



The Marathon of Strikes in France Hit President Macron's Pension Reform

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After two months of parliamentary work, the French government adopted a draft reform—without a vote in the National Assembly—raising the retirement age from 62 to 64. The law met with strong public opposition and a firm reaction from trade unions. Although the reform is necessary to improve the condition of public finances, the actions of the government and the lack of dialogue with the protesters have sparked an internal crisis and weakened the political position and confidence of the French in President Emmanuel Macron.

The changes in the pension system are to be a response to the difficulties of the public finance sector and serve to improve France's international competitiveness. In 2022, France's budget deficit was 4.7% of GDP, while public debt was 111.6% GDP, placing it among the top EU countries in terms of debt (data from the French statistical office INSEE). France spends more and more on pensions—currently about 14% of GDP, while the OECD average is nearly less than half that. The number of people receiving retirement benefits is also growing rapidly (10-17 million over the last two decades), which is mainly due to the increase in life expectancy and that subsequent groups reaching retirement age are more and more numerous. The current retirement age in France has remained one of the lowest in the EU. The government's reform is primarily intended to cover with a surplus the deficit of the pension fund, which is forecasted at €13.5 billion in 2030, and to increase employment among seniors.

Basic Assumptions and Legislative Work. The most important change compared to the current system concerns the increase in the statutory retirement age from 62 to 64 for both women and men, gradually by three months each year from 1 September 2023 to 2030. A lower retirement age is to apply to people with disabilities and those whose working capacity deteriorated (55 and 60, respectively). The reform accelerates the extension of the period of contributions necessary to obtain a full pension,

introduced in 2014, from 42 to 43 years: it will take place from 2027, not from 2035. Moreover, the amount of benefits for future pensioners with a full contribution period cannot be lower than 85% of the statutory minimum wage, which is currently about €1,200 gross per month. The reform modifies the rules for early retirement in the case of long professional careers, introducing new age thresholds from which the 43-year contribution period will be calculated. It also includes a 5% supplement to pensions for women raising children. In order to increase employment in the oldest age group, a new type of contract for an indefinite period of time was introduced for this group of employees and the so-called index of seniors, in which employers will be obliged, under the threat of a financial penalty, to publish indicators of employment of older people and actions taken to promote their employment.

[The government does not have an absolute majority in the National Assembly](#), so it sought votes from the Republicans (LR), which support an increase in the retirement age. Despite the concessions worked out by a joint committee of both houses of parliament between the government and the LR, Prime Minister Élisabeth Borne did not find cross-party approval for the reform. The public's and political opposition was caused by the prime minister's decision to adopt the act without voting pursuant to Art. 49.3 of the constitution. This procedure, considered by the majority of public opinion and the opposition as striking at the principles of parliamentary

democracy, is intended to strengthen the government in the absence of an absolute majority in the chamber. In response, the opposition submitted two motions of no confidence, the first of which was supported by 278 deputies (just nine votes short of the required majority to dismiss the prime minister), and the second one received 94 votes. The political and social crisis also prompted some Republicans to support the motion, which may herald difficulties in the government's search for a broader coalition in the chamber to adopt future legislative projects.

The Public and Parliamentary Opposition to the Reform.

Opponents of the reform argue that it will deepen the existing social inequalities and will primarily affect women, people with the lowest social status, and those working the hardest and longest. The difference in life expectancy between the poorest and the richest is up to 13 years for men and up to eight years for women. Almost every second woman in France struggles to obtain maximum pension entitlements. Women's pensions as paid out are at a significantly lower level than men's (up to 40%), which results from differences in contribution periods, lower participation of women in the labour market, more frequent part-time work and average lower remuneration than men. Moreover, according to the opponents of the reform, it does not respond to the demographic challenges related to the decline in the fertility rate or to the problem of the burdensome nature of certain professions. Their doubts are raised by the government's announcements regarding the possibility of a significant increase in employment among seniors. In France, in the 55-64 age group, this indicator is at the level of 56%, with the EU average at 60.5%. In Sweden and Germany, which are among the leading EU countries, these rates are 76.9% and 71.8%, respectively.

According to public opinion polls, more than two-thirds of the French do not support raising the retirement age. The trade unions decided to jointly contest the government's proposal and called for a nationwide strike, the first day of which was 19 January. Trade unionists managed to achieve their original goals and assumptions to form a nationwide, long-lasting, strong and numerous social movement (depending on estimates, ranging from 370,000 protesters to as many as 3.5 million). During 10 days of organised strikes throughout France, representatives of various sectors of the economy protested, hindering the functioning of, among others, refineries, airports, railways, public transport, and schools. The next day of mobilisation is scheduled for 6 April. Spontaneous demonstrations were also held in the aftermath of the government's adoption of the text. About 80% of respondents to a survey reported that the use of Article 49.3 of the Constitution with regard to the pension reform was unjustified. Importantly, as much as 70% of the

French support the continuation of the strike and the blockade of certain sectors of the economy (refining, transport, waste disposal).

Apart from the Republicans, all other parliamentary opposition parties are against the reform, mobilising both supporters of the far-right National Rally (RN) and the left-wing NUPES bloc to resist the government. The attitude of the LR leader, Éric Ciotti, who declared that his party did not want to increase chaos in the country and would not seek to destabilise the government, turned out to be important for the government. The opposition, aware of the political benefits that the reform may bring them, raises the possibility of dissolving the National Assembly and holding new elections or organising a nationwide referendum. However, both scenarios are ruled out by President Macron, despite rapidly declining support, also among his own electorate (between 28% and 30%). In an interview with French media, which was intended to defuse tensions, Macron addressed primarily his electoral base, which was perceived by the wider public as a lack of willingness to dialogue with society and trade unions.

Conclusions and Perspectives. Raising the retirement age is necessary to stabilise the state's financial situation, but it also announces Macron's intentions to introduce further structural changes. The French pension system was anachronistic and unsuited to social realities and demographic challenges. The adopted changes will increase France's financial credibility as a country capable of carrying out systemic reforms. However, they will not solve the social problems related to, among others, falling fertility rates, as well as social inequalities in terms of gender and income levels. Further labour market reforms will also be necessary to increase the professional activity of seniors.

The unprecedented scale and structure of the strikes did not prompt the president to withdraw from the reform, but only to wait for the Constitutional Council's decision on the constitutionality of the adopted law, which is to be made on 14 April. The protests undermine the position of the government and the president, which is further weakened by the government's frequent adoption of laws pursuant to Art. 49.3 of the Constitution. This will make it difficult for Macron to exercise power in other ways. The situation in the country is politically beneficial to the parliamentary opposition, especially the RN and NUPES. The attitude and readiness of the Republicans to jointly vote for government bills remain crucial for the continued functioning of the parliamentary majority. However, while this may limit Macron's ambitious reform agenda, it will not affect the directions of the president's foreign policy and his continued support for Ukraine.