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# At least the minimum wage for everyone!

The **SMIC**, the minimum interprofessional growth wage, is the gross hourly minimum wage below which no employee over 18 years of age can be paid. However, the Labor Code provides for exceptions to the payment of the SMIC for young people, apprentices and people on a professionalization contract. There are other special cases, depending on the profession, such as sales representatives.

The increase in the minimum wage is made on January <sup>1st of</sup> each year.

Through the reduced SMIC, young people under the age of 18 with an employment contract are paid at least the minimum wage based on the SMIC reduced by 20% before the age of 17, reduced by 10% between the ages of 17 and 18. However, no reduction is applied if the young employee has had less professional experience in the sector.

In apprenticeship, the reduced minimum wage for those under 18 years of age is 27% of the minimum wage in the first year, 39% in the second year and 55% in the third year. For apprentices aged 18 to 20, the reduced minimum wage is 43% in the first year, 51% in the second year and 67% in the third year. For apprentices between 21 and 25 years old, the reduced minimum wage is 53% in the 1st year, 61% in the 2nd year and 78% in the 3rd year. For apprentices aged 26 and over, the SMIC is the minimum required.

For professionalization contracts, the minimum remuneration is based on the level of education and the age of the work-study student. For a level lower than a vocational baccalaureate, the employer must pay at least 55% of the minimum wage for those under 21, 70% for young people aged 21 to 25, and 100% for those aged 26 and over. For a level equal to or higher than a vocational baccalaureate, the employer must pay a minimum of 65% of the SMIC for under 21 year olds, 80% for young people aged 21 to 25 and 100% for those aged 26 and over.

The **SMC**, the conventional minimum wage, is the minimum wage applicable to all employees in a branch or profession, except for apprentices. Labour law stipulates that the SMC depends on the classification of the position occupied, the professional qualifications (coefficient, level, step, index, etc.). It is set within an agreement or a collective agreement drawn up by a branch of activity or profession.

MCPs must be negotiated at least once a year in each collective agreement.

As a general rule, the SMC is higher than the minimum wage; and the employee is paid at the SMC.

Sometimes the MSC is below the minimum wage. The employer pays an additional salary to reach the minimum wage.

This can happen, at the beginning of the year, when the minimum wage is raised.

This may also apply to certain collective agreements. Branches are obliged to negotiate to readjust pay grids and contractual minimums. In addition, if a company has a trade union section and at least one union delegate, the employer is obliged to enter into negotiations periodically (within four years), including on the remuneration of the company's employees. If no agreement is reached, it must take place annually, at the initiative of the employer. Nevertheless, in the meantime, a supplement must be added to the pay slip so that the employee receives the legal minimum.

## In summary: on what occasions can compensation be below the minimum wage?

° for young employees under the age of 18, for apprentices or people on a professional training contract.

or

° when SMC is below the minimum wage.

## Why, minimum wage for all, no age condition?

The latest studies show that precariousness is increasingly affecting the under-25s. In 2018, 38% of young people aged 15 to 25 are concerned; even those who still have a job or paid training. Among young people aged 15 to 24 who work, more than half (53.7%) have a precarious job, compared to 17% in 1982. This can be explained, in particular, by the increase in the number of apprentices from the 1980s to the present day; 4% in 1982 for 17% in 2018. (sources INSEE, COS, Observatoire des Inégalités)

The inclusion of apprenticeship or vocational training as a form of precarious employment is subject to debate insofar as it is accompanied by training leading to a diploma or a qualification. However, it is indeed a fixed-term contract, even if it is not called such a contract! Training should not be substituted for remuneration. Training is a right; it is not an advantage! Of course, it allows a less difficult professional integration... But, the adaptation to the job, the development of the skills it provides serve for all that the activity and the durability of the company, the attractiveness of the branch ...

Increasing the remuneration of young people under the age of 18, apprentices or workstudy students to the level of the minimum wage must not weaken the economic viability and financial base of a company, otherwise it will reduce the attractiveness of its systems, which are, all the same, a step towards the integration of young people.

This is why another source of funding is to be put forward. Capturing the hundreds of millions of euros per year not used in OPCOs is one possibility.

## And when the MSC is below the minimum wage?

For the less young but paid below the SMIC with regard to a lower SMC, it is the question of the value of work, self-esteem and therefore well-being and health at work that is raised; all the more so as it concerns unattractive sectors of activity or jobs deemed difficult in health, home help, commerce and even in certain industrial branches... The regularization to obtain at least the SMIC is, of course, on the monthly pay slip without forgetting the revalorization after collective bargaining. Nevertheless, this situation is indicative of the lack of interest in the pay conditions of the "first in line" or rather "first in line" employees. "first of drudgery".

In addition, in some agreements, the adaptation of the wage grid in the collective agreement is aimed solely at the first coefficients, to bring it into line with the SMIC, without any overall renegotiation of the grid. The readjustment creates a compression of the wage grid that hinders progressiveness.

In short, France is experiencing major wage inequalities that can be explained by many causes. Nevertheless, it seems inconceivable that the SMIC is not the minimum wage rule for everyone, regardless of age, type of employment contract, collective agreement or company agreement.

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