

# Labor and Employment-Related Ordinances Pursuant to the Emergency Bill To Combat the COVID-19 Crisis

Skadden

March 31, 2020



If you have any questions regarding the matters discussed in this memorandum, please contact the following attorneys or call your regular Skadden contact.

---

**Philippe Despres**

Of Counsel / Paris  
331.5527.1156  
philippe.despres@skadden.com

**Nicolas Etcheparre**

Associate / Paris  
331.5527.1146  
nicolas.etcheparre@skadden.com

**Carine Louyot**

Associate / Paris  
331.5527.6104  
carine.louyot@skadden.com

---

This memorandum is provided by Skadden, Arps, Slate, Meagher & Flom LLP and its affiliates for educational and informational purposes only and is not intended and should not be construed as legal advice. This memorandum is considered advertising under applicable state laws.

---

One Manhattan West  
New York, NY 10001  
212.735.3000

68, rue du Faubourg Saint-Honoré  
75008 Paris, France  
331.5527.1100

Following the French government's publication of the Emergency Bill To Combat the COVID-19 Crisis, a total of 25 ordinances will be or have been published to address the economic, financial and social consequences of the spread of COVID-19.

Three of the ordinances, which were published by the French government on March 26, 2020, are specific to labor and employment matters. They introduce temporary modifications applicable until December 31, 2020. In addition, the government adopted a decree regarding temporary layoffs, increasing the ceiling up to which the government will reimburse employers paying employees who are temporarily laid off.

### Rule Changes on Paid Leave and Rest Days

One of the ordinances modifies the rules regarding paid leave, allowing employers to impose or modify the dates of their employees' paid leave under the condition that a collective bargaining agreement be secured with unions on this issue and within the limit of a maximum of six days.

Companies now also have the right to unilaterally impose or modify the dates of their employees' rest days acquired under a working time agreement or saved by employees for later use. Companies are not required to secure a collective bargaining agreement with unions on this issue, but must limit modifications globally to a maximum of six days.

### Regulation Changes on Working Hours

Companies in sectors that are deemed to be "particularly necessary to the survival of the Nation and the continuity of its social and economic life" will be able to increase the maximum working time to 60 hours per week, without exceeding an average of 48 hours per week over a 12-week period. For each sector of activity, a decree will specify the maximum working hours and the minimum rest period that may be set by the employer. Employers wishing to make use of these alterations must inform the company's works council.

In addition, companies in one of these sectors will be permitted to have employees work on Sundays. However, the minister of labor announced that Sunday work will be implemented only on a voluntary basis.

The minister of labor stated publicly that the agricultural, energy, transport, telecommunications and logistics sectors are deemed "particularly necessary to the survival of the Nation and the continuity of its social and economic life."

# Labor and Employment-Related Ordinances Pursuant to the Emergency Bill To Combat the COVID-19 Crisis

---

## Changes to the Rules on Temporary Layoffs

Employees put on temporary layoff (TLO) are paid a monthly temporary layoff indemnity equal to 70% of their gross salary and until recently, the employer could seek reimbursement of the indemnity from the state up to a maximum of approximately €1,000 per employee. The decree published by the French government on March 25, 2020, increases the maximum amount of the available reimbursement to 4.5 times the monthly minimum wage per month (*i.e.*, approximately €6,950) per employee. Consequently, the state will fully reimburse employers, up to such limit, for the temporary layoff indemnity paid to their employees.

In addition, the benefit of the statutory scheme for employees who are put in “partial” temporary layoff (*i.e.*, their working time is reduced, but they do not cease all work) is extended to employees whose working time is computed in days, or hours, on an annual basis, which is the working time scheme under which most executive employees work in France. The benefit of the statutory scheme has also been extended to employees of companies with no permanent establishment in France, under the condition that they are subject to the French social security regime.

Furthermore, employers are no longer required to consult their works council prior to implementing TLO or even prior to filing a request for TLO. Such consultation, which remains mandatory, may take place after filing a request with the French administration as long as the company provides the works council’s opinion on TLO to the administration within two months of the filing of the request for TLO.

The decree also provides that employers no longer require the prior agreement of protected employees, in particular employee representatives such as members of the works council, to assign them to TLO, under the condition that all employees of the company, the establishment, the unit or the workshop they work in are also assigned to TLO.

Finally, employers are no longer required to file their requests prior to implementing TLO and may do so within 30 days of implementing the arrangement.

The measures regarding TLO are applicable as of March 26, 2020, and apply to any TLO established on or after March 1, 2020.