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FIXED-TERM EMPLOYMENT CONTRACTS IN FRANCE, GERMANY AND THE UK

INTRODUCTION

The prevalence of fixed-term employment varies across Europe. According to Eurostat data for 2012, France has the highest proportion of fixed-term workers, with 15.2% of the workforce employed on fixed-term contracts. Germany is in a similar position, with 13.8% of its workforce on this type of contract. In contrast, the UK has one of the lowest proportions, at just 6.3%.

Fixed-term contracts in Germany may be used for a number of reasons. In the private sector, the aim is often to avoid liability for unfair dismissal on termination of the contract, whereas public sector employers will often opt for fixed-term contracts due to budgetary constraints. In the UK, fixed-term contracts are usually used for short-term project or targeted funding work, or to provide temporary cover for absent employees. In France, fixed-term contracts are strictly regulated and are only permissible in certain legally authorized situations in order to perform a specific, temporary task. In any case, under French law, a fixed-term contract cannot be used for a position that relates to the company's normal and permanent business activities. Otherwise, there is a risk that the fixed-term contract could be deemed to be an indefinite-term contract.

The fixed-term employment regimes in all three jurisdictions are based on EU directive 1999/70/EC of 28 June 1999 (the "**Directive**"), which requires member states to take measures to prevent abuse of fixed-term employment, and establishes the principle of non-discrimination of fixed-term vis-à-vis permanent employees. In Germany, fixed-term employment is regulated by the Act on Part-time and Fixed-term Employment (*Gesetz über Teilzeitarbeit und befristete Arbeitsverträge* – "**TzBfG**")¹. In the UK, the relevant law is the Fixed-term Employees (Prevention of Less Favourable Treatment) Regulations 2002 (the "**Regulations**"), although the Employment Rights Act 1996 ("**ERA 1996**") also contains provisions governing the termination of fixed-term contracts. In France, fixed-term employment is regulated by the French Labour Code ("**le Code du Travail**"), in particular sections L. 1241-1 to L.1248-11, sections D. 1242-1 to D. 1247-2 and sections D. 4154-1 to D. 4154-6.

This briefing summarises the fixed-term employment regimes in France, Germany and the UK, and highlights some practical considerations for employers when using such contracts.

¹ In addition, special legal regimes exist for certain trades, for example contracts with medical doctors in training and academic scientists or researchers working for universities, as well as for certain scenarios, for instance work during parental leave (*Elternzeit*).

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1. THE EU DIRECTIVE ON FIXED-TERM EMPLOYMENT

The Directive defines fixed-term workers as persons having an employment contract or similar relationship where the end is determined by objective conditions such as reaching a specific date, completion of a specific task, or occurrence of a specific event.

Under the Directive, member states must take measures to prevent abuse arising from successive fixed-term employment contracts. These measures must consist of one or more of the following:

- (i) requiring objective reasons to justify the renewal of fixed-term contracts;
- (ii) defining the maximum duration of successive fixed-term employment contracts; or
- (iii) defining the number of renewals of such contracts.

The Directive also requires that fixed-term workers may not be treated less favourably than comparable permanent workers, with regard to employment conditions and period of service qualifications, unless such treatment is justified for objective reasons. It requires that the principle of *pro rata temporis* will apply where appropriate.

Although the Directive also contains provisions relating to information and consultation (requiring that fixed-term workers must be informed about vacancies, and counted towards the applicable thresholds for employee representative bodies), these are beyond the scope of this briefing.

2. SCOPE OF THE LAW

The Directive does not apply to agency workers (as recently confirmed by the European Court of Justice (ECJ)²). This approach has been mirrored **in the UK**, where agency workers (along with apprentices, members of the armed forces and certain students) are excluded from the scope of the Regulations. **The French** regulations on fixed-term employment contracts do not apply to agency workers or apprentices, although they may apply to interns or students in certain circumstances. In contrast, **the German** TzBfG is applicable to any employees, including agency workers, students and interns.

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3. CATEGORIES OF FIXED-TERM EMPLOYMENT

German law differentiates between

- Fixed-term employment contracts with objective justification (*Befristung mit Sachgrund*): contracts where the fixed-term is justified by at least one of a specified number of reasons (or a reason of similar gravity); and
- Fixed-term employment contracts without objective justification (*Befristung ohne Sachgrund*): contracts where the fixed-term is not justified by any such reason.

Grounds that may serve as justification of fixed-term employment in particular include:

- (i) *Temporary need of additional work capacity*. This requires that the employer predicts on the basis of manifest (*greifbar*) facts that there will only be need for such capacity for a limited period of time. If the employer is unsure about the future need, this will not be sufficient to justify fixed-term employment;
- (ii) *Facilitation of transition into employment immediately following completion of an apprentice-/traineeship or academic training*;
- (iii) *Replacement of a temporarily absent employee*. This is a commonly used ground of justification, in particular to temporarily replace employees on parental or on long-term sick leave. While the fixed-term employee need not directly replace the absent employee, there must be a causal link between the absence and the contract with the fixed-term employee. The relevant burden of proof lies with the employer; and
- (iv) *Reasons relating to the individual employee*. These might include the (decided) wish of the employee to undertake temporary employment, or time-limitations due to residence permits.

The reason(s) must be given at the time when the fixed-term contract is concluded; later changes are principally irrelevant.

The rules applicable to fixed-term employment contracts without objective justification are stricter than those applicable to contracts with objective justification. For example, fixed-term contracts without objective justification may only be concluded with employees not previously

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employed by the same employer³ within the last three years and are principally limited to a maximum duration of two years. See sections 5 and 6 below for further examples of the distinction.

In France, a fixed-term contract cannot be used for a position that relates to the company's normal and permanent business activities. A fixed-term employment contract can only be concluded for the following reasons:

- (i) *Replacement (CDD de remplacement)* of a temporarily absent employee (for example an employee on vacation, suspension, sick leave or maternity leave). This may also include replacement of an employee who will leave the company before his/her position is eliminated (subject to information/consultation of the relevant employee representatives), or while awaiting the hiring of a permanent new employee (subject to a maximum length of nine months). French case law prohibits the systematic use of fixed-term contracts for the replacement of an absent employee in order to respond to a structural need for manpower.
- (ii) *Temporary increase of activity (accroissement temporaire d'activité)*. This can either relate to the company's usual activity, the need to perform a specific task unrelated to the normal activity of the company, or the need to fulfil an extraordinary customer order or emergency work.
- (iii) *Seasonal work (emplois saisonniers)* for tasks that are usually performed around the same time each year.
- (iv) In *certain business sectors* where it is common practice not to conclude permanent employment contracts given the type of the work performed or the temporary nature of the jobs (for example hotels and restaurants, recreational centres and summer camps, show performers, and professional sports) (*emplois d'usage*).

The ground(s) for concluding a fixed-term employment contract must be set out at the time the fixed-term contract is executed, and they must be clearly stated in writing in the contract. Otherwise, the fixed-term contract is deemed to be an indefinite-term contract.

³ This is limited to the employer in the strict sense. It is irrelevant, for instance, if an individual has previously been employed by another employer belonging to the same group of companies (*Konzern*).

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In addition, there are certain circumstances under which it is prohibited to conclude a fixed-term contract. These include hiring a fixed-term employee due to a temporary increase in activity if the company has dismissed an employee from that position for economic reasons in the last six months, hiring a fixed-term employee in order to replace a striking employee, or to perform work that is officially classified as dangerous.

In the UK, the Regulations govern all contracts of employment that end either:

- on the expiry of a specific term;
- on completion of a particular task; or
- on the occurrence or non-occurrence of any other specific event, other than on reaching the normal retiring age for that position.

Limited-term contracts under the ERA 1996 are similarly defined as contracts of employment which are not intended to be permanent and contain provisions for termination “by virtue of a limiting event” *i.e.* the expiry of a term, the performance of a task or the occurrence or non-occurrence of an event.

There is no need to justify why the employment takes the form of a fixed-term contract at the time the agreement starts.

4. FORM REQUIREMENTS

Pursuant to **German law**, it must be agreed in writing before the employee takes up employment that such employment shall be for a specific fixed-term only. If this is not complied with, the employee will be deemed employed for an indefinite period of time. However, the justification for the fixed term does not necessarily have to be stated in the written contract.

Under French law, a fixed-term employment contract must be in writing and be concluded within a two-day period after the employee has started working. It must also contain a number of mandatory provisions, including (i) the reason(s) why the fixed-term contract is used (see section 3 above); (ii) the minimum length of the contract and, if applicable, the possibility to renew

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it; and (iii) the name of the employee who is being replaced, if applicable. If these requirements are not satisfied, the contract may be deemed to be an indefinite-term employment contract.

Under UK law, there are no particular requirements as to the form of a fixed-term contract.

5. MAXIMUM DURATION OF FIXED-TERM CONTRACTS

In the UK, an employee who is employed under successive fixed-term contracts will be deemed permanently employed if his contract is extended, renewed or he is re-engaged on a new contract after four years of employment. This is unless the use of successive fixed-term contracts can be objectively justified. For example, in a recent case the Supreme Court (following a reference to the ECJ) allowed the Department for Children, Schools and Families to employ teachers on a series of three fixed-term contracts to cover a nine-year period of teaching in European schools, without those teachers becoming permanently employed. On the facts, the use of fixed-term contracts was justified because it would not have been possible for the teachers to remain employed in those roles beyond the nine year limit.

Under German law, the maximum duration of a fixed-term contract depends on whether the contract is one with or without objective justification.

Fixed-term employment contracts without objective justification may in principle not exceed a two year term, and an agreed term may be extended up to three times up to such limit. Contract extensions only qualify as such if (i) they are agreed prior to the expiry of an ongoing term; and (ii) no employment conditions other than the length of the term of the contract are amended by the extension agreement. Any changes to other conditions should therefore be made either before or after an extension. If these conditions are not satisfied, the attempt to extend the term will constitute an impermissible fixed-term contract with an employee previously employed, and the employment will be deemed indefinite.

There are exceptions which allow greater flexibility in the duration and extension of this type of contract. These apply to contracts concluded by newly-founded companies within the first four years from their foundation (time-limitation up to four years permissible), and with employees who are aged 52 or over who had previously been unemployed or in a similar status (time-

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limitation up to five years permissible). The latter exception runs the risk of being invalid for age discrimination and of a corresponding breach of European law, and thus is not recommended.

By contrast, fixed-term agreements with objective justification have no maximum duration prescribed by law. Nor is there a rule that an employee who was previously employed may not be re-employed under a fixed-term contract with objective justification. However, depending on the circumstances in an individual case, the use of several successive objectively justified fixed-term employment contracts can constitute an abuse of rights (with the consequence that affected employees will be deemed employed indefinitely). Two recent examples include:

- a clerk who worked for the same court for more than eleven consecutive years under thirteen successive fixed-term employment agreements. The Federal Labour Court, following a reference to the ECJ, held that this amounted to abuse of fixed-term contracts (whilst accepting that there may in principle be objective justification where an employer has a recurrent or even permanent need for replacement staff)⁴;
- on the other hand, employment under four successive fixed-term contracts which lasted a total of seven years and nine months was *not* found to constitute abuse⁵. The Court determined that abuse would require that the statutory limits for fixed-term contracts without justification (that is, the general two-year limit and the maximum of three extensions) had been exceeded by a multiple (*um ein Mehrfaches*). Further, the Court stated that a scenario would be more likely to constitute abuse if a number of short term agreements were concluded with an employee to cover a forecast total replacement period, than if an agreed fixed-term were on a par with such time period.

As the exact limits remain unclear, this is an area where employers should be risk-conscious and act with appropriate care.

Under French law, the maximum duration of a fixed-term contract depends on whether or not a specific term was agreed when the contract was concluded:

Fixed-term contracts for a specified duration in terms of days, weeks or months or with a specific end date (*contrat de date à date*) generally have a maximum duration of 18 months.

⁴ BAG 18 July 2012 - 7 AZR 443/09, Küçük, BB 2013, 189, 191.

⁵ BAG 18 July 2012 - 7 AZR 783/10.

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However, this maximum length can be reduced to nine months, or increased to 24 months, in specific circumstances. Renewal of such contracts is only permitted once, within the maximum duration, and in accordance with the terms and conditions for renewal as set out in the fixed-term contract. If a fixed-term employee continues to work beyond the expiry of the specific term, he/she will be deemed to be employed for an indefinite-term.

Open-ended fixed-term contracts (*contrat sans terme précis*) are those which are defined by the completion of a particular task or event, rather than a particular end date. They can only be concluded for the replacement of an employee, while awaiting the hiring of a permanent new employee, for seasonal work or jobs for which it is common practice not to enter into indefinite-term contracts. There is generally no maximum length requirement, but the parties must agree on the minimum length of the contract, failing which it may be deemed concluded for an indefinite-term.

In addition, French law restricts the use of **successive fixed-term contracts** (*contrats successifs*) as follows:

- **Successive contracts for the same position.** At the end of a fixed-term contract, an employer cannot enter into another fixed-term contract immediately to fill the same position. It must observe a waiting period of either one-third or half of the duration of the initial contract, depending on whether that duration exceeds or is less than 14 days. This waiting period applies regardless of whether the two contracts are concluded with the same employee or with a different employee. However it does not apply in certain situations, in particular if the employee who was replaced extends his original absence, or in order to perform seasonal or urgent safety work.
- **Successive contracts with the same employee.** This is only permitted in order to replace an absent employee or an employee whose contract is suspended, for seasonal work, or work for which it is not commonplace to enter into indefinite-term contracts. In addition, when the same employee is hired under successive fixed-term contracts to replace different employees, a separate fixed-term contract must be signed for each employee to be replaced (with the statement in each contract of the name and position of the employee who is being replaced).

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6. TERMINATION OF FIXED-TERM CONTRACTS

The legal issues on termination of fixed-term employment contracts differ depending on whether the contract expires at the pre-defined end of the term (which we will call “**regular termination**”), or whether the contract is terminated before the end of the fixed-term (which we will call “**premature termination**”).

6.1 Regular termination

In all three jurisdictions, fixed-term contracts will in principle end without any action required once the term has lapsed. If however a fixed-term employment relationship is continued beyond the end of its term, the employee may be deemed employed indefinitely.

In Germany, a fixed-term contract without a fixed end date (for example, contracts for covering a long-term sick employee or completion of a project) will end once the purpose has been achieved, but no earlier than two weeks from written notification to the employee by the employer stating that the purpose has been or will be attained on a specific date. In neither case will the employee have unfair dismissal rights.

In the UK, the decision not to renew a limited-term of employment under the same contract is a “dismissal” under the ERA 1996. Therefore, unless the decision not to renew is made for a fair reason, and following a fair process, the fixed-term employee could be entitled to claim unfair dismissal (if they have sufficient qualifying service⁶).

In France, at the end of a fixed-term contract, most employees will be entitled to “precarious work compensation” (*indemnité de précarité*) equal to 10% of the total gross salary received during his/her employment. This entitlement does not apply however in certain situations, for example if the employment contract is subsequently changed into an indefinite-term employment contract, for seasonal work, or jobs for which it is common practice not to enter into indefinite-term contracts.

⁶ *i.e.* one year’s qualifying service if employment commenced before 6 April 2012, or two years’ qualifying service if employment commenced on or after 6th April 2012.

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6.2 Premature termination

In Germany, fixed-term contracts cannot be terminated prematurely unless explicitly agreed in the contract or permitted under an applicable collective bargaining agreement. If that is not the case, the contract can only be terminated for cause, or by agreement between the parties. Otherwise the parties have to continue honouring the agreement, which means that the employee has to continue to work or has to be released from the duty to work, and the employer has to continue paying the remuneration due under the contract.

In addition, once an employee has been employed for at least six months, and if the employing establishment (*Betrieb*) employs more than ten individuals⁷, the unfair dismissal rights accorded by the German Termination Protection Act (*Kündigungsschutzgesetz – KSchG*) will apply on a premature termination. In those circumstances, the employer will have to demonstrate that the termination is socially justified, either on grounds of the individual's conduct or other reasons relating to the individual employee (for example frequent or extended sickness), or is mandated by overriding operational reasons.

In the UK, similarly, the premature termination of a fixed-term contract will only be permissible if the contract incorporates notice provisions within the fixed-term (which many do), or if the employee has acted in repudiatory breach of contract, justifying their dismissal. If the fixed-term contract is terminated prematurely, this will usually amount to a dismissal, and therefore potentially allow the employee to claim unfair dismissal (if the dismissal is not made for a fair reason and following a fair process, and if the employee has sufficient qualifying service).

The Regulations also specify a number of additional grounds under which dismissal will be deemed to be automatically unfair. These include the employee bringing proceedings under the Regulations against the employer, alleging that the employer had infringed the Regulations or otherwise exercising their rights under the Regulations. If the sole or principal reason for the dismissal was one of these grounds, no minimum period of qualifying service would be required to bring an unfair dismissal claim. In addition, the Regulations prohibit any employee being subjected to any other detriment (aside from dismissal) on any of the same grounds.

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Under French law, the premature termination of a fixed-term contract is only permitted in the following situations:

- if the parties to the contract so agree;
- gross misconduct (“*faute grave*”) by one of the parties to the contract;
- “force majeure”;
- if the employee is declared unfit to work by the occupational doctor; or
- if the employee finds indefinite-term employment.

Apart from these cases, neither the employer nor the employee are allowed to terminate the employment agreement prematurely. In case of the premature termination of a contract that is not justified by any of these reasons, the party who is responsible for the termination will be liable for damages for the loss incurred.

If the employer terminates the contract prematurely outside these rules, he will be liable for damages equal to the salaries that the employee should have received during the remainder of his/her contract. He must also pay the employee the precarious work compensation described above, which represents 10% of the gross remuneration paid during the length of the contract (over and above the payment of salaries up to the end of the fixed-term contract).

If the employee terminates the contract prematurely outside these rules, he/she may be liable for damages to the employer depending on the harm suffered by the employer. The assessment of this harm is completely at the court’s discretion. The employee would not be entitled to the precarious work compensation in these circumstances.

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7. NON-DISCRIMINATION

Under German law, fixed-term employees may not be treated less favourably than comparable permanent employees of the same establishment, unless different treatment is justified on objective grounds. For example, it is permissible to exempt fixed-term employees from specific benefits (such as company pension benefits) where the output, due to the fixed-term, would be so marginal that it would be in no relation to the purpose of the payment.

The non-discrimination principle may for example require employers to pay supplementary tariff payments intended to balance out tariff changes to both permanent and fixed-term employees. A difficult issue in this context are so-called annual payments. Where these are solely paid to honour the fact that the employee remains in the service of the employer (*Betriebstreue*), they can be paid solely to permanent employees of an establishment. However, if these are paid wholly or partly to compensate the work of an employee, a *pro rata* portion must be paid to fixed-term employees.

In the UK, the Regulations also give all fixed-term employees the right not to be treated less favourably than an employer treats a comparable permanent employee, either as regards the terms of their contract, or by being subjected to any other detriment by an act or deliberate omission of their employer. This right only applies if the less favourable treatment is on the ground that the employee is a fixed-term employee and cannot be objectively justified.

There is a presumption that any treatment that does not comply with the *pro rata* principle will be less favourable. This principle requires that a fixed-term employee be entitled to receive such proportion of pay or other benefits to which a permanent employee is entitled as is reasonable in the circumstances having regard to the length of his contract of employment and to the terms on which the pay or other benefit is offered, unless it would be inappropriate to do so.

Examples of less favourable treatment could include being selected for redundancy on the grounds of being a fixed-term employee, having lengthier service conditions to achieve the same salary increases as a permanent employee, not being provided with the same access to training or not being given the same opportunities to secure a permanent position as a permanent employee.

Less favourable treatment can be objectively justified if the fixed-term employee's terms of employment taken as a whole are at least as favourable as the terms of the comparable employee's terms.

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Under French law, fixed-term employees may not be treated less favourably than comparable permanent employees working at the same company. As a general rule, employers must comply with the equal treatment principle (*principe d'égalité de traitement*).

In addition, the French Labour Code provides for two specific rules related to fixed-term contracts:

- All provisions that apply to employees under indefinite-term contracts must also be applied to employees under fixed-term contracts, with the exception of termination of employment provisions. As a consequence, length of service must be calculated the same way for both indefinite-term employees and fixed-term employees. Similarly, if permanent employees are provided with a list of vacant indefinite term positions, this must also be done for employees who are hired under fixed-term contracts.
- The remuneration of an employee under a fixed-term contract cannot be less than the remuneration paid to an employee hired under an indefinite-term contract who holds a similar position, has similar skills and performs similar duties.

Recent ECJ cases have confirmed that the principle of non-discrimination continues to apply once a fixed-term worker's employment has become permanent. Therefore, the employer cannot disregard a permanent employee's period of service as a fixed-term employee, either for the purposes of calculating salary entitlement⁸, or eligibility for a promotion⁹.

8. COLLECTIVE AGREEMENTS AND CO-DETERMINATION

In Germany, collective bargaining agreements can limit or exclude the use of fixed-term contracts, and (to a limited extent) extend their maximum duration or permissible number of renewals. If the employing entity has a works council, it may be entitled to object to the fixed-term employment in the same way as it can object to an indefinite employment.

In the UK, the employer may conclude a workforce or collective agreement to increase or decrease the four year time period before an employee on successive fixed-term contracts is deemed to be a permanent employee. Any such agreement may also specify a list of objective

8 Valenza and ors v Autorità Garante della Concorrenza e del Mercato.

9 Rosado Santana v Consejería de Justicia y Administración Pública de la Junta de Andalucía.

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grounds which would justify the renewal of a fixed-term contract beyond this period, without the employee being deemed a permanent employee.

In France, collective bargaining agreements cannot allow a fixed-term contract to be used for a position which relates to the company's normal and permanent business activities. Any such provision would be deemed null and void. A collective bargaining agreement may provide for a list of certain business sectors in which it is common practice not to enter into indefinite-term contracts.

In addition, there are obligations to inform and consult with the works council or the staff delegates in certain circumstances. These include where a fixed-term contract is used to replace an employee who leaves the company prior to the definitive elimination of his/her position. In this case, the works council or, if there is none, the staff delegates, if any, must be informed and consulted with regard to both the restructuring triggering the elimination of the position and the conclusion of the fixed-term contract. The relevant staff representative bodies must also be informed and consulted in the event of the use of a fixed-term contract in response to an extraordinary customer order.

In companies with less than 300 employees, the works council must be informed and consulted each year regarding the reasons for the use of fixed-term contracts during the previous year and for the future. In companies with at least 300 employees, the works council must be informed and consulted every three months regarding the number of fixed-term contracts, the reasons for the use of fixed-term contracts during the previous three months and for the future.

Finally, the works council or the staff delegates can alert the Labour Inspector if they suspect that fixed-term contracts are being misused, or if they have observed a significant increase in the number of employees hired under fixed-term contracts.

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In Germany, there is a key distinction between fixed-term contracts with justification, and those without justification. Employers will have more flexibility and freedom when using the former. That said, employers must still be aware of the potential for abuse where successive fixed-term contracts are used. If the legal requirements for fixed term contracts are not strictly adhered to, fixed-term employees will be deemed permanently employed.

In the UK, employers must be aware that fixed-term employees may have unfair dismissal rights on termination, whether the contract is expiring or terminated prematurely. There is also a risk that successive fixed-term contracts for four years or more will result in permanent employment. Therefore, there is usually little advantage to an employer concluding a fixed-term contract for more than two years' duration.

In France, employers should be aware that fixed-term employment is strictly regulated by law. Employers have very little flexibility and freedom when using fixed-term contracts, and any misuse will be sanctioned. In addition to possible criminal sanctions, the failure to comply with legal provisions will result in the fixed-term employee being deemed to be employed under an indefinite-term contract.

In all three jurisdictions, employers must make sure that they do not discriminate against fixed-term employees, unless objectively justified. In many cases this means that benefits provided to permanent employees must be provided to fixed-term employees on a *pro rata* basis.

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Issue	UK position	German position	French position
Scope of the law	Does not apply to agency workers, apprentices, or certain students.	Applies also to agency workers, students and interns.	Does not apply to agency workers and apprentices. Applies to students and interns in some cases.
Categories of fixed-term employment	Contracts which end on the expiry of a term, completion of a task, or occurrence/non-occurrence of event.	Fixed term may end on a fixed date or upon fulfilment of a specific purpose.	Contracts to replace an absent employee, temporary increase in activity, seasonal work, work for which it is not commonplace to enter into indefinite-term contracts, contracts for a specific assignment.
Form requirements	No specific requirements.	Must be agreed in advance and in writing.	Must be agreed in writing and contain mandatory provisions (in particular the reason(s) for its use).
Maximum duration of fixed-term contracts	Maximum of four years employment on successive fixed-term contracts, unless objectively justified.	Contracts without justification: up to three extensions up to maximum two year period (unless exception applies). Contracts with justification: no definite limits (except abuse of rights).	Contracts with a specified duration: up to 18 months (including renewal), can be shortened to nine months or increased to 24 months. Restrictions on use of successive fixed-term contracts for the same position or with the same employee.
Termination of fixed-term contracts	Unfair dismissal protection applies on regular and premature termination.	Unfair dismissal protection only applies on premature termination.	Regular termination requires payment of precarious work compensation to the employee. Premature termination only in specific circumstances. Otherwise, damages are awarded.
Non-discrimination	No discrimination against fixed-term workers unless objectively justified. <i>Pro-rata</i> principle generally applies.	No discrimination against fixed-term workers unless objectively justified.	No discrimination against fixed-term workers. Equal treatment of fixed-term workers as regards provisions that apply to employees under indefinite-term contracts, and remuneration.
Collective agreements and co-determination	May increase or decrease the four year period before a fixed-term contract becomes permanent, and/or specify objective grounds for justifying the use of fixed-term contracts.	May limit or exclude the use of fixed-term contracts, and (to a limited extent) extend their maximum duration or permissible number of renewals.	Employee representatives must be informed and consulted in many respects.

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BREDIN PRAT

www.bredinprat.com

Paris, Brussels

Pascale Lagesse (Partner, Paris)

Email: pascalelagesse@bredinprat.com

Tel: + 33 1 44 35 35 35

HENGELER MUELLER

www.hengeler.com

Berlin, Düsseldorf, Frankfurt, Munich,
Brussels, London

Dr Hans-Joachim Liebers (Partner, Frankfurt)

Email: joachim.liebers@hengeler.com

Tel: +49 69 17095 154

Dr Christian Hoefs (Partner, Frankfurt)

Email: christian.hoefs@hengeler.com

Tel: +49 69 17095 643

SLAUGHTER AND MAY

www.slaughterandmay.com

London, Brussels, Hong Kong, Beijing

Roland Doughty (Partner, London)

Email: roland.doughty@slaughterandmay.com

Tel: + 44 207 090 5422

Charles Cameron (Partner, London)

Email: charles.cameron@slaughterandmay.com

Tel: + 44 207 090 5086
