

European Telework Status Report 1998: France

This is an extract from the country summaries section of the European Commission's 1998 Status Report. The complete report is online at <http://www.eto.org.uk/twork/tw98> in a variety of formats, including Word, HTML pages and Acrobat .pdf files. Links to further information about telework in France in the France national page at European Telework Online - <http://www.eto.org.uk> .

Summary

France has seen a number of significant developments affecting telework in 1997-1998. In particular the Government has established a strongly positive and assertive approach to the Information Society and the need for France to make rapid progress in using the Internet. There is also a "State Modernisation" programme, which includes telework as a mechanism. A national telework association has become established and active. The former French Festival of Teleworking has become a European Festival of Teleworking and is now part of the European Telework Agenda. Some French trade unions have telework as an agenda item for 1998. Regional authorities are embedding telework and other Information Society applications in their economic development plans.

Against this, there remain significant barriers to rapid progress. Relative to neighbours in UK, Germany and Benelux, French people are relatively unfamiliar with personal use of the Internet because some of the most obvious applications have been already available and in use through the Minitel system. France has invested quite heavily in IT generally, but penetration of PCs in homes is low. In the labour market, unemployment and preoccupation with the implementation of a 35 hours working week may make it difficult for other aspects of *travail nouveau* to gain serious management attention over the next year or two.

Telework background and take-up of ICTs

General background:

- France is highly invested in IT by European standards, but the pattern of use is distinctly different from that of otherwise similar countries. The pervasive availability of Minitel gave France an early world lead in public awareness and experience of online applications and networking, but has until recently inhibited take up of the Internet and the purchase of PCs by consumers for use in the home:

	IT spend as % of GDP	IT per capita (ECU)	PCs per 100 white collars	Households with PCs	Households with Internet access
				per 100 households	
France	2.41	499	56	19	1.8
Germany	2.10	490	44	21	4.2
UK	3.24	486	55	23	4.9

- The French Government has announced (January 1998) a strongly positive approach to the Information Society. This and other factors lead to expectations of strong future growth in use of PCs and Internet, but inevitably it will take some years for France to catch up and possibly overtake in terms of consumer use:

	Households with Internet access (per 100 households)				
	1997	1998	1999	2000	2001
France	1.8	3.5	5.5	8.2	16.0
Germany	4.2	7.0	11.3	16.6	24.8
UK	4.9	7.9	12.2	18.6	27.8

- A somewhat strict interpretation of France's language laws led to a court decision in 1997 that a website based in France but deriving most of its material from an overseas parent site must offer all its material in French as well as in whatever other original language might be appropriate to the company's general audiences and interests. This widely reported judgement reinforced external perceptions that France was not "Internet friendly".
- Persistently high unemployment is the most important item on the labour market agenda. Alongside initiatives to promote entrepreneurship and improve the availability of risk funding, the Government is tackling this through implementation of a 35 hours working week. Over the next two years the implementation of this will preoccupy managements and unions; the ultimate effect in either encouraging or inhibiting new working methods such as telework cannot yet be forecast.

France Telecom, the world's fourth largest telecommunications operator, is developing internal telecommuting along two major lines: mobile telework for salespersons and networking. The salespersons rely on office-sharing and new technologies: portable PCs, data GSM, ISDN, voice and data messaging services and Internet, and soon they will be able to access the company's intranet from any office location but also on the move during visits to customers. Networking is also growing considerably and has become crucial to France Telecom for the following reasons:

- In the context of total competition, the company's internal organization is constantly evolving in order to deliver better service to its customers, be more effective, flexible and efficient.
- The organizational units are often very scattered geographically. For example all the National Services are distributed among 5 to 15 sites.
- These units are now increasingly moving from a geography-oriented (one site = one mission) to a project-oriented organization.
- Intelligence is increasingly based on networking, and know-how and knowledge-sharing have become a major stake.
- Human resource policies give priority to skills and competence management, the company's genuine capital.
- And finally, over the last few decades it has been France Telecom's policy to ensure that jobs in the company are distributed equally over the whole of France.

Today, at France Telecom some 2,500 employees network daily, using groupware and teleconference services: videoconferences, conference calls, document-sharing. All in all, over 5,000 France Telecom staff - 3% of the payroll - apply telecommuting to their daily work.

- France has a large civil service and public sector employing some 5 million people. Acceptance or otherwise of teleworking by administrations and the relevant Unions will have a particularly significant effect in France.

Driving factors:

- There is rapidly increasing interest in the Internet. With more than 200 Internet Service Providers offering competitive services and prices, and a high quality telecommunications infrastructure, both interest and use should continue to grow sharply.
- A national telework association (Association Française du Télétravail et des Télé-activités - AFTT) has become firmly established and active.
- A programme for "Modernisation of the State" forms an important part of the Governments Information Society strategy; telework is explicitly mentioned in state modernisation proposals.
- Prolonged high unemployment has increased willingness to try self-employment or to establish new small businesses using or providing ICT methods and services. The Government is acting to support investment in ICTs by small firms and to improve the supply of venture capital.
- Regional authorities are increasingly interested in telework and other Information Society approaches as a way to stimulate local enterprise and employment. There are some pioneer projects in place with more planned.

Constraints:

- There is a shortage of visible exemplars of corporate teleworking in both public and private sectors. The few private sector enterprises that have implemented telework see it as a vehicle for competitive advantage and are reluctant to publicise their activities and results.

- High unemployment makes people reluctant to take what many see as the risk of being excluded from their employer's mainstream through not being visible at the office every day. The idea that telework increases productivity may be attractive to employers but is unwelcome by unions while there is a shortage of jobs. The question of whether jobs should be created through increased labour market flexibility and new work practices, or protected through measures such as the 35-hour week, is a contentious issue in France.
- Employment contracts in France are firmly rooted in a basis of "hours worked" rather than "value delivered". There is also a distinct "social experience" aspect to "going to the office" for most French managers and professionals, in addition to the issues of managerial control and communication which are common to all countries as perceived barriers to telework.
- Non-wage costs above the European average, coupled with uncertainties about the impact of the 35 hours week, are likely to deter new forms of online, location-independent enterprises from considering France as a primary recruitment source for the new communications-intensive jobs they are creating.
- VAT at 20.6% increases the real and perceived cost of PCs and related items compared with (for example) UK (where standard VAT is 17.5%), or Denmark, where the tax regime actively encourages employers to provide PCs for employees to use at home.

Telework activities and results

- In 1997 the existing French Festival of Telework became The European Festival of Telework; the 1998 event, held as usual in the French Alps, was well attended and attracted many international speakers and delegates as well as a strong representation of politicians and policy advisers at levels up to Ministerial. (see panel)
- In March 1998 the AFTT, with a dozen other organisations, organised a *Fête de l'Internet*, which gained widespread public attention.
- There are several telework-related websites and a French language email based discussion forum. Relative to the penetration of Internet, French participants are more active than the average in international telework online forums.
- A telework handbook, *Le Guide Pratique du Télétravail*, was published.

Conclusions

In addition to its significance in the overall European economy, France has a profound influence in perceptions and expectations about society and the economy, not only in Europe but also in the wider world, especially in other Francophone countries and in the many regions where France has strong historical, diplomatic and trade connections. A positive, dynamic and open approach to Information Society applications, including telework, will have wide positive consequences; conversely either a slow response, or local responses that are not widely known about and understood outside France can adversely affect Europe's overall response and Europe's possibilities for a world-leading role in shaping the Information Society. Events and initiatives in late 1997 and early 1998 have established positive expectations and a considerable heightening of public awareness, but there are many difficulties to be faced and overcome. The nature and extent of follow through in both policy and implementation during the immediate future years will be of great interest both inside and outside France.