

EMPLOYMENT CONTRACTS IN FRANCE

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The legal context

➤ Requirement to comply with:

- the provisions of the French Labor Code ;
- the provisions of the collective bargaining agreement applicable at the level of the sector of activity to which the company belongs.

The main types of employment contracts

- Permanent employment contract;
 - Fixed-term employment contract;
 - Temporary employment contract.
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- Development of the entrepreneurship to avoid some costs and administrative complexity.

The permanent employment contract

- Standard employment contract ;
- Common practice to prepare a written contract ;
- Terms and conditions regulating the employment relation (trial period, position, remuneration, working time, working place, etc.) ;
- Termination by :
 - the employer :
 - dismissal for genuine and proper cause (*cause réelle et sérieuse*) strictly analysed ;
 - retirement (*mise à la retraite*).
 - the employee :
 - resignation ;
 - retirement (*départ à la retraite*).

The fixed-term employment contract

- To be used only under limited circumstances (e.g. temporary increase of the company's activity, replacement of an absent employee, seasonal work);
- To be provided in writing to the employee at the latest two opening days after its beginning;
- Requirement to mention legal employment information (notably ground justifying the fixed-term employment, duration of employment, position, remuneration);
- Requirement to respect the maximum duration provided by the French Law;
- Termination at the term agreed between the parties – an earlier termination is possible only in certain cases (for example serious misconduct committed of the employee);
- Requalification into a permanent employment contract in case of breach of legal rules.

The temporary employment contract

- To be used only under limited circumstances (notably temporary increase of the company's activity, replacement of an absent employee, seasonal work);
- Triangular relationship between (i) the worker, (ii) the temporary firm and (iii) the user company;
- Two contracts: the placement contract and the contract of assignment;
- Applicable rules similar to those regulating fixed-term employment;
- Requalification into permanent employment contract in case of breach of legal rules.

The growing tendency

- Development of the self-employed status (“*ubérisation*”) :
 - Flexibility for the user company;
 - Flexibility for the worker;
 - Economy of social security charges for both parties;
 - But absence of the protection offered by the employment law.