

# BARSERVICE

## Towards smart bargaining in the commerce sector in France

Author: Margherita Roiatti

2024



The project is funded by the European union, project No. 101126532

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## Executive summary

### Key trends

The commerce sector in France represents a cornerstone of the national economy, employing a significant proportion of the workforce and generating considerable turnover. However, the sector is undergoing profound transformations influenced by the digital transition, the expansion of e-commerce, and increasing regulatory focus on sustainability. These trends have reshaped employment structures and consumer behaviours, with a marked rise in flexible and atypical contracts, particularly in retail.

### Collective bargaining

Collective bargaining in the French commerce sector is characterised by a well-established system at both the national and sectoral levels. Trade unions and employer organisations have historically played a strong role, with key agreements ensuring protections for workers and enabling social dialogue. However, challenges persist, including declining unionisation rates, the uneven application of collective agreements, and the growing influence of e-commerce platforms that fall outside traditional bargaining frameworks.

### Key challenges

The sector faces pressing challenges, such as adapting to the digitalisation of work, addressing the rise of precarious employment, and ensuring adequate training for employees in new technologies. Furthermore, the proliferation of non-standard contracts and the fragmentation of collective bargaining threaten to erode labour standards and exacerbate regional inequalities.

### Path Forward

Looking forward, strengthening the representativeness of social partners and enhancing the flexibility of bargaining mechanisms will be essential. Policies must support decentralised negotiations to address the diverse needs of businesses while ensuring fair working conditions. Legislative reforms could reinforce the integrity of collective bargaining and prevent the dilution of labour protections. With strategic collaboration, the French commerce sector can continue to thrive while safeguarding workers' rights and promoting innovation.

## I. Methodology

This report is based on extensive desk research, utilising a wide range of sources to

examine the commerce sector in France. These include statistical data from national and European agencies, reports by Eurofound, and publications by major stakeholders such as UNI Europa and EuroCommerce. Particular attention has been paid to trends in employment, collective bargaining, and the impacts of digitalisation and regulatory changes.

The analysis does not currently include primary interviews but relies on documented public statements, position papers, and other materials from trade unions, employer organisations, and policymakers in France. This approach ensures a robust and comprehensive understanding of the sector, integrating diverse perspectives while maintaining a focus on verifiable data and literature.

## II. Sector identification and trends

The commerce sector in France remains a cornerstone of the national economy, encompassing retail, wholesale, and motor vehicle trade. As of 2021, approximately 714,600 enterprises were active in this sector, with a significant majority classified as small and medium-sized enterprises (SMEs). Among these, 29,100 enterprises were organised into corporate groups, accounting for a total of 91,900 legal units, reflecting the complexity of organisational structures and supply chains within the industry (INSEE, 2023).

SMEs play a pivotal role in the sector, representing 3.5% of all enterprises and employing over 4.2 million individuals, or nearly 30% of the salaried workforce in France. Microenterprises dominate the landscape, particularly in rural areas, where proximity commerce serves as a lifeline for local economies. These smaller businesses are critical to regional development, providing essential goods and services while fostering social cohesion and economic resilience (Cour des Comptes, 2023). However, the concentration of larger enterprises in urban centres underscores a dichotomy in the sector's geographic and economic dynamics.

The workforce within the commerce sector is diverse, with part-time employment playing a significant role. Eurostat data from 2023 reveal that part-time work is more prevalent among women, with 28% of female employees working part-time compared to 8% of their male counterparts. This trend reflects broader gender disparities in labour market participation, driven by factors such as caregiving responsibilities and preferences for flexible work arrangements (Eurostat, 2023a). Additionally, the sector serves as a vital entry point for younger workers aged 15–24, many of whom combine part-time roles with educational commitments. Over half of these young employees balance work and studies, highlighting the sector's role in facilitating early career development (Eurostat, 2023b).

Contractual arrangements in the commerce sector are varied, with a growing reliance on non-standard contracts. Fixed-term contracts (contrats à durée déterminée, CDD)

and temporary agency work are common, particularly during periods of peak demand such as holidays and sales seasons. These arrangements provide flexibility for employers but often lack stability for workers. Seasonal employment is particularly significant in retail, where workforce demand fluctuates based on consumer spending patterns. While these flexible arrangements meet operational needs, they also raise concerns about job security and access to benefits for workers (DARES, 2023; Eurostat, 2023b).

In recent years, digitalisation has brought profound changes to the commerce sector. The COVID-19 pandemic acted as a catalyst, accelerating the shift towards e-commerce and omnichannel retailing. By 2022, online sales in France reached record levels, compelling businesses to invest in digital platforms while maintaining their physical presence. This transformation has necessitated new approaches to workforce management, including training in digital tools and adaptation to hybrid operational models (Fevad, 2023; DARES, 2023). Despite these advancements, the rapid pace of change has exposed challenges for smaller enterprises, which often lack the resources to compete with larger, digitally equipped firms.

The enterprise structure of the commerce sector is further characterised by a high proportion of microenterprises and small-scale retailers, which account for the majority of the total. These businesses face unique challenges, including limited access to capital and fluctuating consumer demand. At the same time, larger enterprises, particularly in urban centres, leverage economies of scale and advanced technological infrastructure to dominate the market. This duality highlights the need for targeted policies that address the varying needs of different enterprise sizes (INSEE, 2023; Cour des Comptes, 2023).

In summary, the French commerce sector is defined by its reliance on SMEs, a geographically diverse enterprise distribution, and a workforce shaped by part-time employment, youth participation, and varied contractual arrangements. The interplay of digitalisation, regional disparities, and workforce characteristics underscores the importance of tailored approaches to labour relations and policy-making, particularly in the context of collective bargaining.

### **III. Current state of collective bargaining**

Collective bargaining in France is structured within a hierarchical framework operating at national, sectoral, and enterprise levels. The commerce sector is primarily regulated through sectoral-level agreements negotiated by federations representing employers and trade unions. These sectoral agreements provide a foundation for regulating wages, working time, and other critical aspects of employment while allowing enterprise-level negotiations to address more specific workplace needs (Eurofound, 2018).



At the sectoral level, employer federations, including the Fédération des Entreprises du Commerce et de la Distribution (FCD), the Confédération des Commerçants de France (CDF), and organisations representing smaller businesses such as the Union Professionnelle Artisanale (UPA), play a pivotal role in shaping collective agreements. On the workers' side, federations affiliated with major trade unions, such as the Fédération CGT Commerce et Services, Fédération CFDT Services, Fédération FO Commerce, and Fédération CFE-CGC Commerce, negotiate on behalf of employees in the sector. These federations engage directly in sector-specific negotiations, addressing industry-wide issues and maintaining minimum standards across the commerce sector (Eurofound, 2018).

France's sectoral agreements are reinforced by the extension mechanism, which allows agreements to be made legally binding across all enterprises within a sector by government decree. This ensures comprehensive coverage and prevents unfair competition, as businesses operating outside the agreement cannot undercut negotiated standards. In 2023, over 87% of sectoral agreements in France benefited from such extensions, underscoring the robust framework supporting collective bargaining (Ministère du Travail, 2023).

Enterprise-level bargaining adds another layer of adaptability. While sectoral agreements provide a baseline, enterprises frequently negotiate specific agreements on issues such as profit-sharing, flexible working arrangements, and workplace conditions. In 2023, nearly 85,000 enterprise-level agreements were concluded, reflecting the dynamic nature of workplace-level negotiations. These agreements are facilitated by employee representatives, including union delegates and elected representatives, who ensure that the specific needs of employees and businesses are addressed within the framework of sectoral agreements (Ministère du Travail, 2023).

Social dialogue in the commerce sector also extends to European-level interactions. UNI Europa and EuroCommerce, representing workers and employers respectively, facilitate cross-border discussions on key issues, including the impact of digitalisation and sustainability in commerce. These discussions complement national-level negotiations by addressing broader trends affecting the sector (Eurofound, 2018).

Despite the structured approach to collective bargaining, the commerce sector faces challenges. Smaller enterprises often struggle with implementation due to resource constraints, while the increasing prevalence of non-standard contracts, such as fixed-term and temporary agency work, poses difficulties in ensuring consistent protections for all workers. Furthermore, the digital transformation of retail, accelerated by the COVID-19 pandemic, has introduced new complexities in labour relations, requiring a reevaluation of traditional bargaining practices (Eurofound, 2018; Ministère du Travail, 2023).

In conclusion, collective bargaining in the French commerce sector is characterised by a robust and hierarchical framework, with federations at the forefront of sectoral negotiations and significant complementarity between sectoral and enterprise-level

agreements. While the system demonstrates resilience and adaptability, ongoing efforts are needed to address emerging challenges and ensure that collective agreements continue to protect workers and meet the evolving needs of the sector.

#### IV. Challenges to collective bargaining

The commerce sector in France faces substantial challenges in collective bargaining due to decentralisation, structural fragmentation, and the increasing prevalence of atypical work arrangements. Historically, sectoral agreements provided a unified framework for wages and working conditions, ensuring equitable standards across companies. However, legislative reforms, such as the Macron ordinances of 2017, have significantly shifted the focus toward company-level bargaining.

This decentralisation has led to fragmentation, particularly affecting small and medium-sized enterprises (SMEs), which dominate the sector. Unlike larger companies with established structures and union representation, SMEs often lack the capacity to engage effectively in negotiations. The *Bilan de la négociation collective 2023* shows that many agreements in SMEs are narrow in scope, primarily addressing compliance with minimum wage adjustments rather than broader labour conditions. This has created disparities in working conditions and wages, particularly for employees in smaller enterprises who lack the protections provided by robust collective agreements. Research further highlights the rise of atypical employment forms—part-time, temporary, and gig work—as a significant factor complicating collective bargaining in the commerce sector. Workers in these roles often fall outside traditional bargaining frameworks, leading to reduced protections and benefits. This issue is particularly acute in the e-commerce segment, where platforms such as Amazon operate beyond traditional regulatory structures.

The already cited Eurofound report on the social partners' representativeness within the sector, in turn, highlights how this dual labour market creates divisions: traditional retail workers benefit from sectoral agreements, while platform-based workers experience precarious conditions. Federations such as CFDT Services and CGT Commerce et Services have repeatedly raised concerns about these disparities, stressing the need to adapt collective agreements to cover new and evolving forms of work. Employer organisations, including EuroCommerce and the Fédération des Employeurs du Commerce, advocate for flexibility in negotiations, emphasizing the need to compete in a globalised market. They argue that adapting agreements to the operational realities of SMEs and multinational corporations is essential to maintaining competitiveness. By contrast, unions aim to preserve sectoral agreements and ensure uniform labour standards to avoid a race to the bottom.

The sources analyses have also highlighted the pressure that minimum wage (SMIC) adjustments place on negotiations. While the SMIC ensures a safety net for low-wage



workers, frequent adjustments often dominate bargaining agendas, detracting from efforts to address other structural labour issues.

The research and data suggest that the challenges in collective bargaining within the commerce sector stem from structural shifts and evolving labour dynamics. Both employer and worker representatives acknowledge the need for collaboration.

While progress has been made on issues like professional training and telework, implementation remains inconsistent, particularly in SMEs. Addressing these challenges requires reinforcing sectoral agreements, extending protections to atypical workers, and equipping smaller enterprises with resources to engage in effective negotiations. Policymakers and social partners must work together to ensure fair labour standards while adapting to technological and economic changes that continue to reshape the sector.

## V. Towards Smart Bargaining

The commerce sector in France faces significant challenges and opportunities in light of evolving demographic, economic, technological, ecological, and regulatory trends. Collective bargaining, a cornerstone of labour relations in the sector, has increasingly focused on aligning with these dynamics to ensure both workforce well-being and business competitiveness. Recent agreements, particularly those highlighted in the Bilan de la négociation collective 2023, illustrate how social partners are navigating these changes while laying the groundwork for future strategies.

Demographic changes, such as an aging workforce and the predominance of women in retail roles, have spurred tailored agreements to promote inclusivity and address career challenges. For instance, agreements negotiated by the CFDT Services and Fédération CGT Commerce et Services have strengthened maternity leave provisions and career re-entry programs. These measures aim to reduce the gender pay gap and improve retention in a sector known for high turnover.

Economic pressures, including global competition and the dominance of multinational players like Amazon, have influenced the push for flexibility in employment agreements. Employer organisations such as the Fédération des Employeurs du Commerce have supported company-level agreements to maintain competitiveness. In parallel, unions have worked to ensure sector-wide wage increases, notably for roles like cashiers and logistics workers. Recent agreements have linked wage adjustments to both SMIC rises and performance-based incentives, ensuring fair compensation across the board.

Technological advances, particularly in e-commerce, have reshaped the skills landscape. Agreements in 2023 emphasized workforce upskilling, particularly in digital logistics and e-commerce platforms. Federations have introduced training certifications for roles involving inventory management and IT-driven customer interactions. These



efforts, often led by partnerships between employer organisations and unions, aim to future-proof the workforce against rapid technological changes.

Ecological considerations have also become a focal point of bargaining. The national interprofessional agreement on ecological transition, signed in April 2023, has inspired commerce-specific measures. For instance, agreements involving major retail chains have introduced energy efficiency goals for large retail spaces and commitments to sustainable supply chains. These ecological strategies align with the broader national and EU objectives for a greener economy, reinforcing commerce's role in the ecological transition.

Regulatory trends, particularly the decentralisation of bargaining under the Macron ordinances of 2017, have driven innovative approaches to representation. Unions have adopted new strategies to engage atypical workers, particularly those in logistics hubs and e-commerce, where union presence has traditionally been weaker. Furthermore, collective agreements are increasingly integrating European directives, such as the CSRD, to enhance transparency and sustainability in corporate practices.

Future strategies for collective bargaining in the commerce sector are expected to build on recent successes while addressing unresolved challenges. Social partners aim to expand protections for atypical workers and develop more robust frameworks for integrating ecological priorities into business operations. The adoption of data-driven approaches to bargaining, leveraging workforce and market analytics, is anticipated to play a pivotal role. For example, metrics on sustainability and diversity have already been incorporated into some agreements, setting a precedent for more evidence-based and accountable negotiations.

In conclusion, the commerce sector in France is transitioning towards "smart bargaining" that balances adaptability with equity. By addressing demographic, economic, technological, ecological, and regulatory trends, collective bargaining is not only responding to immediate challenges but also shaping a resilient and competitive future for the sector. The collaboration of unions, employer organisations, and policymakers will be crucial in achieving these goals while safeguarding workers' rights and ensuring sustainable growth.

## VI. European Perspectives

The commerce sector in Europe is undergoing profound transformations, driven by digitalisation, ecological concerns, and evolving labour market conditions. Within this context, the social dialogue facilitated by EuroCommerce, representing retail and wholesale employers, and UNI Europa Commerce, representing workers, plays a critical role. These organisations collaborate to address shared challenges, develop sectoral strategies, and ensure the social sustainability of commerce.



EuroCommerce and UNI Europa have recently renewed their joint commitment to addressing the sector's transitions. The 2024–2025 work programme focuses on ensuring a fair digital and green transition while enhancing health and safety, promoting lifelong learning, and responding to EU regulatory developments. Joint initiatives, such as the Large Skills Partnership for Retail Ecosystems and the Skills4Retail project, are central to preparing workers for the technological shifts reshaping the sector. These projects aim to upskill employees in digital logistics, e-commerce platforms, and customer relationship management, ensuring that the workforce remains adaptable to emerging job profiles. Such partnerships highlight the importance of aligning worker training with industry evolution.

The rise of multinational e-commerce giants like Amazon has introduced new complexities into the commerce sector, particularly concerning labour standards, tax fairness, and market dominance. UNI Europa Commerce has been vocal about the need for better regulations to ensure fair competition and labour practices. Campaigns such as "Make Amazon Pay," supported globally by organisations like the International Trade Union Confederation (ITUC), advocate for better working conditions, stronger environmental commitments, and tax justice. Although ITUC operates globally and independently of EuroCommerce, its campaigns underscore the need for multinational corporations to adhere to international labour standards and sustainability goals.

EuroCommerce and UNI Europa have also worked collaboratively on Corporate Social Responsibility (CSR) initiatives, highlighting the importance of balancing economic, environmental, and social considerations in the commerce sector. Joint statements on CSR emphasize the sector's responsibility to support sustainable supply chains, reduce energy consumption in retail spaces, and promote decent work. These initiatives are a response to increasing consumer and regulatory demands for ethical and transparent business practices, further reinforced by EU directives such as the Corporate Sustainability Reporting Directive (CSRD).

Looking to the future, European social partners are expected to intensify their collaboration on key challenges, including the gig economy's impact, platform work regulation, and the green transformation. The European Pillar of Social Rights and evolving EU legislation provide a framework for shaping fair and sustainable labour practices. UNI Europa's advocacy for stronger collective bargaining rights in the platform economy is particularly relevant, as e-commerce platforms like Amazon continue to expand and disrupt traditional retail structures. Similarly, EuroCommerce's focus on competitiveness and innovation highlights the delicate balance between advancing business goals and ensuring social protections.

In conclusion, the European social dialogue in commerce, spearheaded by EuroCommerce and UNI Europa, exemplifies a proactive approach to managing sectoral transformations. By fostering collaboration on issues like digitalisation, sustainability, and labour rights, these organisations are shaping a commerce sector

that is resilient, inclusive, and equipped to meet future challenges in an increasingly globalised and digitised economy.

## VII. Conclusions

The French commerce sector, a vital pillar of the national economy, is navigating an era of profound transformation. Shaped by the forces of digitalisation, regulatory evolution, and ecological imperatives, the sector exemplifies both the challenges and opportunities faced by modern labour markets. The analysis of collective bargaining and social dialogue reveals a sector at a crossroads, requiring robust strategies to adapt while safeguarding the principles of equity and inclusion.

Key trends, such as the expansion of e-commerce and the prevalence of atypical employment arrangements, have redefined the employment landscape. Workers, particularly in retail and logistics, face increasing pressures from the rise of digital platforms and the globalisation of supply chains. The sectoral focus on addressing these shifts has been evident in recent agreements, which seek to upskill employees, align wages with inflation and performance, and introduce measures for sustainable workplace practices. However, the fragmentation of collective bargaining, particularly in small and medium-sized enterprises, underscores the necessity of targeted interventions to ensure uniform labour standards and protections.

Social dialogue has proven to be a cornerstone for addressing these challenges, both nationally and at the European level. The collaboration between employer organisations like the Fédération des Employeurs du Commerce and unions such as CFDT Services and CGT Commerce et Services has facilitated agreements that reflect the evolving needs of workers and businesses alike. At the European level, the joint efforts of UNI Europa Commerce and EuroCommerce have provided a framework for managing the sector's green and digital transitions. These initiatives, while promising, highlight the importance of fostering inclusivity in collective bargaining, ensuring that smaller businesses and non-standard workers are not left behind in the race for competitiveness.

The road ahead demands strategic foresight and cooperation among all stakeholders. Strengthening sectoral frameworks and extending protections to the most vulnerable workers will be critical in countering the risks posed by decentralisation and precarious employment. Legislative support, particularly at the EU level, will play a pivotal role in shaping a fair and sustainable commerce sector. Proactive measures, such as integrating ecological goals into collective agreements and leveraging data-driven approaches to negotiation, offer pathways to future-proof the sector while addressing pressing social and environmental challenges.

In conclusion, the commerce sector in France demonstrates the potential of collective bargaining as a tool for balancing economic dynamism with social responsibility. By

building on the progress achieved through social dialogue and adapting to emerging trends, the sector is poised to remain a driver of economic growth and a model for inclusive labour relations. Through continued collaboration and innovative strategies, the commerce sector can ensure that it meets the needs of both its workforce and the broader economy in a rapidly changing world.

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