The Social and Economic Committee

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Preamble

The Social and Economic Committee (CSE in French) is the sole employee representation body that replaces, since the order of 22 September 2017, the three representative bodies that are the works council (CE), the staff delegates (DP) and the health, safety and working conditions committee (CHSCT).

1. What is a CSE ?

The CSE is the employee representation body **in the company composed,** on the one hand of the elected members of the CSE and, on the other hand, of the employer or his representative. The CSE must facilitate dialogue between employees and their employer, particularly on individual and collective demands and requests.

In the absence of a contractual provision, the staff delegation shall comprise **an equal number of staff members and substitutes** according to the company's workforce.

For example, for companies with 11 to 24 employees, the CSE is composed of one member and one substitute and for companies between 25 and 49 employees, the CSE is composed of two members and two substitutes.

The members of the CSE staff delegation are elected for a **term of 4 years** (unless collective agreement provides for a shorter period).

The employer must convene the members of the CSE to a **meeting** at **least once a month** for companies with 11 to 49 employees.

On the other hand, for companies with at least 50 employees, the number of meetings is fixed by collective agreement but may not be less than 6 per year. In the absence of an agreement, the CSE shall meet at least:

- once every 2 months in companies with less than 300 employees.

- once a month in companies with more than 300 employees.

2. The obligation to set up the CSE

The implementation of the CSE is mandatory as soon as the company's workforce reaches at least 11 employees for 12 consecutive months.

This implementation of the CSE is subject to the calculation of the workforce (*Labor code*) and includes in the count, employees on permanent contracts, fixed-term contracts (except replacement fixed-term contracts), employees with an intermittent employment contract, employees made available under certain conditions or part-time employees.

The allocation of the CSE differs depending on whether the company has between 11 and 49 employees (reduced allocations) or at least 50 employees (extended allocations).

NB: The establishment or renewal of the CSE is subject to compliance with strict procedural rules.

3. Sanctions for the lack of a CSE and other consequences

In the absence **of the constitution of a CSE**, the employer is exposed to an offence of obstruction, which is criminally punishable. In addition, there is also a risk of loss of exemptions from social security contributions and non-access to public contracts.

The lack of implementation of the CSE also has consequences on the daily life of the company and may hinder certain projects/decisions of the employer. Below are some concrete examples:

- in the event of a **collective redundancy for economic reasons**, the employer must inform and consult the CSE. The lack of consultation renders the dismissal procedure irregular.

- In the event of **dismissal for professional or non-professional incapacity**, the employer must consult the CSE on the obligation to reclassify and the search for positions offered to the employee. The absence of consultation renders the dismissal pronounced without real and serious cause.
- When **giving notice of a company practice**, the employer must inform the employees individually as well as the staff representative institutions. If this is not done, this decision of the employer will not be enforceable against the employees.

4. Financial cost of a CSE

The CSE incurs financial costs for the employer, particularly with regard to delegation hours. Indeed, the employer is required to grant the elected members of the CSE hours of delegation, to enable them to carry out their duties, during working time, without suffering any loss of remuneration. In this way, time spent in delegation is automatically considered as working time.

The CSE has two budgets in companies with more than 50 employees:

- **An operating budget:** the employer must pay an operating subsidy, the annual amount of which depends on the company's workforce.
  For example, it is possible to use this budget to finance economic training on operations, to use expertise,....
- **A budget devoted to social and cultural activities** (CSA in French): this budget is intended to finance non-compulsory social or cultural benefits aimed at improving the living and working conditions of employees. This budget is negotiated with the CSE and corresponds at least to the previous social works budget in force in the company.
  For example, the CSE can use its budget to finance the purchase of tickets (holiday vouchers, cinema tickets,....), to propose of travel at an attractive price (co-financing with the CSE) or to organize animations within the company (Christmas tree, raffle ,...).

NB: All employees can benefit from ASC regardless of their seniority

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This fact sheet contains summary information. Please contact us for advice tailored to your situation. We cannot be held responsible for any misinterpretation.

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We would like to inform you that the employment department of APLITEC is there to assist you in calculating your workforce or setting up a CSE.

Please do not hesitate to contact us if you need more information or further assistance.

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