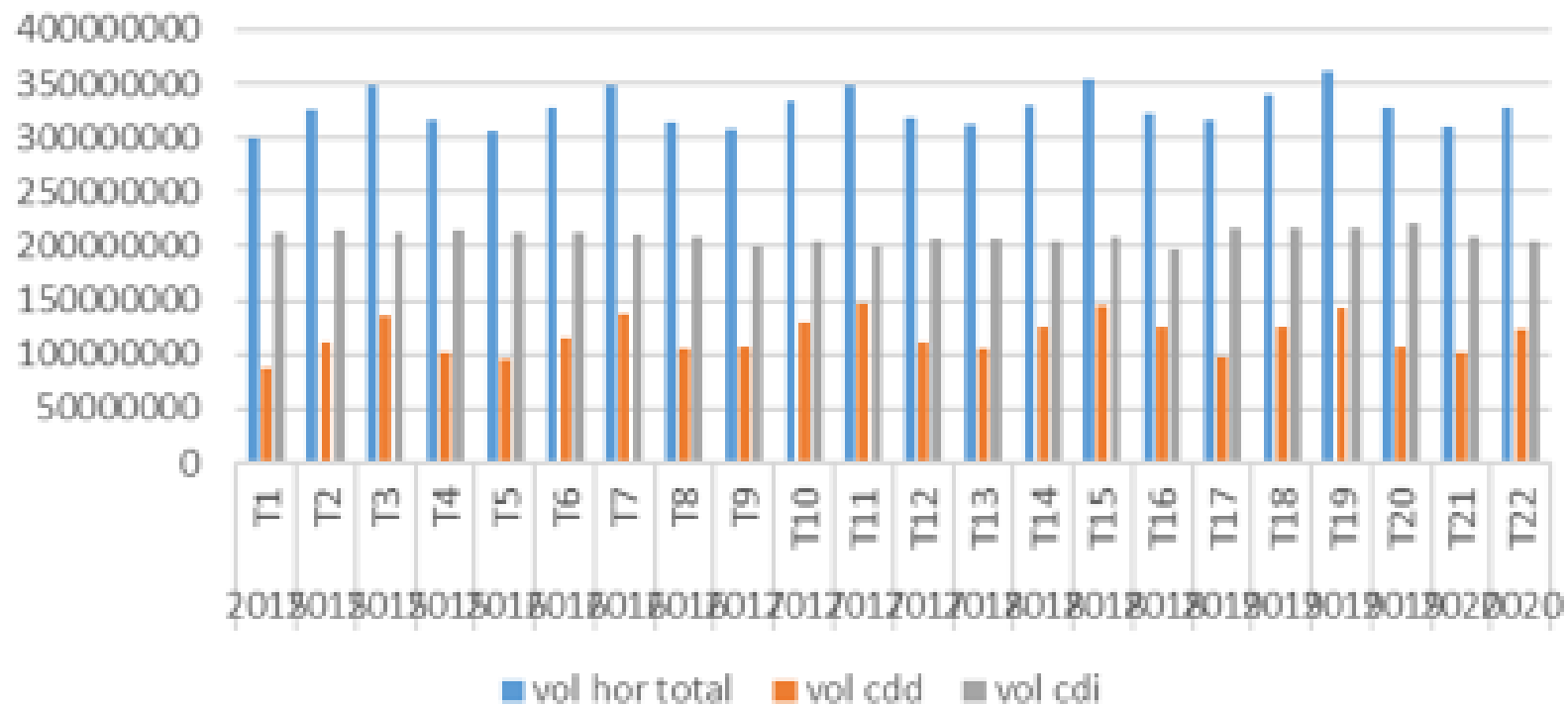


- Keeping wages low :In France, no real labour shortage, but rationing of seasonal workers and occupational travellers during covid .
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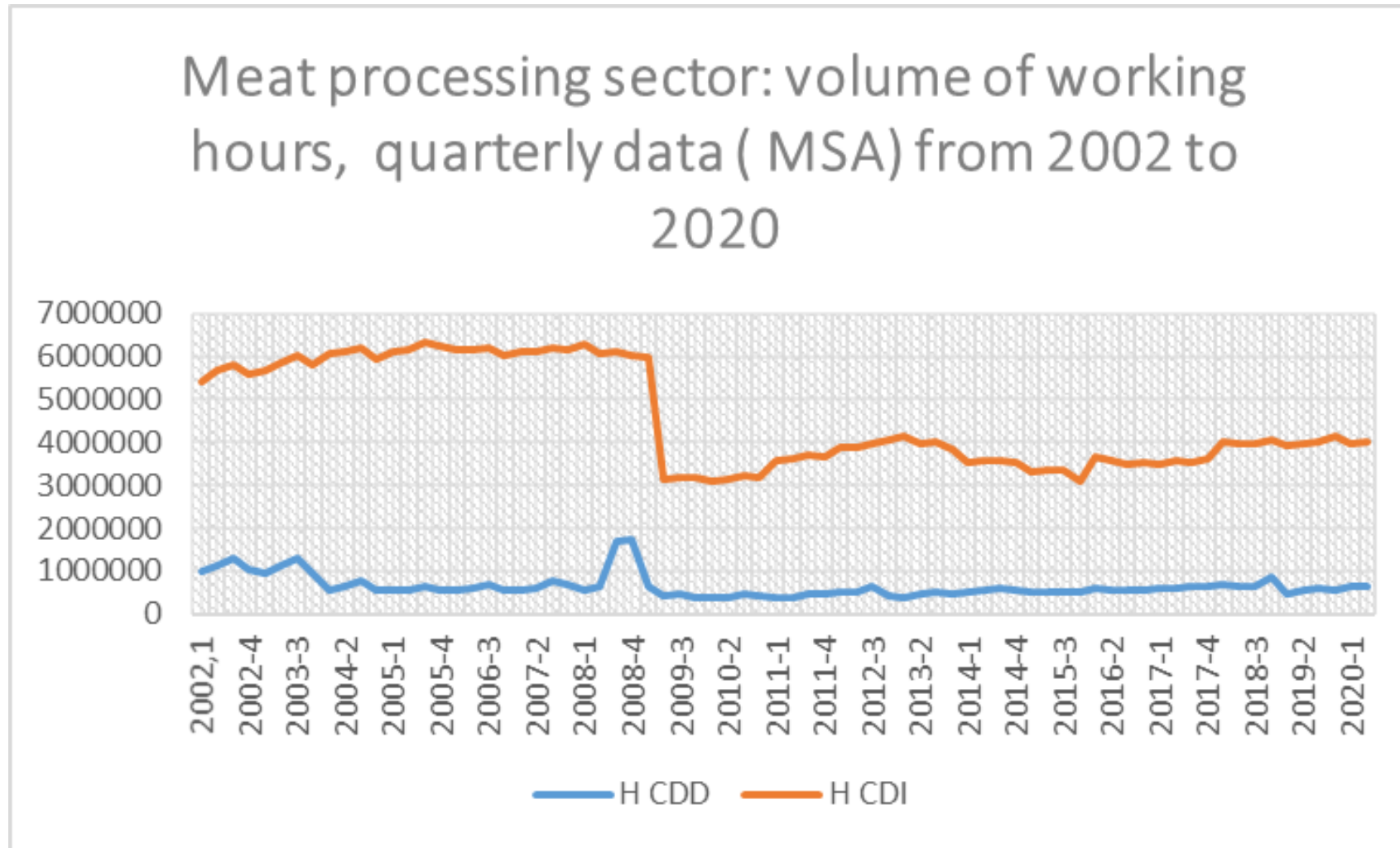
- From May 20, 2020 French government, in order to avoid crop losses, and to secure food resources, extend the length of stay of temporary foreign workers, already present in France, and will remove entry restrictions on the territory for seasonal workers from inside or outside the European Union. There was a fear of a labor shortage, rationing employers, while European unions worried about working conditions in agriculture (ETUC 2020).
- This measure was following the opening of a platform, on 2020 March, supposed to help recruiting and allocating local occasional workers to compensate a supposed lack of seasonal migrants (some announcements warned of 200 000 missing workers), with few success at the

- Distinction between seasonal workers with fixed-term contract, or hired by temp agency and workers under seasonal contract
- those do not touch the precarious bonus. As the amount of this prime is 10 % of gross total wage of the worker during the contract, it is a real earning drop. This 10% precarious bonus was denounced by employers as a competitive disadvantage compared to other European countries. Such a measure was clearly not made to solve a shortage of labour, but to increase the profitability of the sector, despite losses of sales.

Quarterly Data MSA , volume of worked hours, by quarters 2015 to 2020, Is there a covid impact ?



Focus on meat processing sector



Occupational travelers, itinerant seasonal workers

- In certain seasonal occupations, the costs of mobility and temporary accommodation are borne by the workers themselves. This practice is not associated with a higher salary, but the use of mobile housing, in some case, gives an advantage to be hired. In certain other sectors, such as industry, it is the amount of bonuses for mobility and housing that can attract workers, sleeping in vans for example, because they can keep this bonus in addition to their salary. The issue of new itinerant workers has re-emerged in the USA, with the term Workamper, and Jessica Bruder 'book, but it exists in Europe (Le Marchand 2011). Even in Europe, it dates from at least the 19th century and has already been studied in the past, on certain sectors such as beet harvesting (Brunet 1951).

A spontaneous analysis of the conjuncture, close to disequilibrium economics analysis by those workers, supposed to be very flexible because they are occupational travelers.

- On March 29, 2020, a seasonal wrote these lines on a facebook group dedicated to professional travelers (saisonniers en habitat mobile), which is similar to a virtual community :
- “I don't understand, I can't find a job in the area where I am. In fact, producers are losing their outlets as they go along, I get the impression. Already no more (open air) market and apparently stores like Grand Frais lose their sales and do not renew their purchases. For example, I had to harvest the asparagus, because they did not have the Poles, as usual and in fact, they tell me that, in the end, it is not worth it that I come, because they do not know what they are going to do with 30% of their harvest.”

- We conducted a sample survey among seasonal and travelers workers, in several sectors : showing reduction of the total of worked hours, or unemployment, during containment for a majority (not only in agriculture or tourism), some others have been pushed to other markets to find jobs, while official statistics in agriculture shows the same level of hours of work declared by employers in 2019 and 2020. This paradox is caused by exacerbated issues linked to covid, but that are already well known by trade-unions : The employees are rationed during these crisis, not the employer (no real labour shortage), this is favored by the growing proportion of precarious employees, in agriculture or industry.

- A long-standing participation in the Halem association (for the inhabitants of ephemeral, mobile or light houses) has been of great help in getting in touch with unknown itinerant seasonal workers. First we use , in a very classical way, a questionnaire. But people could respond online, via a form, or write through messenger. 110 persons have filled out the form, while 38 written responses and sometimes begin to exchange via messenger. Two men requested a phone call to answers.
- This provide us some quantitative data and some big chunks of quotation. The written words help us to understand how these workers have gone through the lockdown, and their versions on the functioning of the labour market. The data on unemployment and living conditions sketch another story than the official statistics on work in agriculture.

First findings

- 67.5% worked fewer hours than the previous year (proportion similar to those on intermittent entertainment), some saw their income drop drastically. Two said they had lost everything, including their trucks, due to the closure of outdoor markets, and were temporarily, but really, homeless. Of course, those who work in tourism or catering are the most affected, but itinerant traders too (some have lost everything), and even those who are in the construction industry, transport & logistics, rope access technicians or professional divers have been partly unemployed. Almost 42% had problems with parking, others stopped at third parties, making it difficult to find a job. All these restrictions follow curfew and lockdown.

Testimony 1

- “Yes I agree, No I did not encounter more difficulties than usual for water, electricity is no longer part of my needs, as regards parking, it was complicated, the instructions for parking rights were not the same from one region to another, I am in the field of agriculture, and at this level it was more than complicated to find work, between the bosses who do not know what to do with their harvest, those who appeal to foreigners, and now there are even agencies that approach our bosses ... For an attractive price, European law ... and finally the bosses who resist, even if it means sacrificing themselves, so yes the confinement has hindered a lot of things for me and many others I think, I am 38 years old and almost 7 years of nomadism per year, in the agricultural season”.

Testimony 2: overlap of the categories of foreign seasonal workers and French nomads

- Since the end of 2018, I have been with the same boss, but since last year (start of confinement) it is difficult to find people to work. So I bring friends who are also in autonomous housing (truck and camper). Without that, my boss would have had a hard time, providing me with a team... As soon as I started, after 4 months while I was still on a tesa contract, I acted as team leader. Then when winter 2019 arrived, he (my boss) couldn't find anyone for the pruning of vines. So I brought in a Spanish friend and her boyfriend who is French to her, and a friend of hers who came from Portugal for her part. So less than a year later at the first time with this boss I was already doing my teams with friends and friends of friends, if necessary. But always friends with autonomous housing.

ILO promote occupational safety and health (OSH), as a key component of decent work standards.

- ILO promote occupational safety and health (OSH), as a key component of decent work standards. Even in a rich country as France, OSH is not always guaranteed for everyone. It has been an issue during first lockdown (From 2020 March to June), for example for truckers, but for other itinerant workers as well.
- Almost 42% of the people who responded to the survey had more problems with parking during lockdown, others parked their vans at third parties, making it difficult to find jobs.
- Access to fluids was reduced for 36% of these workers. It should be noted that it is water, and never electricity, that is lacking. Is it easier to have electric current than water in France in the 21st century? If 72 % who have difficulties to get water, mainly for showering and laundering, has been partly unemployed, to be employed did not implied to have access to these basic commodity.

Testimony 3

- Hello, I had not seen the message, not having found a job I moved to a hamlet using the savings, I am unemployed, I am looking for a job but nothing and I only have 40 € apl suddenly I turn around 400/300 € per month I am 28 years old I have been working in the hotel and catering industry for 5 years I combine with agriculture to alternate the 2 seasons and not always do the same thing. And yes it's a hassle everything is measured, me (my van) I am 4m high I have access nowhere, the cemeteries shut off the water so too much hassle. And I don't intend to pay 12 € for 24 hours of electricity, I never go to the motorhome areas because too much concrete

Testimony 4

- Good evening, in terms of availability of water, electricity, parking, no difference because being mobile (van) and very discreet, I fill up my water in cemeteries, like many others, for the current I have a sign solar and splitter coupler on my van, so autonomous all year round, and to park, either I have a great boss, or I sleep on the vineyard plot, or in a nearby forest, never camping or area of paid service, but I remain very discreet so as not to attract attention, on the work side, I am therefore currently in the vineyards for a service provider and indeed, we did work less time because some "chateaux" (wine firm) are suspicious, so we work in a small group being careful but more carefully than last summer, for the last question I am 34 years old and I have been a nomadic seasonal worker for 2 years. Small modification compared to my description of the mobile seasonal (facebook) group, at the time, I put, that I was in P... but I had to cross France to find work near B..., being in van helped me a lot.

Testimony 5

- (Woman ex nomadic seasonal, now permanent employee, after 4 years in caravan)
- As for electricity, I have nothing more than a transformer that plugs into my car (which I hardly ever use) and a small solar panel at 5 euros ... for my mobile phone. As for water, I went to cemeteries or to my bosses. And heated myself with gas. I used to park my caravan at my boss's place, or in the land of neighboring farmers, I managed to exchange the parking fees for households or a day or two of work (maintenance of animals, grape harvest, gardening, magnetism ect ...). I am a great fan of barter.

Discrimination and stigma

- This lack of sanitation equipment, including toilets and showers, is part of the social construction of the undesirability of these itinerant workers.
- Testimony
- *“Hello I have been in mobile housing for 3 and a half years, since the covid, a lot of bosses have told me that they no longer have the right to accommodate seasonal workers in trucks or motorhomes. But the greatest difficulty remains when I am not working, the population calls the police, if I park near homes, and the gendarmerie tickets me if I park far from homes”.*
- This is an example of discrimination against young people. Young travelers are associated with ravers, fans of free parties, new age travelers or "dog punks", this perception provides arguments to prevent them from parking their vans and restrict their mobility, so it is less easy for them to find a job.

- Posted workers with very low standards of unemployment have been hired
- Employers prefers temporary migrant workers to itinerant internal workers,
- Take advantages of pandemy
- Keeping wages low , because auction markets keeps price high ?

- In agriculture, shortage does not come from a post-bureaucratic evolution, but happens in a post -domestic world, because it follows the decline of the family-labour use. There was, first, rise of waged workers, then precarious labour, before the theme of shortage become spread in public medias. Given the ease for employers to have recourse to seasonal workers in agriculture or tourism, these sectors help to demonstrate, that flexibility and shortage can coexist.

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So where is shortage ? Who is rationed

- The social construction of the undesirability of these itinerant workers makes it possible to maintain low wages and to justify the use of posted workers (Preibisch and Grez 2010, Arnholtz , Andersen 2018) as soon as employers anticipate openings.

History of shortage

- By the end of the seventies, sociologists could analyse the shortage of labour, like a social construction of employers, who were above all looking for a docile labour force.
- Employers “were worried, not about intelligence or manual dexterity, but about worker co-operation. Responsibility, stability, trustworthiness - such are the qualities by which (reasonably enough) they wish to select and promote. (Blackburn and Mann, 1979, p. 280) . That was an explanation for the building of internal labour markets (ILM)
- Then, Janos Kornai (Kornai 1980) used the concept of shortage to characterize socialist economies, while he pursued a dialogue with the macroeconomics of disequilibrium. So Kornai's ideas provide the theoretical basis for the study of internal labour market of state-owned enterprises in East and Central European countries, of that times (Stark 1986)

- subsequently, this theoretical basis could be used for the analysis of problems within coordinated market economies. It was incorporated into a critique of the education system at the end of the twentieth century, and to allege an apparent inefficiency of education and training. Some authors, like Ralph Fevre, argued that the coexistence of higher wages for scarce skills and labor shortages (despite unemployment) was evidence against the idea of the shortage disappearing in a post-bureaucratic world, which has not been replaced by flexibility (Fevre 1992,2007).

Shortage as convention

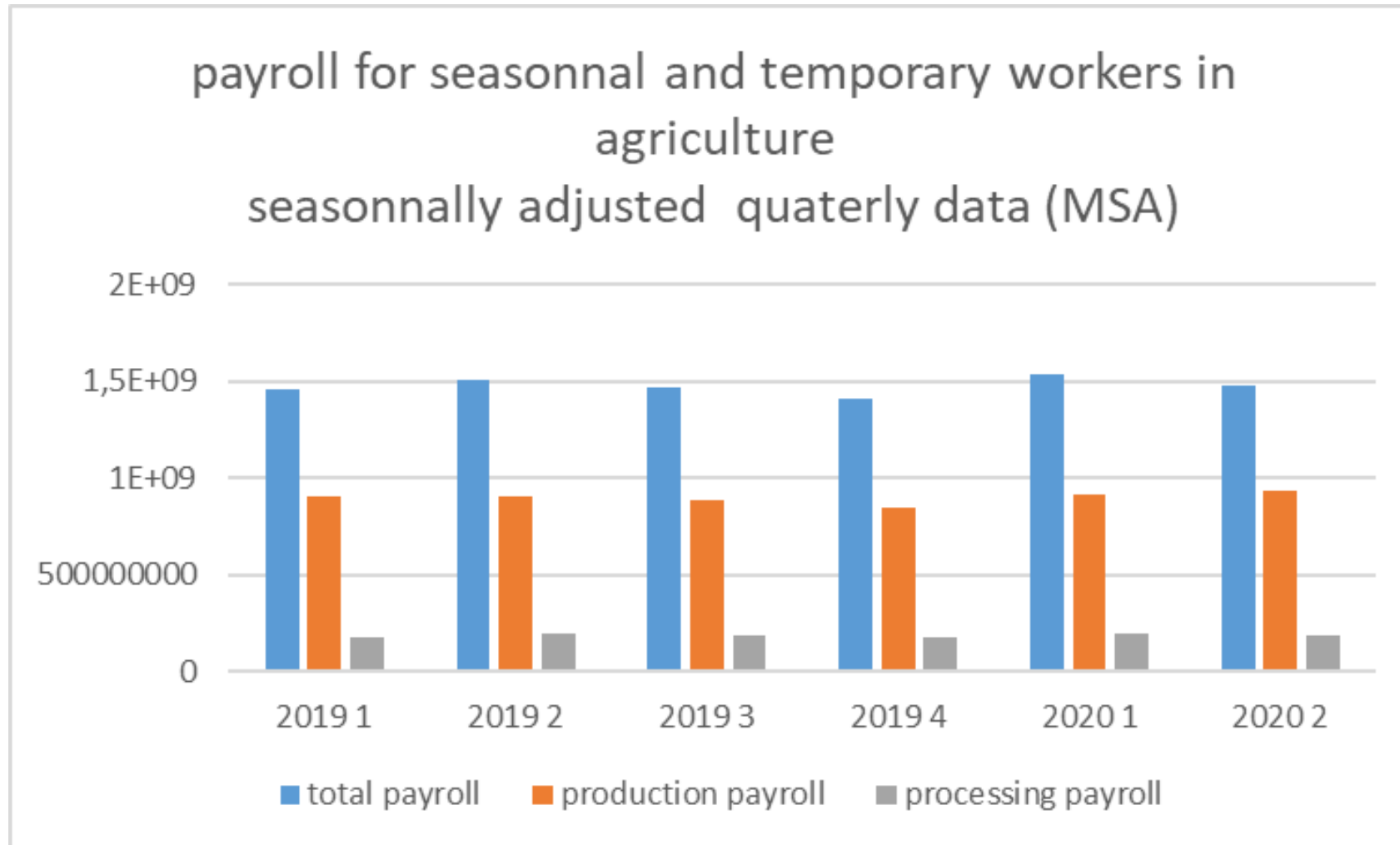
the seafarers' labor market, globalized before regulation with the support of the ILO, known as the Maritime Labor Convention (MLC). Pricilla Leong (Leong 2012) nevertheless demonstrated that the shortage of sailors was an opinion on the state of the market, self-referenced, caught in a cascade of cross-citations of press articles, more than the result of objective surveys. In other words, it was a self-sustained convention which became self-fulfilling.

- Marc Zune (Zune 2014) commented on the return of the theme of the labor shortage, in the management discourse, since the turn of the 2000s. He shows that the measurement of this shortage is very biased, that it is not based on a very robust methodology, and often on examples that are too specific to be meaningful. For this author, this is a social construction, to support employers' demands for major deregulation or for a reform of the education system

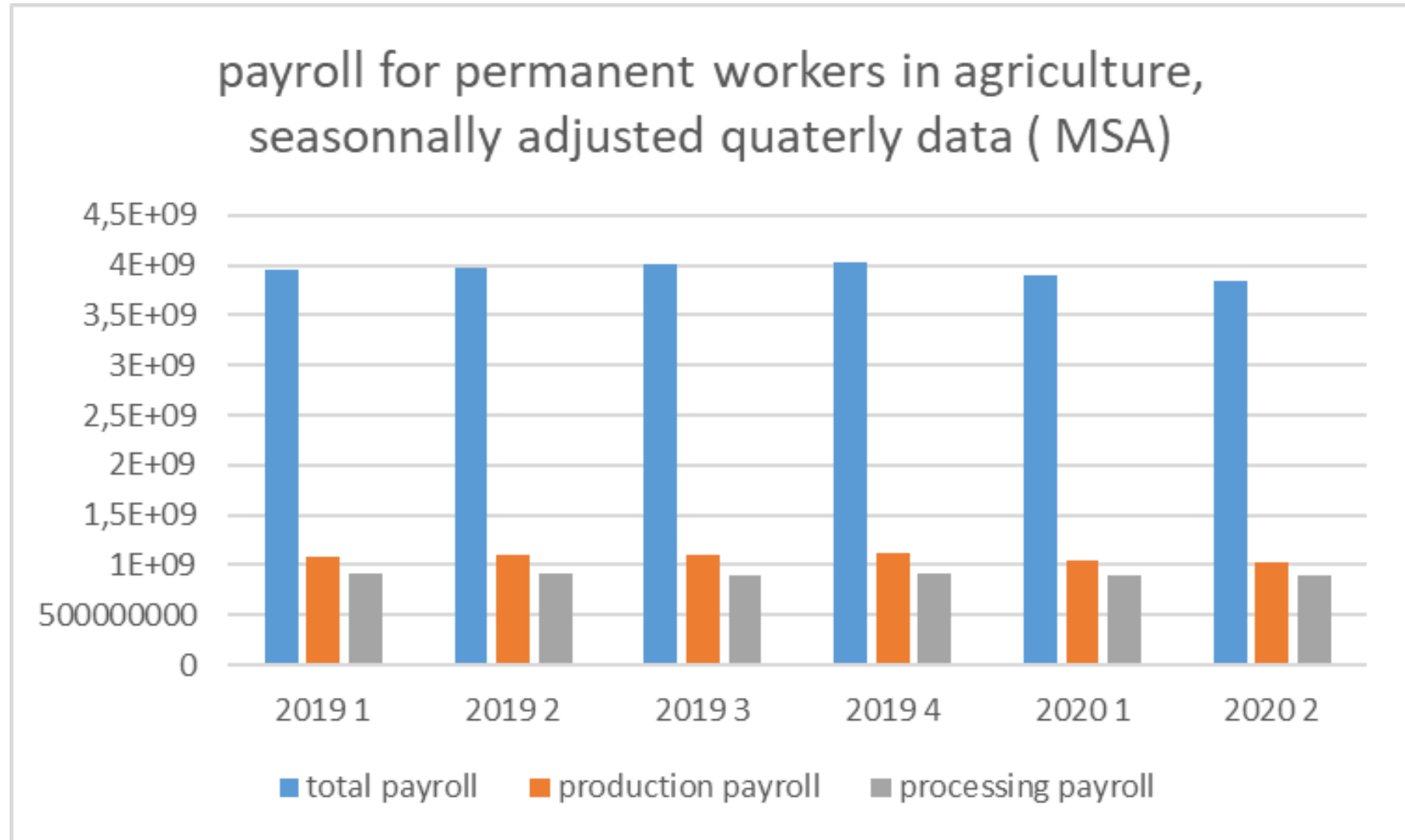
Keep wages low for a fixed payroll

- In agriculture, especially for vegetables and flowers many auction markets have been built since the eighties (Garcia 1986). One effect of these type of perfect and physical markets are that they support prices for producers. As in fish auction markets (Guillotreau, Jimenez-Toribio 2011).
- + existence of minimum prices , as in Porc auction market of Plérin
- when the total sales volume has fallen because of the closure of restaurants, open-air markets and florish during covid lockdown, it is difficult to respond by lowering prices. Such downward price rigidity does not help sold out the market=pressure on the wage bill to preserve profits.
- If facts had following the standard markets frame, problems of transport and health risk should have lead to a rise in the earnings of waged workers, and because the total of hours have been almost the same that precedent year, the total payroll should have increased.

No change in payroll



Do political measures explain this stability ?



- partial unemployment benefits are included in payroll, but seasonal workers in agriculture were excluded from that compensation, it only concerns permanent employees. By 2020 May, some of this marginalised workers started an online petition to get this benefits, without success. Thus, this measure was, later, extended, for seasonal workers in tourism, especially winter tourism in the mountain.
- From this point of view, the exemption of social contributions for seasonal contracts and the removal of the constraint for temporary foreign workers are complementary policies, who have kept the total wage bill nearly fixed, and have preserved the profitability of the sector.

- The phenomenon of the rationing during covid lockdown is a combined experience of insecurity (of parking, possibility to move) for travellers,
- uncertainty for employers and workers (on the state of demand, on production and jobs) and finally of unsafety, (access to water, epidemic clusters) due to the pandemic, for migrants seasonal workers , itinerant labourers and their community.
- In south of France, many outbreaks of covid clusters have been identified among posted workers, (In Provence and Bouches du Rhone for examples), concentrated in poor substandard housing or camping (Mésini, Castracani, Décosse, Hellio, Moreno Nieto, et al..2020).
- Even in developed countries, unsafety is a part of precariousness and flexibility. In a coordinated market economy, as is France, for marginalized workers, arrangements without collective negotiations and rationing take the place of an income regulation system.