



The different Types of employment contracts

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Preamble

An employment contract is concluded when an employee undertakes to **perform work**, in return for **remuneration, on behalf of and under the direction** of an employer.

Generally in writing, the employment contract specifies the remuneration, qualifications, working hours and more generally, the employee's responsibilities and formalises the obligations of the employee and the employer arising from the employment relationship.

The employment contract can take different forms depending on its duration, the employer's activity or the nature of the work entrusted to the employee. We will here take a look at the different types of employment contracts.

[The employment law department is available to draw up your employment contracts.](#)

1. Definition



Only the **full-time permanent contract (CDI in French)** can be unwritten (unless otherwise provided for in the collective agreement). In fact, all other types of contract will have to be in writing.

However, in order to minimize the risk of litigation with your employees, it is strongly recommended to proceed with the drafting of a legal act, even in the presence of a permanent contract.

In addition, when the employment contract is concluded in France, the employment contract must be **drafted in French**. It is possible to arrange for a translation of the contract into the foreign employee's original language.

2. The permanent contract (CDI in French)

The open-ended contract is the **normal and general form** of the employment relationship: the contract therefore does not have a predefined end.

In order to leave his or her job, the employee must resign and notify the employer within specific deadlines provided for by law or collective agreements. The employer cannot separate from the employee without going through a specific procedure and without having a specific reason (*e.g. dismissal procedure for misconduct, incapacity, economic insufficiency*).

However, the employee and the employer can agree on the termination of the employment contract, through contractual termination, which is subject to a particular formality.



The employer and the employee determine the conditions of the employment contract and the related specific clauses, subject to:

- To the respect of **public order** (for example, it is forbidden to provide for remuneration below the minimum wage, to provide for discriminatory clauses, etc.).
- To the provision of the information provided for by the **Labour Code** (part-time permanent contracts or intermittent permanent contracts).
- To compliance with the applicable contractual provisions

Thus, the employee and the employer provide in the employment contract: the employee's position, classification, working hours, remuneration, place of work, functions, etc.

3. The fixed-term contract

The **fixed-term contract** (CDD) is a **strictly regulated exceptional contract** and can only be concluded for the performance **of a specific task**. Thus, the use of a fixed-term contract is only possible in the **cases of appeal listed** by law. In this sense, the use of the fixed-term contract must be justified by a reason strictly provided for in the texts.

For example:

- the replacement of an employee,
- a temporary increase in activity,
- seasonal employment,
- contract of use or extra.



Whatever the reason for the contract, the purpose or effect of the fixed-term contract may not be **to fill a job related to the normal and permanent activity of the company on a long-term basis.**

The fixed-term contract is concluded for a limited period of time, and its term can be precise or imprecise depending on the case. Depending on the reason for the contract, the maximum duration of a fixed-term contract varies between 18 months and 24 months. There may be differences depending on the collective agreement of the business sector. Unless there is a specific contractual provision (branch agreement), the fixed-term contract can only be renewed twice, in accordance with the maximum authorised duration.

The fixed-term contract must be in writing and certain information is mandatory (end date of the contract and reason for using the fixed-term contract).

In principle, a **precariousness allowance** is paid at the end of the contract in order to compensate for the lack of job security (10% of the total agreed salary – unless more favourable provisions are made). This precariousness allowance will not be due for the use of certain fixed-term contracts.

This type of contract can only be terminated early in certain cases and according to specific rules: serious misconduct, force majeure, offer of employment on a permanent contract with another employer, termination by mutual agreement, medically established incapacity.

In the same way, the employer and the employee determine within the fixed-term contract the position, the reason for recourse to the fixed-term contract, the duration of the contract, the date of termination of the contract, the remuneration, the place of work, etc.

4. Part-time contract



As a reminder, employment contracts, whether fixed-term or indefinite, as long as they are written, must recall the employee's working hours. Some contracts are full-time, and others part-time.

The part-time employment contract is concluded with an employee whose **working hours are less than the legal (35 hours) or conventional (if it is less) working hours** practiced in the company.

The Labour Code sets a minimum working time for part-time employees. An extended branch agreement may also provide for a shorter duration. It is possible to derogate from this rule to deal with personal constraints, a combination of activities or to allow a student under 26 years of age to have a salaried activity.

The part-time contract must necessarily be the subject of a **written contract** providing for **certain mandatory clauses** (distribution of working hours between the days of the week or the weeks of the month, limits on additional hours, return to full-time, etc.).

The employee will be able to work **additional hours**, i.e. working hours beyond the working hours provided for in their contract. Each additional hour gives rise to a salary increase.

However, certain limits on the completion of additional hours are provided:

- A collective agreement may extend the limit within which additional hours may be worked to **1/3 of the weekly or monthly duration** provided for in the contract.
- Otherwise, by agreement, the number of additional hours may not exceed **1/10** of the weekly or monthly working time.
- Overtime hours may not have the effect of bringing the **working time to the level of the legal or contractual duration**. This is a provision of public order.

NB: part-time work requires the drafting of a special employment contract under certain conditions.

5. Apprenticeship and work-study contracts

Apprenticeship and professionalisation contracts are two types of work-study contracts with specific characteristics.

Apprenticeship and professionalisation contracts can be concluded for a fixed term (CDD in French) or an indefinite period (CDI).

For more details on the differences between these two contracts, a note dedicated to work-study is published on the Aplitec website.



The apprenticeship and professionalisation contract are concluded by means **of a written cerfa** (n°10103 for apprenticeship and n°12434 for the professionalisation contract). In particular, the cerfa will appoint the tutor/apprenticeship supervisor and indicate certain mandatory information such as the nature of the contract (fixed-term or permanent contract), the job held or the working time.

In addition, work-study contracts have a special establishment procedure, since these contracts must be filed with the skills operator (OPCO in French) on which the company depends, no later than 5 working or calendar days (professionalization) following the start of the performance of the contract.

Please note that the employment law department can assist you in filing apprenticeship or professionalisation contracts.

6. Subsidised contracts

The subsidised contract is a contract that derogates from common law, i.e. it does not obey the same rules as ordinary employment contracts. It allows the employer to benefit from aid to reduce the cost of hiring and/or training.

This type of contract is generally reserved for people who have difficulty accessing employment (for example, holders of the active solidarity income or long-term job seekers).

The main subsidised contracts are the Employment Skills Pathway (PEC in French) contracts, which include the CUI-CAE (for the non-profit sector) and the CUI-CIE (for the market sector).

7. The temporary employment contract



The temporary employment contract is a secondment contract that is concluded between the **temporary employment agency and the company where the temporary worker carries out his or her assignment.**

The assignment contract must be written and signed. It must be sent to the employee no later than 2 working days after it is made available.

The contract may provide for an assignment with a precise or unspecified term.

This fact sheet contains summary information that does not cover all possible situations, nor the legal texts applicable in France.

Please contact us for advice tailored to your situation. We cannot be held responsible for any misinterpretation of this sheet.

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