



French finance minister Michel Sapin rejects "clichés about France"

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"Even though there is some truth in them, France is the victim of clichés", French Finance Minister Michel Sapin told Economic and Monetary Affairs Committee MEPs in an "economic dialogue" meeting at the European Parliament on Thursday morning. Despite what is often said and written, "France is reforming, but reforms require careful negotiation and have to be phased in gently so as to last and avoid social conflict", he added.

"For example, we are reducing burdens on companies, simplifying layoff procedures, which in turn make it easier to hire staff, and we are making cuts in public spending", Mr Sapin explained. MEPs nonetheless criticized France's budget deficit, growing public debt, pension costs (14% of the budget), low retirement age (61) and below-average GDP growth.

No to reforms that destroy growth

"France has a long term vision and it will respect the objectives it set for itself. But it cannot take measures that would destroy growth. We raised the effective retirement age from 58 to 61 and we plan to go further", said Mr Sapin. He also told MEPs that France would bring its sovereign debt will be below 100% of GDP" and pointed to positive growth figures published by the European Commission early this week.

Treaty flexibility

Asked whether the current Economic and Monetary Union treaties suffice to deal with the economic challenges facing Europe, Mr Sapin said "We have to move forward within the framework of the current treaties. Flexibility is part of this". But there is room for further economic convergence, too, he added.

Greece must meet its commitments

Many MEPs asked for Mr Sapin's views on Greece's financial plight and his expectations for the 11 May Eurogroup meeting, where negotiations with it will continue.

"Greece is a full member of the European Union, the Eurogroup, the EIB and the IMF. It must respect its commitments, but these are not carved in stone. If the Greek government wants to make changes, it will need to compensate with other measures", he replied. However, Mr Sapin did not expect a final agreement on 11 May, even though "we might move to a compromise", he said.

In the chair: Roberto Gualtieri (S&D, IT)

Further information

- Background economic dialogue: <http://www.europarl.europa.eu/committees/en/econ/economic-governance.html?tab=Economic%20Dialogues>
- Video: extracts from exchange of views with Michel SAPIN, Minister of Finance and Public Accounts of France: <http://audiovisual.europarl.europa.eu/Assetdetail.aspx?ref=I102613>
- Committee on Economic and Monetary Affairs: <http://www.europarl.europa.eu/committees/en/econ/home.html>

Press release

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