

COUNTRY BACKGROUND: FRANCE

> National Context

> Legal and Industrial Relations Context

The history of industrial relations in France has been characterized by tension and a significant involvement of the state and the law. The recognition of freedom of association was established by law in 1884, and the first laws related to collective bargaining were passed in 1919. In 1950, a law established the sectoral level as the primary level for bargaining, and inter-sectoral collective bargaining was introduced in 1971. It was not until 1982 that collective bargaining at the company or workplace level was established by law. The interventionist role of the state in French industrial relations can be attributed to the historical lack of mutual recognition between the social partners. However, significant changes have occurred in the past three decades with the development of a decentralized bargaining system. This system grants companies more autonomy from both labour legislation and national/sectoral collective bargaining agreements (CBAs). The trend towards decentralization has been facilitated by reforms in collective bargaining and the principles governing the representativeness of trade unions, which were implemented in the 2000s. These reforms have aimed to give companies greater flexibility and autonomy in negotiating and implementing their own labour agreements. Overall, the shift towards decentralization in collective bargaining reflects a desire to adapt to changing economic and labour market conditions, allowing companies to have more

> Legal Acts

Minimum wage	yes
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Contr. requirements	yes
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Working time	yes
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Leave provisions	yes
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Health & welfare	yes
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Pensions/ Old-age	yes
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> National Legislation

The labour legislation in France, including provisions on employers' representation, trade union representation, and collective bargaining, is consolidated in the Labour Code. The Labour Code has undergone significant changes since 2015, with the introduction of the law concerning employment and social dialogue being a major reform. The aim of the law passed in 2015 (Law 2015-994) is to simplify the organization of information and consultation bodies and ensure the representation of employees in companies with fewer than 11 workers. This reform sought to enhance employee participation and representation in smaller companies. Another significant labour law reform occurred in August 2016 through Law 2016-1088. This reform introduced new and important rules on working time, prioritizing company-level agreements over industry-level agreements. This shift aimed to provide greater flexibility and adaptability in working time arrangements. In the 2000s, two additional laws had a profound impact on the French industrial relations system. The reform of collective bargaining in 2004 and the reform of trade union representativeness principles in 2008 brought about significant changes. These reforms aimed to modernize and streamline the collective bargaining process and ensure the representativeness of trade unions. Further changes were introduced in 2015, focusing on social dialogue in the workplace, and in 2016 with an important labour law reform that increased the decentralization of collective bargaining, giving more prominence to social dialogue at the company level.

Maternity, paternity	yes
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Sick leave	yes
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Vocational training	yes
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COUNTRY BACKGROUND: FRANCE

> Actors

> Trade Unions

- > In France, all labour legislation, including regulations concerning employers' representation, trade union representation, and collective bargaining, is consolidated within the labour Code. Five trade union confederations have been recognized as representative at the national level since 1966. Previously, trade unions affiliated with these confederations at the local or sectoral level were presumed to be representative. However, since the 2008 reform, a trade union's representativeness primarily depends on its electoral support, regardless of confederation affiliation. To be considered representative and participate in negotiations, a trade union must secure at least 10% of the votes at the workplace level or 8% at the sectoral industry level.
- > The "paradox of French unionism" refers to the combination of low union density but a strong presence at the workplace level. This can be attributed to weak membership levels but significant workplace visibility. Union membership in France is often closely tied to union engagement. Additionally, the widespread extension of collective agreements to entire sectors, with a coverage rate exceeding 90%, allows employees to benefit from negotiated terms without necessarily being union members or paying membership fees. While France has five trade unions recognized as representative at the national level, other unions hold substantial influence but have not yet attained national cross-sectoral representative status. However, these unions may engage in collective bargaining at the company level or, if they meet the sectoral threshold in recent elections, at the sectoral level.

> Coverage

Number of members (in 1000s)	2071 (2018)
Density (%)	8.8 (2018)

COUNTRY BACKGROUND: FRANCE

> Actors

> Employer Organizations

- > In France, membership in employer organizations is voluntary, and a majority of employers choose to join at least one employer organization. To be considered representative at the sectoral level, an employers' organization must include a sufficient number of member companies. This can be either 8% of all companies that adhere to employers' organizations in the corresponding industry branch or 8% of employees employed by the same organization at the national, inter-professional, or professional level. Furthermore, employers' organizations have the ability to oppose a collective agreement if they represent affiliated companies that employ more than 50% of the workforce of companies affiliated to employers' organizations within the sector. This gives employers' organizations a mechanism to voice their opposition to collective agreements when they believe they do not adequately represent the interests of their affiliated companies.

> Coverage

Number of members (in 1000s)	unavailable
Density (%)	40 (2019)

> Workplace-Level Employee Representation

- > In France, employees are represented through trade unions and structures directly elected by all workers. Works councils are established at workplaces with more than 11 or 50 members, depending on the structure, and they serve as employee representation bodies. These works councils can also form a group-level works council if the employee representatives agree. The establishment and functioning of these employee bodies are regulated by law, but there is room for additional regulation through collective bargaining.
- > For companies with more than 50 members, trade unions have the right to appoint "shop stewards" who are authorized to negotiate and sign collective agreements at the company level. If a workplace has at least one shop steward, the other worker representation bodies do not have the power to negotiate and sign collective agreements.
- > In addition to works councils and shop stewards, there can be a Social and Economic Committee (SEC) in companies with more than 10 employees. The SEC is a legal entity composed of members elected by the employees, representatives of company management, and representatives nominated by the unions. It operates at either the company or establishment level, and in the latter case, a central SEC is also established. The SEC receives information from employers regarding the company's economic, social, and technological aspects and is consulted on matters such as the company's strategic orientation, redundancies, and vocational training. It has a budget equivalent to 0.2% of the company's annual payroll (0.22% in companies with more than 2,000 employees). In the public sector, the main consultative bodies are the technical committees, whose competences depend on the specific civil service area to which they belong, such as national civil service, public hospitals, or local government.



COUNTRY BACKGROUND: FRANCE

> Collective Bargaining

> Nature of Collective Bargaining Laws

In France, collective bargaining has traditionally taken place at the sectoral level, with central agreements being negotiated between employers' associations and trade unions at the industry level. The principle of favourability, which ensures that company agreements cannot provide less favourable provisions than higher-level agreements, has been subject to various reforms in the past 20 years. The labour law reform of 2016 further strengthened the precedence of company-level agreements over sectoral agreements or even the law itself, provided that the latter allows for such precedence.

The labour law reform of 2017 introduced specific areas, such as the minimum wage, where sectoral agreements will still be effective. It also outlined a list of topics where the precedence of sectoral or company-level agreements will depend on the collective bargaining agreement (CBA) in place. In the absence of a company-level agreement, sectoral agreements continue to apply to all other matters. This means that for a significant number of issues, company-level agreements now take precedence over sectoral agreements.

> Levels of Collective Bargaining

National	No
Sectoral	Yes, dominant
Company	Yes, important

> Involved Parties

Bipartite

> Coverage

Density (%)	98 (2018)
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> Duration

- > Sectoral wage agreements usually do not expire. Social partners negotiate annually at the sectoral level, and if no agreement can be reached, the previous CBA remains in effect.

All data current as of 22 June 2023



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> Data Sources

Eurofound, 2023, Living and Working in France. Retrieved on: 07.06.2023, from: <https://www.eurofound.europa.eu/country/france>

République Française, 2023, Paid Leave | Service-public.fr. Retrieved on: 07.06.2023, from: <https://www.service-public.fr/particuliers/vosdroits/F2258?lang=en>