contracts were concluded as complete collective agreements. Since 1953, though, negotiation of complete collective bargaining contracts has spread considerably.

Collective bargaining and disputes legislation

The law presently regulating collective bargaining was passed in 1950. Previous to that time (since 1946) conditions of employment had been subject to bargaining, but wages remained under Government control. The new law generally marked a return to free collective bargaining, but with three exceptions: (1) The Ministry of Labor has the power to decide whether or not a collective agreement should be "extended" to apply to workers and employers not a party to the agreement, (2) a Government-appointed Higher Commission of Collective Agreements sets a national minimum wage for each occupation on the basis of a family budget, and (3) in nationalized industry collective bargaining is practiced only where there is no law regulating conditions of work (in practice, only where nationalized industries compete with private firms).

In regard to the settlement of disputes, the law states that all national agreements (and regional and local ones in special circumstances) must contain clauses for the settlement of disputes. Either the parties or the Government can initiate conciliation. Arbitration is strictly voluntary.

At the firm level in private industry, works committees are required by law to be elected in all enterprises employing 50 or more persons. These committees manage various social activities associated with the firm and have purely consultative powers in regard to the management of the firm.

Government wage policy

The national minimum wage is an important part of Government wage policy. Its importance in the process of wage determination arises from the fact that many of the rates set unilaterally by employers or jointly by collective bargaining are at or just above the minimum and must be changed when it is altered. In setting minimum wages, the Government consults the Commission Superieure des Conventions Collectives, which is made up of employer and employee representatives. The wage is the same for men and women but is differentiated by province. According to a law of 1952, when the family consumption price index rises 5 percent, a proportional increase in the national minimum wage must be made. The substantial lag in the process means that the maintenance of real wages is by no means guaranteed.

The sizable benefits payments (pensions, family allowances, etc.) have been used by the Government to bring about a substantial redistribution of income among wage earners. The role of the Government as the largest single employer in the economy gives it a device for influencing wage movements directly.

Price control

Considerable price control was used immediately after the war. Much of it was removed in 1949 in favor of a policy of monetary and fiscal restraint and prices rose sharply. This inflation brought on the replacement of some of the price controls just removed, but from this time on they were used as a supplement to other policies and not relied on so heavily as before. Beginning in 1957, the Government began to remove what price controls remained, with the aim of freeing prices entirely. Price control through most of the period has been considerable, applying, even since the relaxation of 1949, to many basic agricultural and industrial products, as well as to rent. In 1954 it covered such essential products as coal, oil, electricity, gas, fertilizers, and sulfuric acid; in addition, autos, glass, and tractors were subject to a measure of control.

Monopoly regulation

Large-scale organization has been fostered since the war by (1) the fact that only large-scale firms can engage in self-financing, and borrowing has been difficult or impossible; (2) the Monnet and second nationalization plan, which were more easily applied to large firms; and (3) nationalization, which closed down a certain number of firms. The highly organized nature of business has produced a large number of agreements of various kinds between firms in regard to prices, marketing, etc. There is legislation in existence which condemns restrictive practices, but which seems to be rather ineffective in practice. Stronger laws were considered in 1950 and 1951, but no new legislation was passed.

Price supports and subsidies

These have always been considerable in France relative to other countries. Agriculture is the largest recipient, but many sectors of the economy have their own niches, protected by tariffs, price supports, or subsidies, open or disguised.