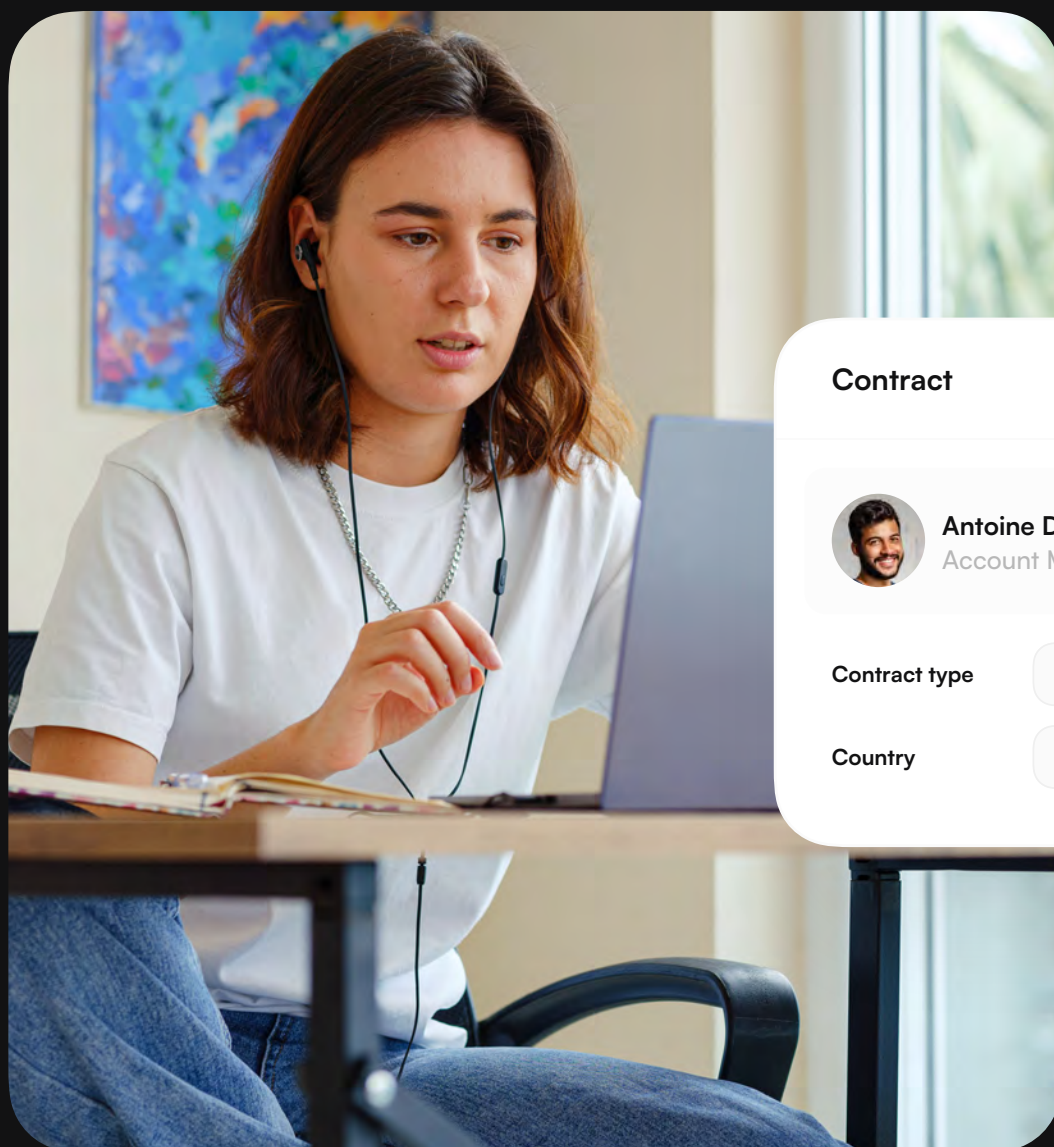



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Global hiring guide for hiring in France


The essential guide to hiring
overseas employees in France



Contract Full time

 **Antoine Dubois**
Account Manager

Contract type Permanent

Country France 

Did you know that France ranks as one of the top destinations for international business expansion?

With its robust economy and innovative workforce, France is a prime location for companies looking to grow. Whether you're venturing into technology, fashion, or healthcare, this guide is your essential companion for hiring in France's vibrant landscape.



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Disclaimer: This guide provides general information and is not a substitute for legal advice. While we strive to provide you with up-to-date information, the insights contained in this checklist may not reflect the latest legal developments. We can't be held liable for actions taken based on the information provided.

Understanding the hiring landscape in France

Known for its rich culture, historic landmarks, and highly developed economy, France presents a unique opportunity for overseas employers to enhance the diversity, skill level, and strategic positioning of their workforce. With the French language also spoken in Canada, Belgium, Switzerland, and parts of Africa — there are significant business advantages for those proficient in this widely used language.

France's business landscape is diverse, with thriving industries like technology, fashion, and healthcare leading the way. The tech sector, in particular, has seen significant growth, attracting international businesses and fostering local startups. Additionally, the nation's rich history in fashion and commitment to healthcare innovation offer unique opportunities for those looking to hire in these fields. Understanding these industry nuances can further guide your hiring decisions in France.

However, as with any new business landscape you enter into, navigating the hiring process in France requires careful planning and a comprehensive understanding of its labour laws, regulations, and cultural intricacies. To help clarify some of these issues and kick-start your hiring journey in France, our team is here with their insights.

Let's get started!



French currency: The Euro (EUR)

The Euro (EUR) is the official currency used in France. Known for its widespread use across the Eurozone, the Euro is a favourable currency for businesses wanting to increase cross-border trade and strengthen their international reach. But beyond its status as the second most-used currency in the world (second to the USD), what other advantages does the Euro offer?

- ✔ **Seamless transactions:** The Euro eliminates currency exchange barriers within the Eurozone, promoting efficient international trade.
- ✔ **Local presence:** Operating with the Euro can signal a commitment to European markets and promote trust among partners.
- ✔ **Investment appeal:** The Euro is the second most commonly used currency in the world (second to the U.S. Dollar), streamlining international transactions and simplifying cross-border business.
- ✔ **Stability and integration:** As the second-largest reserve currency, the Euro's status as a credible and relatively stable currency contributes to its market influence.

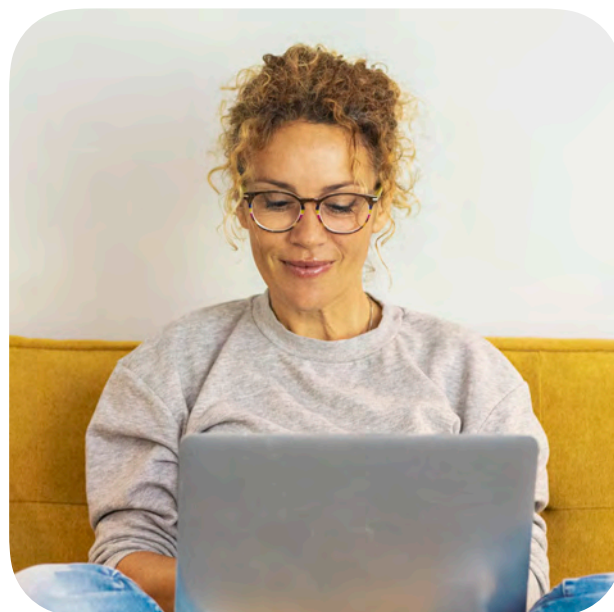


French payroll: How often do French employees get paid?

In France, there is no fixed date for when employees need to be paid. However, employees are commonly paid on a monthly basis. This practice ensures consistent and predictable income for employees, while also streamlining payroll processes for employers.

For overseas employers, it's also good to note that on 01 May 2023, the minimum wage (SMIC) in France was increased from 1,709.28€ to 1,747.20€ per month and 11.27€ to 11.52€ per hour.

(Information correct as of August 2023)



What types of employment agreements and working hours exist in France?

French labour laws are known for being strict on limiting employee working hours. For example, employees cannot work more than 10 hours a day or 44 hours a week (averaged out over a period of twelve consecutive weeks and within the limit of 48 hours in a single calendar week) unless specified as part of a collective agreement.

In terms of working hours, French businesses generally operate between 8 or 9 AM to 4 or 5 PM. However, this will depend on the type of business and agreed working model. To ensure compliance, it's also important to familiarise yourself with the range of employment contracts in France.

The main contract types in France are:

Permanent contract (Contrat à Durée Indéterminée or CDI)

The CDI contract is the most common work contract in France, providing indefinite employment terms subject to labour laws and collective bargaining agreements (CBAs). Full-time CDI contracts can be oral or written in French or English, while part-time ones must be in writing.

Fixed-term contract (Contrat à Durée Déterminée or CDD)

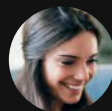
CDD contracts are for specific tasks with predetermined end dates, allowed only in certain circumstances. These can include seasonal work, temporary employment for growth phases, or replacing an absent employee. CDD contracts must be in writing, in French, and signed by both parties.

Apprenticeship or professionalization contract

These contracts focus on training and employment terms, with the intention of employees achieving professional certifications by the end of their contract. These terms must be outlined in writing.

Single integration contract

These contracts are for individuals struggling to find employment. The contract benefits the employer, who will receive financial aid from the French government, and the employee, who benefits from professional integration. Paving the way for future opportunities, these contracts are only intended for short-term, transitional employment.



French **tax regulations:** Navigating compliance

Tax compliance is another area where French authorities are known for being vigilant. Even if language barriers are present, international entities are fully accountable for their own tax liability and failure to comply with the latest tax rules can result in financial penalties and legal complications. Luckily, tax compliance in France also offers several other benefits to motivate business owners:

- ✓ **Ethical reputation:** Adhering to tax laws showcases your commitment to ethical business practices.
- ✓ **Investor trust:** Transparent tax reporting enhances investor trust and confidence in your financial transparency.
- ✓ **Employee confidence:** Compliant tax practices demonstrate responsible handling of employee contributions, enhancing confidence in your business.
- ✓ **Improved competitiveness:** Tax compliance can help you avoid legal issues and potential reputational damage, giving you a competitive edge in the market.



What are the current tax rates in France?

France maintains a progressive income tax system for individuals, with rates ranging from 0% to 45%. This means that the rate of tax you pay as an individual in France is largely dependent on your unique circumstances. For businesses, the standard corporate tax rate is 25%, with some variations based on company size and activity.

Some key points to note for employees and employers:

TAX BRACKETS FOR EMPLOYEES

- ✓ Up to 10,777€:
0% tax rate
- ✓ From 10,778€ to 27,478€:
11% tax rate
- ✓ From 27,479€ to 78,570€:
30% tax rate
- ✓ From 78,571€ to 168,994€:
41% tax rate
- ✓ More than 168,994€:
45% tax rate

EMPLOYER PAYROLL TAXES

- ✓ Social security contributions:
Approximately 25% of gross salary.
- ✓ Unemployment insurance: Varies based on the industry, usually around 4.05% to 8.45% of gross salary.
- ✓ Family allowances: Varies based on the number of dependents, typically around 5.25% to 5.40%.
- ✓ Pension contributions:
Approximately 15% of gross salary.

(Information correct as of August 2023)

Note: It's important to note that tax rates and regulations may be subject to change, so it's advisable to consult local tax authorities or professionals for the most up-to-date information.

French social security: Insights on employee benefits

Similar to other well-developed countries in Europe, the French social security system provides essential benefits to French residents. However, to fund these benefits, social security contributions must be made. In France, social security contributions are shared between employer and employee; on average the employer's share of contributions represents **45% of the gross salary**, and the employee's share is around **20% to 23%** of the remuneration.

(Information correct as of August 2023)

The benefits funded by these payments are structured as follows:

1. Health, maternity, paternity, disability and death

- ✓ Health, maternity and paternity insurance
- ✓ Disability insurance
- ✓ Death insurance

2. Accidents at work and occupational diseases

- ✓ Temporary incapacity benefits
- ✓ Permanent disability benefits: pensions

3. Retirement

- ✓ Compulsory supplementary pension schemes
- ✓ Basic scheme

4. Family benefits

- ✓ Birth and early childcare benefits
- ✓ Benefits for special purposes
- ✓ Basic maintenance benefits

5. Unemployment insurance

- ✓ Subject to means-testing

Right to **time off**: Annual leave, sick pay, and parental leave

French labour laws prioritise employee well-being and work-life balance, reflecting a commitment to a healthy and engaged workforce. Because of this, France has become known for granting strong employee rights in terms of time off and sick pay.

Some of key points to be aware of:

- ✓ **Annual leave:** French law mandates a minimum of five weeks paid leave annually (Note: National holidays are in addition to this entitlement, amounting to 11 days per year)
- ✓ **Sick leave:** France provides sick leave benefits, reimbursing a portion of an employee's salary during illness. This daily allowance is equal to 50% of the daily basic wage but is subject to qualifying criteria, a wage limit, and reassessment after a three-month period.

(Information correct as of August 2023)



What are the parental leave guidelines in France?

For those looking to hire overseas employees in France, parental leave regulations must be thoroughly researched. **Maternity leave in France:**

- ✔ A minimum of 8 weeks **must** be taken, including 6 weeks after childbirth.
- ✔ You're entitled to 16 weeks of leave, usually 6 weeks before and 10 weeks after the expected childbirth date.
- ✔ If pregnancy is complicated, you can have 2 extra weeks before childbirth and up to 4 weeks after if birth leads to health issues.
- ✔ For the 3rd child and beyond, it's extended to 26 weeks (8 pre-natal, 18 postnatal).
- ✔ Twins mean 12 prenatal and 22 postnatal weeks; for higher multiples, it's 24 pre-natal and 22 post-natal.
- ✔ For premature birth over 6 weeks before the due date (with child's hospitalisation), leave is extended by the number of days between birth and 6 weeks before the due date.

Paternity leave in France:

- ✔ The duration of paternity leave is currently set at 25 days, or 32 days in the event of multiple births.

(Information correct as of August 2023)

France's commitment to work-life balance is not just a legal mandate; it's a cultural value that resonates deeply with the French workforce. For instance, France consistently ranks high in surveys related to employee satisfaction and work-life harmony. By understanding and embracing these rights, overseas employers can foster a positive working environment that aligns with local values and expectations.

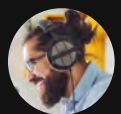
French employment terms: Employer responsibilities

Similar to other Eurozone countries, transparency in employment terms is crucial when hiring in France. Providing clear and comprehensive employment contracts helps establish mutual expectations between employers and employees and can reduce misunderstandings and legal risks.

Clear employee contracts should include defining terms such as:

- ✔ **Job description:** Clearly outlining terms relating to the role, its responsibilities, and employee performance expectations.
- ✔ **Working hours:** Specifying working hours, overtime policies, and flexible arrangements e.g. hybrid or remote working models.
- ✔ **Compensation:** Defining salary components, bonuses, and benefits.
- ✔ **Sick leave:** Outlining sick leave policies, the documentation required, and absence reporting processes.
- ✔ **Annual leave:** Detailing paid leave entitlements, public holidays, and leave policies.
- ✔ **Termination process:** Clarifying notice periods, severance terms, and termination procedures.

When hiring in France, it's prudent to be aware of common mistakes that might occur in the process. For instance, failing to provide contracts in French or misunderstanding local employment laws can lead to legal complications. Additionally, neglecting cultural norms and expectations might hinder employee engagement and retention. Partnering with local experts or leveraging platforms like Teamed can mitigate these risks, ensuring a smooth and compliant hiring process.



Empower your global workforce with Teamed

Manage the hiring & retention of global teams with ease

Offering you global employment software with a human touch and local expertise, Teamed is your new partner in global workforce management.

Teamed simplifies the process of hiring and managing a global team, from helping you adhere to local regulations to facilitating seamless payroll processes. Whether you're an established company or a budding startup, Teamed's advanced (but user-friendly!) platform offers reliable advantages such as:

- ✔ **Global payroll expertise:** Seamlessly process payroll in 50+ currencies, ensuring accurate and compliant payments worldwide.
- ✔ **Local tax & compliance:** Rely on Teamed's legal experts to navigate the intricate web of global regulations, mitigating risks and ensuring full compliance.
- ✔ **24/5 support:** Get expert assistance whenever you need it, addressing the complexities of global hiring with a dedicated (and human!) support team.
- ✔ **Transparent pricing:** Access critical features without the hefty costs, with plans starting from £199 per month.
- ✔ **Effortless onboarding:** Onboard employees within hours, not weeks, with our same-day onboarding process.
- ✔ **Tailored employee experiences:** From benefits to onboarding, create a localised approach for your global employees — enhancing satisfaction and engagement.
- ✔ **Dedicated local experts:** Benefit from 1-1 employee onboarding, guided by local experts who understand the nuances of each region.

With Teamed as your partner, you can start hiring in France quickly and easily!

Start using the Teamed platform in just three easy steps:



Step 1

Kick off call &
platform access.



Step 2

1-1 employee
onboarding call with one
of our local experts.



Step 3

Contract sent to the
employee to be signed
and complete. Sorted!

Learn more

To learn more about Teamed's global employment software and kickstart your global hiring journey with our in-house expertise, speak with one of our experts today!

Alternatively, try out our employment cost calculator to compare employment costs in different countries and discover how hiring overseas can benefit you.

[Speak to an expert](#)

[Calculate](#)