

# BIPO TIMES

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## France's Labour Law & Employment Regulations

### Overview

France is a cornerstone of the global economy, positioned as the 7th largest economy in the world ([IMF](#)). At the same time, as the second-largest economy in the European Union ([EU](#)), it is a global leader in industries such as aerospace, automotive, luxury goods, and pharmaceuticals. France is also the EU's top agricultural producer, with wine, cheese, and other exports earning worldwide acclaim.

France is renowned for its robust industrial base, advanced technology, and strong agricultural sector. Anchored by a highly skilled workforce and a commitment to innovation, the French economy benefits from a strategic location, extensive infrastructure, and its role as a hub for international trade and finance. France thrives in the global marketplace.

In this context, we explore France's employment landscape to navigate your business in France.

### Basic Country Facts



**Capital**  
Paris



**Population**  
66.3 million  
[IMF](#)



**Currency**  
Euro (EUR, €)



**GDP per Capita**  
USD 49,53 (as of 2024)  
[IMF](#)

# Labour Law & Employment Regulations

## French Employment Law and Regulations

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

Employment Law	Specification
<b>The Constitution</b>	<ul style="list-style-type: none"><li>• Defines the Rights of the Citizens.</li></ul>
<b>European Legal Instruments</b>	<ul style="list-style-type: none"><li>• Aiming to ensure fair working conditions, protect workers' rights, and promote social inclusion.</li></ul>
<b>The Labour Code</b>	<ul style="list-style-type: none"><li>• Made of Laws, Regulations, and Decrees. It determines nearly every aspect of the French Labour Law.</li></ul>
<b>The Case Law</b>	<ul style="list-style-type: none"><li>• The provisions of the Labour Code are interpreted through decisions of the employment law section by the Supreme Courts (<i>Cour de Cassation</i>).</li></ul>
<b>Collective Bargaining Agreements</b>	<ul style="list-style-type: none"><li>• Written Agreements between Employee Representative Trade Unions and Employer Representatives → working conditions and benefits in given industries.</li></ul>
<b>Collective Company Agreements</b>	<ul style="list-style-type: none"><li>• Applying to specific companies. Signed by the Employer and Trade Union Representatives in the company.</li></ul>
<b>Individual Employment Contract</b>	<ul style="list-style-type: none"><li>• The Contract only covers those points that are not already dealt with in the Labour Code or in the relevant collective bargaining agreement.</li></ul>

## Hiring in France

The standard procedure of employing a new staff for a new business in France is as below:

Step	Specification
1	<ul style="list-style-type: none"><li>• Choose a structure</li><li>• Register the business (with Business Number: SIREN)</li><li>• Get permits &amp; licenses</li><li>• Open a bank account</li></ul>
2	<ul style="list-style-type: none"><li>• Register your business for Taxes and Social Security with URSSAF</li></ul>
3	<b>Recruitment of staff</b> <ul style="list-style-type: none"><li>• The interview! Ensure equal treatment for all candidates</li><li>• Focus on skills, qualifications and experience</li><li>• <b>Good to know:</b> Forbidden to ask personal questions (i.e. marital status, religion, age, nationality)</li></ul>
4	<b>Offer letter</b> <p>The offer letter is generally not binding, but it can be seen as a binding employment contract, if:</p> <ul style="list-style-type: none"><li>• It is signed by both parties, and</li><li>• It states clearly some essential terms (i.e. salary, role, starting date, working conditions)</li></ul>
5	<ul style="list-style-type: none"><li>• Sign an employment contract (CDD or CDI)</li></ul>

Step	Specification
6	<b>Hiring</b> <ul style="list-style-type: none"> <li>The Company must declare the employee to URSSAF</li> </ul>
7	<b>Pay social security charges</b> <ul style="list-style-type: none"> <li>Company must withhold &amp; pay the employee's social security contributions (health insurance, pension, unemployment, etc.) to URSSAF</li> <li>Provide payroll info to the Employee (issue payslips)</li> </ul>

## Employment Contract

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

### Fixed-term Employment Contracts

- 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).
- The limit for a CDD is 18 months. It can be renewed, for a maximum term of 36 months.
- 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 Hours

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

Type of Hours	Specification
<b>Standard Working Hours</b>	<ul style="list-style-type: none"><li>• <b>35 hours</b> per week is the standard working time.</li><li>• <b>Overtime</b> is allowed but compensated by either at least 25% more per hour or time off in lieu = “<b>RTT days</b>” to compensate for the extra hours worked.</li><li>• Certain roles, like Executives, may follow other rules if they fall under specific agreements (e.g. <b>Forfait Jours, 218 days maximum</b>, an annualised working time framework based on days rather than hours).</li></ul>
<b>Limits on Overtime and Working Hours</b>	<ul style="list-style-type: none"><li>• <b>Weekly working time</b>, including overtime, is capped at <b>48 hours</b> (and 44 hours maximum on average over 12 weeks).</li><li>• <b>Daily working hours</b> cannot exceed <b>10 hours</b> unless exceptions apply (e.g. specific industries or collective agreements).</li><li>• <b>Mandatory rest periods</b> include:<ul style="list-style-type: none"><li>○ 11 consecutive hours of daily rest</li><li>○ 24 consecutive hours of weekly rest (usually on Sundays, with some exceptions)</li></ul></li></ul>
<b>Flexibility through Collective Agreement</b>	<ul style="list-style-type: none"><li>• Industry-specific <b>collective bargaining agreements (CBAs)</b> can provide flexibility.</li><li>• Employers can negotiate with employees and their representatives to adjust working schedules, implement shift work, or adopt more flexible arrangements like <b>work from home</b>.</li></ul>

## Types of Leave

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

### Public Holidays

Below are the 11 national public holidays that France celebrates:

Public Holiday	Date
<b>New Year's Day (<i>Jour de l'An</i>)</b>	1 <sup>st</sup> January 2025, Wednesday
<b>Easter Monday (<i>Lundi de Pâques</i>)</b>	21 <sup>st</sup> April 2025, Monday

Public Holiday	Date
<b>Labour Day (Fête du Travail)</b>	1 <sup>st</sup> May 2025, Thursday
<b>Victory 1945 (Victoire 1945)</b>	8 <sup>th</sup> May 2025, Thursday
<b>Ascension (Ascension)</b>	29 <sup>th</sup> May 2025, Thursday
<b>Pentecost Monday (Lundi de Pentecôte)</b>	9 <sup>th</sup> June 2025, Monday
<b>National Day (Fête nationale)</b>	14 <sup>th</sup> July 2025, Monday
<b>Assumption (Assomption)</b>	15 <sup>th</sup> August 2025, Friday
<b>All Saints' Day (Toussaint)</b>	1 <sup>st</sup> November 2025, Saturday
<b>Armistice 1918 (Armistice 1918)</b>	11 <sup>th</sup> November 2025, Tuesday
<b>Christmas (Noël)</b>	25 <sup>th</sup> December 2025, Thursday

Source: [service-public.fr](https://service-public.fr)

Note: Good Friday (18<sup>th</sup> April 2025, Friday) and St Stephen's Day (26<sup>th</sup> December 2025, Friday) are observed in Alsace and Moselle only.

## Termination

There are 3 main types of termination in France:

Type of Termination	Specification
<b>Resignation</b>	<ul style="list-style-type: none"><li>• Initiated by the Employee</li><li>• Requires a formal written notice with a clear intention of the employee</li><li>• Generally, no entitlement to unemployment benefits</li></ul>
<b>Mutual Agreement (Rupture Conventionnelle)</b>	<ul style="list-style-type: none"><li>• A consensual termination between Employer &amp; Employee</li><li>• Agreement submitted to the labour administration for approval</li><li>• The employee receives severance pay</li><li>• Entitlement to unemployment benefits</li></ul>
<b>Dismissal</b>	<ul style="list-style-type: none"><li>• Initiated by the Employer</li><li>• Can be for <b>personal reasons</b> (e.g. misconduct, inadequate performance) or <b>economic reasons</b> (e.g. restructuring, financial difficulties)</li><li>• Requires valid justification, formal procedure and notice period (unless dismissed for serious misconduct)</li></ul>

For termination by dismissal, there is a standard procedure on how to dismiss an employee.

The steps are as follows:

Step	Specification
<b>1</b>	<p><b>Initiate the process</b></p> <ul style="list-style-type: none"><li>• The company needs to have a <b>valid reason</b> for termination, such as economic factors, employee misconduct or professional inadequacy.</li><li>• Important to be prepared in advance with the <b>right evidence</b>.</li></ul>
<b>2</b>	<p><b>Pre-termination meeting</b></p> <ul style="list-style-type: none"><li>• Process starts with a formal meeting between the employer and employee. Before this, the employer must invite the employee to this meeting with an official letter.</li><li>• The <b>invitation to the pre-dismissal meeting</b> must be sent <b>at least 5 working days</b> before the meeting.</li></ul>
<b>3</b>	<p><b>Decision and written notification</b></p> <ul style="list-style-type: none"><li>• After the meeting, if the employer decides to dismiss the employee, he must send a letter of dismissal with the reason of the termination.</li><li>• The dismissal must occur at least <b>2 days</b> after the meeting.</li></ul>
<b>4</b>	<p><b>Notice period</b></p> <ul style="list-style-type: none"><li>• The employee is entitled to a notice period according to the employment contract except for gross misconduct.</li><li>• Payment of the salary as usual during this period.</li><li>• The employer can choose to let the employee work or not.</li></ul>
<b>5</b>	<p><b>Severance Pay</b></p> <ul style="list-style-type: none"><li>• Applicable (except for Gross misconduct)</li><li>• For employees with more than 8 months of service:<ul style="list-style-type: none"><li>○ 1/4 of a month's salary per year of seniority for the first 10 years</li><li>○ 1/3 of the month salary after 10 years</li></ul></li><li>• This is a <b>minimum</b>. It can vary with the contract or collective agreements.</li></ul>

# Around the World with BIPO

At BIPO, we are committed to facilitating international business growth. Here's a quick look at how we foster discussions with the business community, sharing our expertise at local events across the region!

To find out more about our events, follow us on [LinkedIn!](#)

## France

16 Jan

France's Labour Law & Employment Regulations with Laurent Sans, and Aude Ferte



29-30 Jan

HR Technologies France 2025



## Singapore

15 Jan

ACNSGHealth.AI Brownbag Session: Fireside Chat with a Health AI Thought Leader, Henry Liew



22 Jan

SBF TAC Summit Marketplace



22-23 Jan

SAP Go-to-Market Kick-off Meeting 2025



## Brunei

22-23 Jan

Brunei Startup Summit



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## About BIPO

Established in 2010 and headquartered in Singapore, BIPO is a trusted provider of payroll and people solutions in **over 160 global markets**.

Our comprehensive HR offerings include **Human Capital Management solutions**, **Global Payroll Outsourcing**, and **Employer of Record services**, powered by our award-winning HR Management System and Athena BI (Business Intelligence) platform.

At BIPO, we deliver customised services and scalable tech-enabled solutions that automate processes, simplify workflows, and generate actionable insights.

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