

# UPDATE ON...



## PARTIAL ACTIVITY

**Faced with the COVID-19 Coronavirus epidemic, the Government has announced a set of immediate measures to support companies. And the partial activity is one of these measures.**

### APPLICATION FIELDS

The Coronavirus epidemic and the containment rules oblige many companies to reduce their activity or even close their business.

The use of partial activity will allow them to survive in such situation.

Indeed, the partial activity can be used in the event of reduction or suppression of activity due to an exceptional circumstance (*French labour law, Art. R. 5122-1*).

### FORMALITIES

#### INTERNAL FORMALITIES

The placement of employees in the partial activity must be preceded, in companies with 50 employees or more, by the consultation of **the social and economic committee (CSE)**.

However, due to the emergency measures related to the Coronavirus epidemic, this consultation, which is possible by the ban on meeting in particular, may be organized posteriori.

And the CSE must be informed of the French Authorities' decision (regardless of the result: accept or reject the company's request for partial activity). Also, the employer has the right to take protective measures if the urgency requires before consulting the CSE.

<https://travail-emploi.gouv.fr/actualites/l-actualite-du-ministere/article/coronavirus-questions-reponses-pour-les-entreprises-et-les-salaries>

In companies with less than 50 employees and with the absence of employee representatives, the administration recommends that the employer inform the employees of the decision to use the partial activity, specifying the expected duration as well as the number of employees concerned.

There is no particular formalism.

#### EXTERNAL FORMALITIES

To be able to use the partial activity, the employer must send a prior request to the administration.

All requests must be made on the specific website: <https://activitepartielle.emploi.gouv.fr> before the actual placement of employees in the partial activity. However, it is not always possible or easy to anticipate and send the request to French Authorities before the placement of employees in the partial activity. In this case, employers are invited to submit their request within a reasonable time after the start of the requested period.

In order not to penalize companies, the Ministry of Labor has decided to give companies 30 days to file their request, with a retroactive effect.

**SEFICO NEXIA payroll service remains at your entire disposition should you have any questions or requests related to this formality.**

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## PARTIAL ACTIVITY

### FINANCIAL IMPACTS

#### FOR EMPLOYEES

The employer maintains **70% of gross remuneration** (unless the Collective Bargaining Agreement applied in your company imposes a better allowance).

In case of prolonged under-activity, or total cessation of activity, companies can also request to benefit from the national employment fund (FNE) training in place of the partial activity, in this case, the indemnity is increased to 100% of the gross remuneration.

Employees at the minimum wage would keep a net amount equal to the minimum wage.

*The minimum monthly remuneration mechanism (RMM) requires the employer to pay an additional allowance in order, if necessary, to bring the sum of the net activity remuneration and the net partial activity allowances to, in substance, the SMIC net.*

Employees with a fixed rate in hours or days per year (*i.e.*: employment contract with 218 days/years) are excluded from the placement in partial activity in case of a partial reduction in hours but not in case of a total closure (*French labour law, art. R.5122-8*).

They are eligible for partial activity from the first half-day of total inactivity of their establishment, their service, their project team or their production unit.

For these employees, the time-off hours taken into account is the legal duration corresponding to the days on which the company/establishment is closed. A full day of closure is equal to 7 time-off hours. A non-working half-day is equal to 3,50 time-off hours

#### FOR COMPANIES

The service and payment agency (ASP) pays the employer a partial activity allowance of **€ 7.74/hour** not worked for companies with less than 250 employees and **€ 7.23/hour** for those with more than 250 employees (*French labour law., art. D. 5122-13*).

The government has decided to increase this allowance to **€ 8.04** (*the equivalent of the minimum wage*) per hour worked for companies with less than 250 employees. For those with more than 250 employees, the amount of the allowance remains unchanged (**€ 7.23**).

*Please note that the allowance cannot be higher than the partial activity allowance paid (French labour law., art. R. 5122-18), and in general, the time-off hours are entitled to partial activity's allowance is within the limit of **1000 hours** per year per employee.*

[A decree will be taken in the next few days to reform the partial activity system, to cover 100% of the compensation paid to employees by companies, within the limit of 4.5 times of the minimum wage.](#)

**The remuneration paid to employees in partial activity is not subject to social contributions.**

This remuneration is considered as a replacement income. The CSG (6.2%) and CRDS (0.5%) contributions are due after the application of a reduction of 1.75% (*up to 4 times the annual Social Security ceiling, €3,428 in 2020*).

Consequently, during the period of partial activity (full suspension), no social contribution is due for the indemnity paid to the employee (except the CSG / CRDS and the flat-rate contribution of Health insurance) within the limit of legal compensation.