



French Labour Law & Employment Regulations

Presenter: Laurent-Pierre Sans, Regional Director – Europe
Aude Ferte, Global Account Director

Organiser: **BIPO** | Make Life Easier.

Speakers



Laurent-Pierre Sans **Regional Director - Europe**

- Professional with more than 25 years of experience in global HR technology service provider companies, specialist in global and international partnerships/international private sectors in the field of human resource management
- Expert in business expansion in the European territory and market, as well as reputed business expert specialized in HR outsourcing services



Aude FERTE **Global Account Director**

- Professional with 15 years of experience in HR and Labour law in France and Asia
- Expert in implementation of Global HR Strategies
- Previously HRD in different industries: Retail, F&B, Technology, etc
- Previously Lawyer in French and Chinese Labor Law



Agenda

- 01.** Introduction to France

- 02.** Employment Laws & Regulations

- 03.** Employment Contract

- 04.** Working Time

- 05.** Main Leaves Types

- 06.** Minimum Wage, Social Security and Income Tax

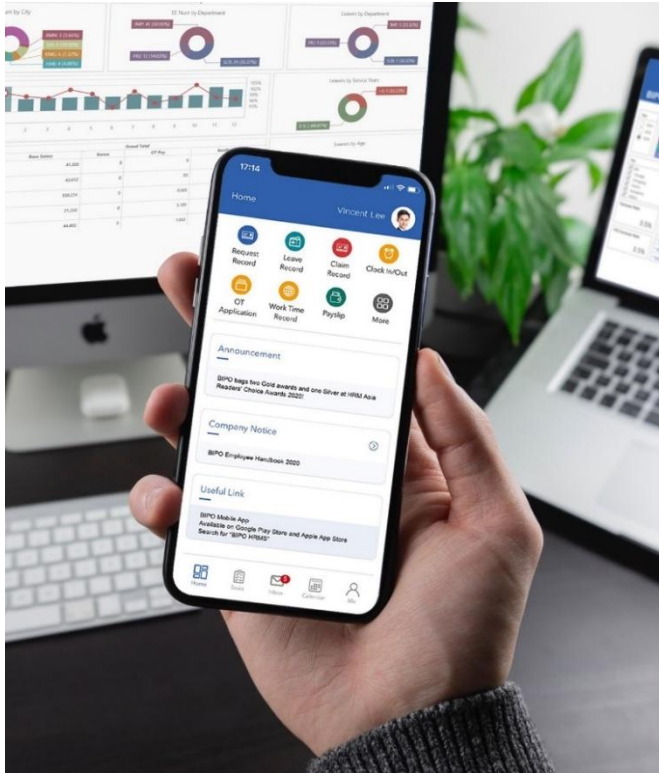
- 07.** Termination

- 08.** Q&A Session



BIPO at a Glance

Established in 2010, BIPO is a **Global HR Technology and Solutions Provider**



14

Years of experience

23

Payroll engines
across countries

4,600+

International clients

1,000+

Employees
worldwide

46

International offices

20+

Languages available
on Web & Mobile
Apps



Gartner

Our Expertise & Product Lines

BIPO's technology-enabled **Total HR solutions** streamline the employee lifecycle from onboarding to offboarding. Our integrated suite of cutting-edge HR and payroll solutions empower companies to navigate today's world of work.

Total HR Solutions for your Global Workforce

Human Capital Management Solutions (SaaS)

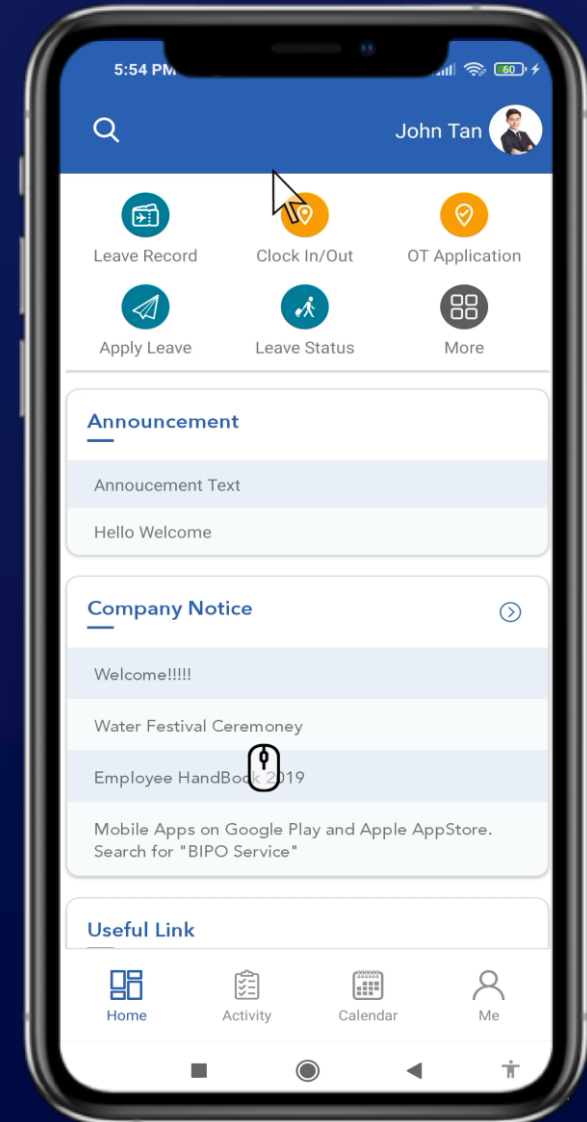
- **BIPO HRMS**
- **Athena BI**

Global Payroll Outsourcing

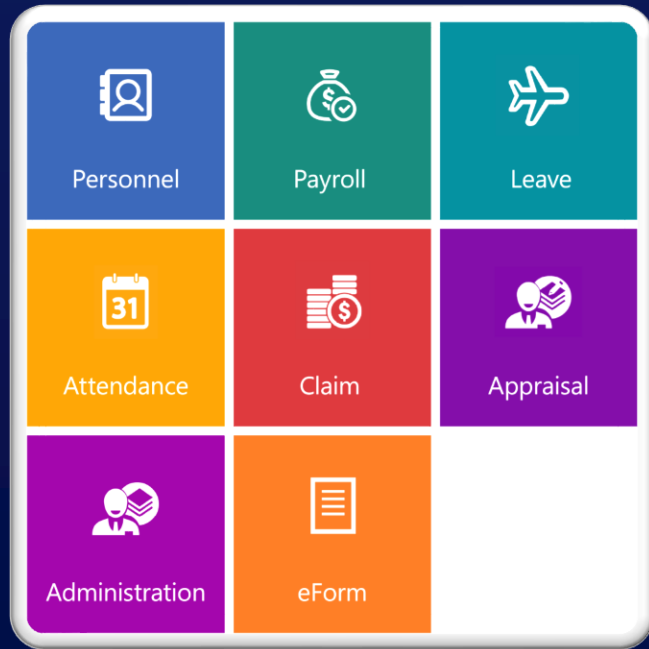
Multi-currency salary payments with Butter

Employer of Record (EOR) & contractor

Hire and manage talents in 160+ global markets with Butter



BIPO HCM Solution



Core HR Modules

Life-cycle Module *



20 languages included

Athena BI – Insights (Performance & Alerts)



Athena Insights dashboard for HR who want more insights into employee turnover so they can plan growth more accurately.

Performance & Alerts to be shared with key stakeholders on a regular basis.



Introduction to France

France Keys Economic Factors

Economy Rank

- **7th largest Economy in the World**
- **3rd largest Economy in Europe**
- **GDP: 3030.90 billion US dollars in 2023**
- **France's unemployment rate: 7.4%**

Business Environment

- One of the **Top Global destinations of foreign investments**
- The **French regulations have been modernized**, to encourage the business
- ***One of the fastest Country to scale your business***

Skilled Workforce

- **Highly skilled**, multicultural workforce. French higher education is recognized worldwide.
- **18 French universities** in the Top 500 of the Academic Ranking of World Universities 2024 by the Shanghai Ranking Consultancy
- **Competitive and efficient workforce**, especially in sectors like luxury goods, aerospace, automotive manufacturing, and high-tech industries...



France Keys Economic Factors

Strong Support for R&D

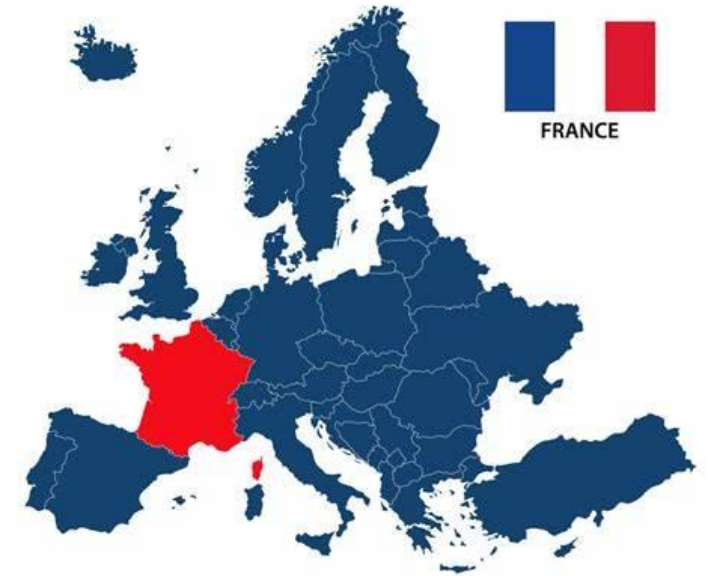
- France has one of **the most generous R&D support schemes in Europe**. The **Research Tax Credit** applies to all sectors. It is 30% of R&D expenditure up to €100 million and 5% above this amount
- **3rd country in Europe and 7th in the world for R&D spending** in 2022
- **2nd country in Europe for patent filings** in 2023

Location

- **Crossroads of global trade routes between Europe, North America, and Asia**
- **Time zone advantage**
- **World-Class infrastructure** : very high quality and efficient transportation (2nd longest railway network, 6 major seaports, Paris Charles de Gaulle : 1st European Union Airport)

Labour Laws

Modern Reforms simplified employment contracts regulations, layoffs and mutual termination agreements to bring more **flexibility** and a supportive ecosystem.



France Keys Economic Sectors



Aeronautics



Agriculture and agri-food sector



Renewable energy



Luxury / Fashion



Artificial Intelligence



Healthcare

But Also:

- **Tourism**
- **Automotive Industry**
- **Pharmaceuticals & Biotechnology**
- **Batteries**
- **Retail & Consumers Goods**
- **Financial services**
- **Real Estate...**



Employment Laws & Regulations

French Employment Law and Regulations

The French Legal Framework is based on the following sources set out in order of priority:

The Constitution

Defines the Rights of the Citizens.

European Legal Instruments

Aiming to ensure fair working conditions, protect worker' rights, and promote social inclusion.

The Labour Code

Made of Laws, Regulations and Decrees. It determines nearly every aspect of the French Labour Law.

The Case Law

The provisions of the Labor Code are interpreted through decisions of the employment law section by Supreme Courts (Cour de Cassation).

Collective Bargaining Agreements

Written Agreements between Employee Representative Trade Unions and Employer Representatives => Working conditions & Benefits in given Industries.

Collective Company Agreements

Applying to specific companies. Signed by the Employer and Trade Union Representatives in the company.

Individual Employment Contract

The Contract only covers those points that are not already dealt with in the Labour Code or in the relevant collective bargaining agreement.

Hiring Staff

A Company can hire staff through 3 basic options:

Direct hiring

- Need to set up a company

Labor dispatch (Employer of Record)

- hires workers from a dispatch agency.
- the dispatch agency is the de facto legal entity that is responsible for the administrative management of the employees.
- save hiring costs, avoid administrative processes, and minimize risks and legal responsibilities for potential labor disputes.

Outsourcing

- applied to **specific tasks** that require **specialist skills**, a high degree of confidentiality, such as IT development, accounting, tax filing, HR administration, and payroll processing, **usually for short missions**, such as a specific need or a replacement (maternity, sick leave..)
- no direct employment relationship with the outsourcing employees.



Employ Staff – New Business

- **Choose a STRUCTURE**
- **Register the BUSINESS**
(with Business Number : SIREN)
- **Get Permits & Licenses**
- **Open a Bank Account**

Recruitment of staff

THE INTERVIEW ! Ensure equal treatment for all candidates
Focus on skills, qualifications and experience.

Good to know: Forbidden to ask personal questions (Marital status, religion, age, nationality)

**SIGN AN
EMPLOYMENT
CONTRACT**
CDD or CDI

PAY SOCIAL SECURITY CHARGES

Company must withhold & pay the employee's social security contributions (health insurance, pension, unemployment, etc.) to URSSAF.

Provide payroll info to the Employee (Issue payslips)

**REGISTER your
Business for Taxes and
Social Security with
URSSAF**

OFFER LETTER

! The offer letter is generally not binding, **but** it can be seen as a binding employment contract, if:

- It is signed by both parties and
- It states clearly some essential terms (salary, role, starting date, working conditions...)

HIRING

The Company must declare the employee to URSSAF



Employment Contract

Contract Types

Contract Type	Specifications
Permanent Contract = CDI: <i>Contrat a Duree Indeterminee</i>	<ul style="list-style-type: none">• The default, and preferred type of employment contract.• No legal requirement to have a written contract (except if specified by the collective agreement). <p>If there is no written form, the contract is considered to be a full-time and indefinite-term contract.</p>
Fixed-Term Employment Contract CDD: <i>Contrat a Duree Determinee</i>	<ul style="list-style-type: none">• Used for specific reasons such as:<ul style="list-style-type: none">- Replacement of an employee temporary (maternity leave, illness)- Temporary increase of activity (ex. special project)- Work of a specific temporary nature (construction, entertainment.)- Seasonal employment (Tourism, agriculture, etc.)- Employment in which it is customary not to recruit under permanent contract (“CDD d’Usage”)• Must specify the end date and the reason for temporary work. <p>If a person needs to be hired on a long-term basis, the use of a permanent contract is mandatory.</p>

Fixed-term Employment Contracts

1. Must be in written. Otherwise, the contract is deemed to be a permanent contract.
Good to know: French language is mandatory (a bilingual version is possible).
2. The limit for a CDD is 18 months. It can be renewed, for a maximum term of 36 months.
3. The CDD must specify:
 - The exact reason for which it is being used.
 - The start and end dates of the contract.
 - A renewal clause, in case the fixed-term contract needs to be extended.
 - The minimum contract duration if there is no specific term, e.g. when replacing an absent employee.
 - The name and professional qualifications of the employee being replaced, if applicable.
 - The duration of the probationary period.
 - The job title.
 - Remuneration.
 - Collective rights.

Working Time

Understanding these working time regulations is critical for ensuring compliance and managing productivity in French operations. Consulting a labor law expert is advisable for customizing work arrangement to fit your business model.



Standard Working Time

- **35 hours** per week is the standard working time.
- **Overtime** is allowed but compensated by either at least 25% more per hour or time off in lieu = “**RTT days**” to compensate for the extra hours worked.
- **Certain roles, like Executives**, may follow other rules if they fall under specific agreements (e.g., **Forfait Jours, 218 days** maximum, an annualized working time framework based on days rather than hours).



Limits on Overtime & working hours

- **Weekly working time**, including overtime, is capped at **48 hours** (AND 44 hours maximum on average over 12 weeks).
- **Daily working hours** cannot exceed **10 hours** unless exceptions apply (e.g., specific industries or collective agreements).
- **Mandatory rest periods** include:
 - 11 consecutive hours of daily rest
 - 24 consecutive hours of weekly rest (usually on Sundays, with some exceptions).



Flexibility through Collective Agreement

- Industry-specific **collective bargaining agreements (CBAs)** can provide flexibility.
- Employers can negotiate with employees and their representatives to adjust working schedules, implement shift work, or adopt more flexible arrangements like **work from home**.

Main Leaves types

Type of Leaves	Length
Annual Leaves	<ul style="list-style-type: none">- Minimum : 5 weeks / year- Collective & bargaining agreements can give additional days (for ex. Metalworking, Chemical or Logistics Industries : 6 weeks / year...)
Public Holidays	11 Days
Sick Leaves	Requires a Doctor Note. Paid by the Social Security and the Employer after a waiting period (usually 3 days).
Maternity / Paternity Leaves	Maternity Leave: 16 weeks (6 before and 10 after birth). Paternity Leave: 28 days (7 mandatory), extendable in cases of multiple births.

Minimum Wage, Social Security & Income Tax

Minimum Gross salary: EUR 11.80 (hourly) e.g. EUR 1,801.80 / month

Social Security Contributions

- Employee & Employers contributions : Deductions from salary for Health, Retirement, Unemployment and other benefits
- Total Employee contribution: Between 20 to 25%
- Total Employer contribution: Between 25 % to 45%

Income Tax

Income brackets	Income tax bracket rate
Up to €11,294	0%
From €11,295 to €28,797	11%
From €28,798 to €82,341	30%
From €82,342 to €177,106	41%
More than €177,106	45%

- Vary regarding different criteria: the employee marital status, number of kids...
- Income tax is deducted directly from salaries through a withholding system

Termination

3 MAIN TYPES OF TERMINATION



Resignation

- Initiated by the Employee
- Requires a formal written notice with a clear intention of the employee
- Generally, no entitlement to unemployment benefits



Mutual Agreement : “*Rupture Conventionnelle*”

- A consensual termination between employer & Employee
- Agreement submitted to the labor administration for approval
- The employee receives severance pay
- Entitlement to unemployment benefits



Dismissal

- Initiated by the Employer
- Can be for **personal reasons** (e.g. Misconduct, inadequate performance) or **Economic reasons** (E.g. restructuring, financial difficulties)
- Requires valid justification, formal procedure and notice period (unless dismissed for serious misconduct)

Termination by Dismissal



Initiating the process

- The company needs to have a **valid reason** for termination such as economic factors or employee misconduct or professional inadequacy.
- Important to be prepared in advance with the **right evidence**



Pre-termination meeting

- Process start with a formal meeting between the employer and employee. Before this, the employer must invite the employee to this meeting with an official letter.
- The **invitation to the pre-dismissal meeting** must be **sent at least 5 working days** before the meeting.



Decision & written notification

- After the meeting, if the employer decides to dismiss the employee, he must send a letter of dismissal with the reason of the termination.
- The dismissal must occur at least **2 days** after the meeting.



Notice Period

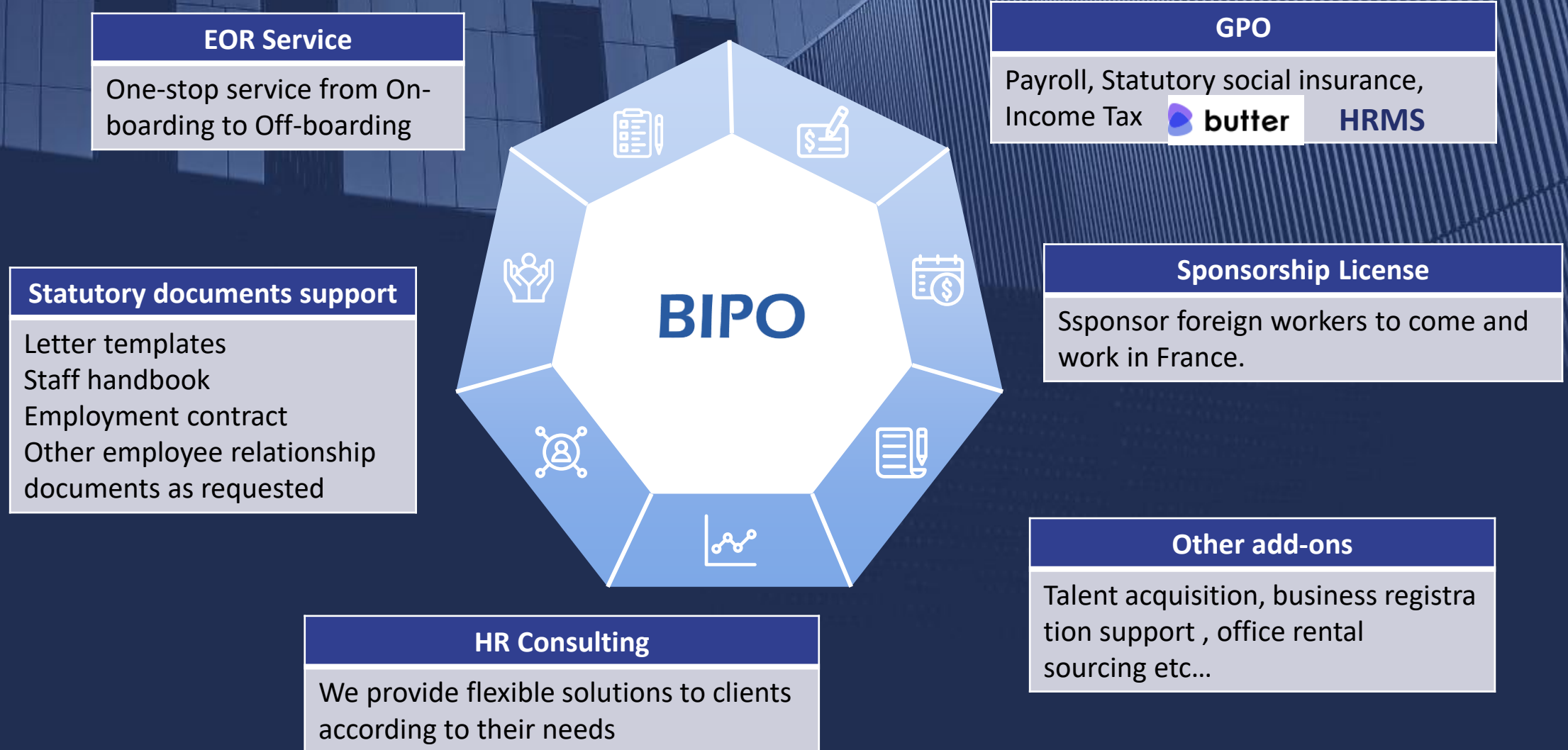
- The Employee is entitled to a notice period according to the employment contract except for gross misconduct.
- Payment of the salary as usual during this period
- The employer can choose to let the employee work or not.



Severance Pay

- Applicable (except for Gross misconduct)
For employees with more than 8 months of service:
- **1/4 of a month salary per year of seniority for the 1st 10 years**
 - **1/3 of the month salary after 10 years**
- This is a **minimum**. It can vary with the contract or collective agreements.

BIPO France – Service Capabilities



Connect with Us



Laurent-Pierre Sans

Regional Director, Europe

✉ : laurent.sans@biposervice.com

in : [linkedin.com/in/laurentpierresans](https://www.linkedin.com/in/laurentpierresans)



Aude FERTE

Global Account Director

✉ : aude.ferte@biposervice.com

in : [linkedin.com/in/audeferte](https://www.linkedin.com/in/audeferte)

Laurent's WeChat



Fill in the feedback form
to receive the webinar deck!



bit.ly/bipowebinar-feedback

