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Factsheet for case FR-2020-10/462

# **Short-time working**

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Country	France, applies nationwide
Time period	Temporary, 01 March 2020 - 31 December 2020
Туре	Legislation or other statutory regulation
Category	Employment protection and retention  – Income support for people in employment (e.g. short-time work)
Case created	10 April 2020 (updated 17 April 2020)

# **Background information**

The short-time working called (activité partielle /partial activity or chômage partiel /partial unemployment) is a tool at the service of the public policy of prevention of economic layoffs which allows the employer in difficulty to have all or part of the cost of the remuneration of his employees covered. This system is an old one and has been reactivated at each crisis, particularly during the 2008 crisis. It is governed by Articles L. 5122-1 et seq. and R. 5122-1 et seq. of the French Labor Code. In the context of the health crisis linked to Covid-19, the system was relaxed.

The partial activity is intended for all employees who suffer a reduction in remuneration attributable to :

- either a reduction in the working hours practiced in the establishment or part of the establishment below the legal working hours (35 hours);
- a temporary closure of all or part of the establishment.

Requests for partial activity are made by employers if the drop in activity is caused by one of the reasons referred to in Article R. 5122-1 of the Labour Code, including circumstances of an exceptional nature, which apply in the present crisis.

During the period of partial activity:

- The employer receives from the public authorities (Services and Payment Agency ASP) an allowance equivalent to a share of the hourly pay of the employee placed in partial activity;
- The employee receives a partial activity allowance from the employer in lieu of salary for the period during which the employee is placed in partial activity.

#### Content of measure

The short-time working scheme cover all employees of the private sector. With the new provisions adopted to cope with the Covid-19 crisis, the partial activity allowance paid by the State to the company - co-financed by the State and by the joint body that manages the unemployment insurance scheme (Unédic) - is no longer a lump sum, but is proportional to the remuneration of employees placed in partial activity. The "remainder payable" by the employer, i.e. the amount of the remuneration which the employer must pay to the employee, is zero for all employees whose remuneration is less than 4.5 gross SMIC (€45.68 per hour or €6 927.39 per month).

The compensation due to the employee covers at least 70% of his previous gross remuneration, i.e. approximately 84% of the net salary.

There is nothing to prevent an employer from compensating its employees in excess of 70% of gross salary if it can/wishes to do so or if a collective or company-level agreement so provides.

In all cases, a minimum of €8.03 per hour is respected.

Specific measures are planned for employees of private employers (cleaning ladies) and childcare assistants (who look after young children) who are usually paid by the hour with a job voucher system.

#### Use of measure

As of April 7, 2020, 692,000 applications for partial activity have been filed. They concern 669,000 establishments and 6,300,000 employees (2.3 million more than on 31 March).

59% of employees who have applied for partial activity since 1 March work in establishments with fewer than 50 employees. These establishments account for 34% of private salaried employment.

Conversely, those working in establishments with more than 250 employees account for 15% of employees in partial activity, while these establishments account for 20% of private salaried employment.

The Ministry of Labour (DARES and DGEFP) and the public employment service Pôle Emploi have decided to update these data every weeks. The last issue of 7 April is available with this link:

https://dares.travail-emploi.gouv.fr/dares-etudes-et-statistiques/tableaux-de-bord/marche-du-travail-pendant-le-covid-19/article/situation-sur-le-marche-du-travail-au-7-avril-2020

# Actors, target groups and funding

Actors	Target groups	Funding
National government	Employees	Companies
Company / Companies	All companies	Employer
Public employment service		National funds
		Other

### **Social partners**

Role of social partners	Consulted
Form of involvement	Bi-or tripartite social dialogue bodies

The works council has to be consulted before the first employee is placed in the short-time working scheme. However, in case of exceptional circumstances, the advice of the work council can be sent to the public authorities (DIRECCTE) in the two months after the start of the short-time working scheme.

### **Sectors and occupations**

This case is not sector-specific.

This case is not occupation-specific.

### **Sources**

- 25 March 2020: Décret n° 2020-325 du 25 mars 2020 relatif à l'activité partielle (www.legifrance.gouv.fr)
- 27 March 2020: Ordonnance n° 2020-346 du 27 mars 2020 portant mesures d'urgence en matière d'activité partielle (www.legifrance.gouv.fr)
- 10 April 2020: Ministère du Travail COVID-19 | Précisions sur les évolutions procédurales du dispositif exceptionnel d'activité partielle (travail-emploi.gouv.fr)