

Overview	Legal Change	Action required
<p>Protection Against Sexual harassment With effect from January 1st 2019, a new law will require employers to take further steps to combat sexual harassment and sexist behaviour in their businesses.</p>	<p>Companies employing more than 250 people must appoint a contact person responsible for leading the anti-sexist behaviour initiative in the business. Companies with a Social and Economic Committee must designate a point of contact in this field from among its members. In addition, employers must place clear signs in the workplace and at hiring points explaining the civil and criminal consequences of sexual harassment together with the contact details of the competent authorities to whom breaches can be reported.</p>	<p>Become familiar with the new rules and develop and implement your compliance plan in good time for January 1st, 2019.</p>
<p>New PAYE System A new withholding tax based system comes in to effect on January 1st 2019.</p>	<p>Employers must from January 1st, 2019:</p> <ul style="list-style-type: none"> ➤ Pay employees net of income tax ➤ Collect the tax and declare on payslips the amount deducted ➤ Pay the collected tax monthly to the Direction Générale de Finances Publiques <p>The individual employee tax rates are being communicated to employers through September and October. Note: any failure to collect and transfer the tax to the Tax Authority will be the responsibility of the employer not the employee.</p>	<p>Check your payroll provider has the necessary changes in hand and ensure that you will be compliant.</p>
<p>Mutual Termination Agreements – cooling off A recent court decision confirms the need for a 2nd cooling period.</p>	<p>If the Labour Office has rejected a mutual termination agreement and the parties have entered into a second one taking into account the grounds for the first rejection, there must be a new cooling off period of 15 days before the 2nd agreement is submitted to the Labour Office for approval.</p>	<p>Applicable immediately.</p>
<p>Meal Allowance and Holiday Pay. A recent court ruling has clarified this issue.</p>	<p>Where an employer pays a meal allowance, perhaps due to shift or night work, it will be a taxable benefit but it does not need to be brought into the calculation of holiday pay.</p>	<p>Check if you are unnecessarily including meal allowances in the holiday pay calculations.</p>
<p>Draft Headcount Rules A bill is now before Parliament for debate in the Autumn on employee headcount calculations.</p>	<p>The bill changes employee headcount thresholds, which give rise to additional employer obligations, in some cases moving from the current 20 employees to 50.</p> <p>In addition, it is proposed the threshold will need to be passed in 5 consecutive years before the new obligations will apply to an employer while a movement below the threshold would immediately dis-apply the added obligations.</p>	<p>Nothing to do at this stage but wait and watch. The bill is part the intended liberalisation of the French labour market.</p>

This is a high level general update only. Legal advice should be obtained on specific circumstances.