

*Measures related to partial activity
(updated on 29 April 2020)*

Partial activity

Purpose :

To allow companies to temporarily close a whole establishment or part of or to temporarily reduce working time without layoffs and without being in breach of employment contracts.

Conditions :

The use of partial activity is subject to an administrative authorization. This authorization may be granted in the following cases:

- establishments subject to an obligation to close down during the health crisis in application of a decree;
- establishments facing material impossibility to organize the work of all or part of the employees in accordance with the safety measures prescribed during the health crisis (distancing, personal protective equipment, barrier gestures, etc.);
- companies facing economic difficulties as a result of the health crisis, in particular due to a decrease in activity or supply difficulties.

Concerned employees :

Any employee whose employment contract has not been suspended for another reason (leaves, sick leaves, etc.) may be concerned by the partial activity scheme, including employees with annualized working time, notably those whose working time is computed in days (*forfait jour*).

Authorization procedure :

A consultation of the works council (social and economic committee(s) or "CSE") is necessary prior to the implementation of partial activity. During the health crisis, providing the opinion of the CSE(s) is not mandatory to apply for authorization; the opinion of the CSE(s) will have to be provided to the administration within two months following its application for authorization.

Application for authorization can be carried out within 30 days following implementation of partial activity, the administrative decision of authorization being retroactive.

Application for authorization must be submitted on the dedicated portal (activitepartielle.emploi_gouv.fr) and specify: the reasons justifying the recourse, detailed circumstances and economic situation supporting the application, the foreseeable duration for under-employment (up to June 30, 2020 for the initial application), the number of employees affected and the foreseeable number of hours not worked.

The administration has 48 hours to make its decision. Failure to reply shall be deemed to constitute acceptance.

Implementation :

The authorized company is entitled to reduce working hours in all or part of an establishment, depending on its economic or organizational constraints.

Non-working hours below 35-hour per week are compensated at 70% of the gross hourly wage (calculated in a similar way as for paid vacations) up to 4.5 times the statutory minimum wage and with a minimum of 8.03€ per hour. Hours normally worked beyond the 35-hour limit are compensated if they are provided by a collective bargaining agreement or an employment agreement signed before the start of the partial activity.

The compensation is paid to the employees on usual payroll date. The allowance is exempt from social security contributions, but subject to CSG and CRDS contributions (overall rate of 6.7%).

The company monthly reports to the administration the hours that were actually not worked and compensated. The administration reimburses the company the amount of compensation paid within a 12-day period (but in practice, it could take longer).

The company may be required to pay additional compensation to employees placed in partial activity pursuant to an industry-level or a company-level collective agreement. It may also do so voluntarily. The total paid compensation is exempted from social security contributions within the limit of 70% of 4.5 times the statutory minimum wage; the exceeding portion is subject to standard contributions.

Duration :

The partial activity scheme is permanent. Scheme adaptations linked to the health crisis have not been limited in time, except for the shortened deadline for responding to applications for authorization, which will cease to apply on 31 December 2020.