



Industrial relations and social dialogue  
**France: Institutions, policies and  
practices for enforcing minimum  
wage compliance**

[Minimum wages: Non-compliance and  
enforcement across EU Member States](#)  
[Comparative report](#)

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*Research carried out prior to the UK's withdrawal from the European Union on 31 January 2020, and published subsequently, may include data relating to the 28 EU Member States. Following this date, research only takes into account the 27 EU Member States (EU28 minus the UK), unless specified otherwise.*

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# 1. Legal framework and minimum wage enforcement institutions

## Regulation of minimum wage enforcement

<p><b>LEGAL/REGULATORY FRAMEWORK</b></p>	<p>The enforcement of the minimum wage (SMIC – salaire minimum interprofessionnel de croissance) is regulated by the Labour Code.</p> <p>The latest main reforms of the Labour Inspectorate occurred:</p> <ul style="list-style-type: none"> <li>- in 2009 with the mergers of the labour inspectorate in charge of agriculture and transport into the labour inspectorate managed by the Ministry of Labour,</li> <li>- in 2015, with a reform developing more formalised and collective inspection methods and to introduce specialised inspection teams, whereas the traditional approach was that of generalist inspections.</li> </ul>
<p><b>SPECIFIC REGULATIONS</b></p>	<p>Specific rules apply to forestry and fishing as workers are not paid according to a fix salary but by task or by quantity produced. However, controls are not easy.</p>
<p><b>DISPUTE RESOLUTION MECHANISMS</b></p>	<p>Employees can bring a case before the Labour court (Conseil des prud’hommes) against their employers to claim payment of sums not paid up to the minimum wage. However, they do not enjoy any particular protection.</p> <p>In addition, several reforms introduced in the last decade have led employees to stop using the Labour courts (in particular the one reinforcing the formalities for accessing the Labour court).</p>

## Enforcement institutions and coordination system in place

<p><b>ENFORCEMENT INSTITUTIONS</b></p>	<p>The main institution in charge of MW enforcement is the Labour inspectorate.</p> <p>The Directorate-General for Labour (DGT - Direction Générale du Travail) is the central authority of the labour inspection system. It is responsible for the application of international conventions ratified by France in the field of labour. The DGT determines the legal framework for the exercise of the inspectors' missions and ensures that it is respected, particularly with regard to the principles of independence and freedom of decision.</p> <p>The labour inspection system has investigative powers in the presence of any situation or employment relationship and ensures the application of legal standards and regulations. The competence of the French labour inspectorate is broad, and it has gradually expanded over the past 15 years in order to make the system stronger.</p> <p>Labour courts only intervene to order employers to pay top-ups to the minimum wage and possibly to pay damages. Furthermore, any employee who believes that he is being paid less than the minimum wage or the agreed minimum wage may bring an action before the Labour Courts to obtain back pay and damages.</p>
<p><b>INTERNAL ORGANISATION</b></p>	<p>Labour inspections are mainly carried out by the Ministry of Labour. Beyond the central level, with the DGT, the labour inspection system has three levels:</p> <ul style="list-style-type: none"> <li>- the DREETS (Directions Regionales de l’économie, de l’emploi, du travail e des solidarités) are responsible for steering regional policy in the field of labour;</li> <li>- the departmental unit (UD) who has authority over the labour inspection on behalf of the DREETS;</li> </ul>

	- the control unit (UC): a service of the departmental unit made up of territorial sections in which control officers are assigned: each section is placed under the responsibility of a labour inspection control officer.
<b>COORDINATION</b>	Only the Labour inspectorate is in charge of the enforcement of the MW. However, it supposes coordination between the different services and level of organization of the Labour inspectorate.
<b>MONITORING AND DATA COLLECTION SYSTEM</b>	Each year the Labour inspectorate provides a report on its activities with data on the number of administrative sanctions. No evidence with breakdown data on breaches related to MW.

## Resources and capacity of control/enforcement institutions in charge of MW compliance

<b>FINANCIAL RESOURCES</b>	Budget for 2022: just over €317 million for staff implementing policies to improve the quality of employment and labour relations (staff of the DGT + staff of the decentralised services). Financial resources considered not adequate
<b>HUMAN RESOURCES</b>	Overall staff of Labour Inspectorates /custom offices: On 31 December 2019 the staff includes: 219 control unit managers; 438 public information officers; 379 labour control agents in charge of company control; 1,796 labour inspectors in charge of company control; 684 control assistants. According to the Senate report, there was a real increase in the number of enforcement officers between 2009 and 2018 – +7.9% (from 2,176 to 2,347) – but with strong annual variations. The last few years have been marked by a significant drop: – 4.5% between 2016 and 2018. According to the Court of Auditors, the number of staff in the labour inspection system as a whole, increased significantly over the last 20 years, then stabilised for a while, and then decreased since 2017 onwards. Staff specifically devoted to activities dealing with MW enforcement: No specific staff devoted to MW enforcement. Overall, in 2019 2,175 officers were responsible for the control of companies, including the enforcement of minimum wage legislation. There are important differences between regions, with some are less attractive to recruit labour inspectors.

## 2. Enforcement measures

<b>BALANCE BETWEEN DETERRENCE AND PREVENTIVE MEASURES</b>	There are no supporting-preventing measures, only deterrence measures set in the Labour code.
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### Deterrence measures

<b>TYPE OF MEASURE AND CHANGE IN USE IN THE LAST DECADE</b>	Increased use of: Routine and targeted inspections, spot checks, inspections by request, follow up of previous offenders, sanctions and supply chain responsibility.
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<b>INSPECTIONS AND VIOLATIONS</b>	<p>The number of inspections remained stable in the last decade and is considered too low.</p> <p>The Court of Auditors notes that the lack of legal follow-up to inspections clearly weakens the quality of inspections.</p> <p>There is no breakdown data focusing on the number of violations of MW compliance. It seems that there was no real increase over the years.</p>
<b>SANCTIONS</b>	<p>- Paying wages below the SMIC: fine up to €1,500, applied as many times as there are unduly paid employees. The fine is increased to €3,000 in the event of a repeated offence. In addition, the company may be held criminally liable for non-compliance with social legislation. The employer may also be ordered to pay the employee back pay, as well as to pay damages.</p> <p>- Paying wages below the minimum set by a collective agreement: a fine up to €750 euros, applied as many times as there are unduly paid employees.</p> <p>Since 2016, breaches of the provisions relating to the SMIC, and the conventional MW can be subject to an administrative penalty (no more than €2,000).</p> <p>The general opinion is that the sanctions are effective and enough dissuasive, but the labour inspectorate does not have the means and resources to carry out enough controls.</p>

## Persuasion/preventive measures

<b>TYPE OF MEASURE, INSTITUTION IN CHARGE, CHANGE IN THE LAST DECADE</b>	No preventive measures: the obligation to pay the MW is well known and there is no need to launch promotion or support initiative.
<b>ROLE OF DIGITAL TOOLS</b>	N/A

## 3. Role of social partners and other stakeholders

### Social partners

<b>ROLE</b>	<p>Social partners have no specific role in detecting or enforcing MW compliance. However, they have to control that agreed minimum wage at sectoral level, is at least equal to the MW. In case of non-compliance with the MW, trade unions may alert the labour inspectorate and support employees to go to labour court. It is also the task of trade union confederations to communicate about the legal rules and to inform their affiliates about the minimum wage and how to control if their employers observe the legislation.</p> <p>No focus on specific sectors.</p>
<b>CHANGE IN LAST DECADE</b>	No changes
<b>COORDINATION</b>	No specific coordination or cooperation mechanisms
<b>STRENGTH/WEAKNESSES</b>	N/A

## Role of other institutions/stakeholders

<b>OTHER INSTITUTIONS/ STAKEHOLDERS</b>	<p>To control the posting of workers, the Labour inspectorate works in cooperation with several other control bodies: Urssaf (Organisation for the collection of social security and family benefit contributions), MSA (social security for agriculture), police, gendarmerie, tax, customs and competition services.</p> <p>The National Anti-Fraud Delegation is the centralised body in charge of the coordination of this network of control bodies.</p> <p>In 2015 the Labour inspectorate has created the National Monitoring, Support and Control Group (GVNAC) and 18 regional units (URACTI).</p>
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## EU cooperation

<b>EXAMPLES OF EU COOPERATION</b>	The labour inspectorate has concluded several cooperation agreements with other control bodies across the EU and France has signed 8 agreements and arrangements with other Member States.
<b>CHANGE IN LAST DECADE</b>	The first cooperation agreement was concluded with Spain in 1989. The others have been mostly signed in the 2000s.
<b>STRENGTH/ WEAKNESSES</b>	Cooperation with other labour inspectorates across the EU is useful for the French labour inspectorate with respect to posted workers, but for the minimum wage enforcement such cooperation has little added value.

## 4. Enforcement challenges, strengths and weaknesses of the enforcement system

<b>MAIN ENFORCEMENT CHALLENGES</b>	<p>The issue of MW enforcement is not considered an important topic.</p> <p>However, debate exists about the abuse of independent work to avoid paying worker at the MW level, for instance in the food delivery sector.</p>
<b>STRENGTHS AND WEAKNESSES</b>	<p>The legal system is considered robust.</p> <p>Concerns are about the effectiveness of the enforcement: the labour inspectorate has not enough resources to provide efficient controls on MW compliance and the issue is not a priority for the labour inspectorate.</p> <p>There are no supporting-preventive measures, only deterrence measures are set in the Labour code. Sanctions are considered effective and enough dissuasive, although the labour inspectorate does not have the means and resources to carry out enough controls.</p> <p>No recent evolution on MW enforcement systems to address weaknesses.</p>

**Source: National Eurofound Correspondent for France**

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