

Purchasing Power Blues Among French Middle Class

Voice-over 1:

It's estimated an average French middle-class family of four has a monthly budget of 3,200 euros. But over the last two years, soaring oil, food and property prices have dramatically shrunk their disposable income. And today, purchasing power has replaced unemployment as the number one concern for the French. The head of the CSA survey institute identifies the main reasons why the middle class feel the pinch, both financially and psychologically.

Voice-over 2:

Lower income earners can often get into socially subsidised housing, with controlled rent. The middle class feels the full impact of rent increases - and there are a lot of people renting in France. That's the first reason. The second reason is that during his campaign to become president, Nicolas Sarkozy spread the message to the middle classes that they'd soon regain room to manoeuvre, to set themselves apart. Now, since a characteristic of the middle classes is to see themselves as upwardly mobile, psychologically they also feel harder hit.

Voice-over 1:

Gilles Colombin is a psychologist; he lives in Lyon. He's been working longer hours to earn more money. It's one of president Sarkozy's political battle cries. But for him, it doesn't work.

Voice-over 3:

For me, it's clear. And I see it with quite a few of our friends. Everyone is saying it: salaries haven't budged, but prices have risen enormously. It's clear, therefore, that this is a real crisis.

Voice-over 1:

Because Gilles has his own practice, he's a victim of the dramatic rise in rental and oil prices. He says, some months he doesn't touch a salary. Gilles, his wife and two sons live in this house; it's part of a family heritage they were able to buy twenty years ago. For them, it's their saving grace: their monthly budget is under 3000 euros.

Voice-over 4:

We were lucky that we bought this house twenty years ago, so we live well. That, for me, is just so important. If we had to pay for it now, or rent, that definitely would be impossible for us.

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