



New forms of employment

Employee sharing, France

Case study 13: Policy analysis

Employee sharing was first regulated in France in July 1985. Employer groups are used to create a pool of workers who can be distributed across companies in the group according to demand. The advantage of this structure is that it combines flexibility for companies with greater job security for workers.

Introduction

France was the leading country in Europe in implementing employee sharing regulation and practice under the form of employer groups (*groupements d'employeurs*). The process was launched in July 1985 with the implementation of Law No. 85-772 on various provisions about social order.

Generally, employer groups in France are seen as an instrument to pool human resources. It is an innovative and atypical form of triangular work organisation composed of workers, participating companies and the employer group, which acts as an intermediary. The aim is to increase flexibility for companies and decrease precariousness for workers.

There are other types of employee sharing mechanisms in French legislation. One example is *portage salarial*, which is similar to the concept of an umbrella company; this is targeted only at executives. Another example is *coopératives d'activité et d'emploi* – activity and employment cooperatives – which aim to help workers start their own company by allowing them to test their project's viability.

The core principle of an employer group is that it recruits workers and distributes them among participating companies to meet fluctuating demand for workers.

Even if they are part of a mechanism of labour lending, employer groups have to be distinguished from other forms of triangular work organisation (Dalichoux and Fadeuilhe, 2008).

Temporary agency work has developed at the same time and in parallel with employer groups. However, the aim is not the same: employer groups are governed by the logic of fulfilling the shared needs of participating companies, leading to the creation of full-time jobs for participating staff. Temporary agency work, however, corresponds to a specific and temporary need which is not linked to the permanent and usual activity of the company.

Temporary work agencies have a commercial purpose and have customer relationships. The aim of such temporary work agencies is merely to be paid for providing companies with

workers, and to create a network of companies so to develop their activity and turnover. The company contracting temporary personnel does not know the other companies that use the same agency.

Employer groups, on the other hand, are based on the commitment of participating companies which establish the rules for how it should function. The main difference between those two mechanisms is that temporary agency work is used as a straightforward means to achieve a goal as quickly as possible, whereas for employer groups to be effective, they should be used as a common objective in the long term, which implies a genuine investment (Dalichoux and Fadeuilhe, 2008).

In France, there are different types of employer groups. Some of them only deal with one sector, such as the agricultural sector¹ or the sports and recreational sector, as those are activities particularly concerned with seasonality or fragmented employment time.

Alternatively, some employer groups are multisectoral. This has also an influence on the size of employer groups in France – some structures are very developed, whereas others concern a limited number of workers and participating companies.

The French law has also established special provision for ‘employer groups for inclusion and qualification’ (*groupement d’employeurs pour l’insertion et la qualification* – GEIQ). The principle of this provision is to encourage the hiring of people facing difficulties in accessing the labour market. To be recognised as a GEIQ and to benefit from different kinds of support, such as subsidies or reduced social charges through the use of state-aided contracts, an employer group must comply with certain specifications.

Broadly speaking, this policy analysis aims to present the global features of employer groups in France, discussing their initial objectives, the main reasons for the implementation of such a mechanism, the several evolutions the scheme has undergone and potential for improvement.

Various stakeholders were interviewed for this policy-level analysis: experts, academics, social partners, members of employer groups and participating employees. The analysis also draws on two case studies, conducted as part this project, on two different employer groups in France – see the case studies on Groupement d’employeurs Île de Noirmoutier–Île d’Yeu and Fédération Isocel (Eurofound, 2015 a and b: case studies 11 and 12). A selected bibliography of sources of evidence used is available at the end of this report.

Background and objectives

At the very beginning, employer groups resulted from reflection on a long-lasting practice in agriculture in France. The concept of pooling different kinds of resources such as workforce, machinery and tools, processes, technologies and methods, is naturally linked to the concept of solidarity and organisation in agriculture.

In the 1980s, the agricultural community was facing social transformation: new technologies and mechanisation, urbanisation and extension of employment relationships that were not previously widespread in the agricultural sector before. With the rise in the number of qualified young workers over the war years, the agricultural community had to deal with a

¹ In agriculture, a second kind of GE has developed: strategic sharing employment replacement service (*groupement d’employeurs service de remplacement*). This is provided by the insurance fund specialised in the agricultural sector (Mutualité Sociale Agricole, MSA) to allow members to be replaced, if needed, for health reasons or for going on (short) holidays.

new type of workforce and found it difficult to hire them because qualified workers expected higher wages.

To adapt to these new issues, employer groups were originally born outside any legal framework, before legislation was in place to regulate them.

However, this innovation was limited by various obstacles. The concept of 'subleasing' employees was not a common feature in society at that time, and entrepreneurs were instead willing to create specific services on a more commercial basis by using the traditional system of paying for a service without any further commitment. This is how temporary agency work gained growing importance on the French labour market, to the detriment of employer groups, which initially grew slowly (Joubert, 2012).

However, arising from a joint request by the FNSEA (National federation of farmers' trade unions), the FGA-CFDT (General Federation of Agriculture from the CFDT labour union) and the regional chamber of young farmers of Poitou-Charentes to , the Regional Economic and Social Committee (Conseil Économique et Social Régional, CESR) to back a law on GEs, and supported by the then Prime Minister and the Ministry of Agriculture, Law No. 85-772 of 25 July 1985 established some provisions to encourage 'cooperation between employers and the organisation of seasonal activities'.

For technical reasons, the Ministry of Labour initially was not very supportive of the introduction of employer groups into law, because it would have made the Labour code too convoluted.

Initially, employer groups were created in France with the objective of encouraging worker stability. They offered workers rotations between several companies located within the same territory, but with less precarious terms and conditions than if they had been temporary or part-time workers. It was seen as an efficient way of maintaining the workforce in a given region, particularly in rural areas.

According to the initial law of 1985:

- employer groups have to be established as an association governed by the Law of 1901, basically meaning that they can only conduct non-profit operations.
- employer groups are created for the sole purpose of subleasing their employees to members within the employer group.
- employer groups are a legal employer and their workers are subject to the same collective agreement.
- only companies with fewer than 10 employees can join employer groups. This explains why, at the beginning, employer groups were almost exclusively limited to the agricultural or craft sectors.

In December 1993, the quinquennial law on employment reformed employer group schemes.

- The limit on number of employees was raised to companies employing up to 300 persons.
- A company could be a member of a maximum of two employer groups simultaneously.

The law of 1 February 2000 on the negotiated reduction of working time also contained some provisions concerning employer groups. The 300-employee limit was lifted where companies sign a collective agreement defining ‘the guarantees granted to workers in employer groups’. Basically, those agreements were supposed to establish provisions about working conditions for workers in an employer group.

On 23 February 2005, the law on rural development established that:

- workers in employer groups have to be granted the benefits of profit-sharing and incentive agreements, proportionately to their time spent in the participating company.
- local authorities are allowed to join employer groups under certain conditions (Kerbourc’h, 2012). For example, an employer group can never be constituted of more local authorities than private companies.

Also in 2005, the law on SMEs stated that:

- employer groups can also provide help and advice to their members on employment issues or human resource management – previously their exclusive aim was to recruit workers and distribute them among participating companies;
- employer groups can also be established under the form of a cooperative society;
- employer organisations and trade unions can conclude collective agreements on the versatility, mobility and employee-sharing arrangements for the workers in employer groups.

Finally, in 2011, an important law was introduced which had a significant impact on employer groups.

The so-called Loi Cherpion – named for the deputy who drafted the bill – aims to develop training and safeguard the career paths of participating workers. As far as employer groups are concerned, this law provides a more flexible legal framework for the companies and for the development of employer groups. According to the law in question:

- Equal treatment has to be guaranteed in wages, profit-sharing, incentive agreements and saving plans (Fadeuilhe, 2012).
- The subject of social partner negotiations is no longer limited to versatility, mobility and employee-sharing arrangements.
- The provision prohibiting companies from participating in more than two different employer groups has been repealed, removing the limit.
- The limit of 300 employees has also been repealed. Any company can now join an employer group, irrespective of its size.
- Regarding the joint and several liabilities of member companies, it is now possible to define, on objective criteria, distribution rules for the payment of any debts (Fadeuilhe, 2012).

The provisions established by the Loi Cherpion were supposed to enter into force only if no inter-professional collective agreement had been signed before 1 November 2011. Social partners at the national level started negotiations on the basis of the provisions included in the Loi Cherpion in June 2011, but as most of the provisions suited the employers’ organisations’ positions, negotiations were not conclusive and the Loi Cherpion was applied as initially planned.

It is, however, rather uncommon to ask social partners to negotiate after the law has been

published in the Official Journal. Usually, social partners are consulted before the introduction of the new law, and the law is built upon the agreement reached by social partners in the national cross-industry agreement. The singularity of this procedure possibly led to the failure of the talks, as social partners perhaps felt trapped by and limited to the provisions already in place in the law (Fadeuilhe, 2012).

Regional stakeholders in Poitou-Charentes have a complex relationship with the legal framework and collective agreements. They are of course favourable to this framework as they pushed to create it and participated to its elaboration in the mid-1980s. However, they are constantly trying to improve the legal framework regulating the GEs to avoid practical difficulties and enlarge their scope.

Characteristics of employer groups

Between the employer group and a member company, the relationship is regulated by a subleasing or lending agreement (*convention de mise à disposition*). The conclusion of such an agreement is not required by law, but it is necessary in practice to identify the obligations of each party. Such an agreement, therefore, mainly includes the price that has to be paid for the services provided by the employer group. Usually, the employer group has the following obligations as the legal employer:

- identifying HR needs, conducting job interviews, recruiting the workers generally under permanent contracts and on a full-time basis. However, employer groups can also hire workers under part-time and/or fixed-term contracts.
- issuing pay slips and remunerating the worker;
- imposing sanctions upon the worker, including dismissal;
- compensating workers in case of illness or work-related accidents;
- making sure that the worker is qualified for the vacancy within the using company;
- offering social protection to its workers. This means that the employer group is in charge of paying social taxes to competent bodies (even if the cost of these taxes is included in the invoices paid by the companies). The employer group can also opt to offer complementary health insurance to its workers, but it is not mandatory. In any case, the worker benefits from the insurance system in place within the employer group and not the one of the participating company. In practice, it means that if one of the member companies has subscribed to a complementary health insurance system, the worker from the employer group will not benefit from it as they are not directly employed by the company;
- organising professional elections. Employees depend on the employee representative bodies in place in the employer group and not the ones in place in the participating companies. According to the general rules on workers' representation, an employer group will have to organise professional elections as soon as it employs more than 11 people.

As a consequence, employers of member companies have no direct link with the employer group workers and are only responsible for working conditions such as compliance with legal working hours, weekly rest periods and health and safety at work.

Legal form

The legal form of GEs has often been debated and there are still some controversies about whether the associative form is conducive to or infringes the development of GEs. Despite the fact that it has been possible to create employer groups under the legal form of cooperatives societies since 2005, the associative form remains the most popular and seems to be more conducive to the aim of employer groups.

However, there are no fundamental differences between an associative and a cooperative structure, and it has been pointed out that often market-sector companies are considered as being more comfortable using commercial structures than associative or cooperative structures. Therefore, some experts and members think that the best form would be a public limited company or limited liability company, but the legal framework currently does not allow this. While associations can only conduct non-profit operations, a company can have access to external private funding and this could be a huge boost for the development of employer groups.

However, some specialists and academics believe that such a reform would jeopardise the initial aim of employer groups, which is to pool resources, such as experience, practices or workforce without the objective of making profit. The logic of shareholding and profit-making is incompatible with the concept of employer groups, which is based on collective participation and the willingness to be part of and involved in a group.

Liability

Another specific feature of the French system of employer groups is that members are jointly and severally responsible for the wages and social security debts to the workers and creditors.

At first sight, this joint and several liability can be seen as a disincentive to the creation and development of employer groups. Employers can fear that if other companies fail to honour their debts, they will have to pay on their behalf, which would undermine their own budget.

But this obligation is positive, given that it is in line with the core principle of employer groups. By joining an employer group, a company does not choose to follow a consumerist ideology. On the contrary, the company commits itself to participate to the improvement of the workers' situation (Dalichoux and Fadeuilhe, 2008).

Since the Loi Cherpion of 2011, it is possible to define rules on how employer group companies pay debts according to objective criteria. For instance, objective criteria could be the frequency of use of each company: a company that often resorts to the employer group's workforce will be more liable than a company that sparsely uses the employer group services (Fadeuilhe, 2012).

Financial support

Employer groups can benefit from different types of financial support. As an association, they can benefit from donations, contributions and admission fees.

Any employer group can benefit from subsidies, mainly to help their launch and implementation. The labour department (DIRECCTE), the regional council or the general council (departmental level) are the bodies that can award such subsidies. For example, the

general council in the French department of Finistère has decided to help its employer groups because they are considered as useful instruments for encouraging sustainable employment both for companies and workers, by consolidating employment, retaining workers and developing skills and training. This type of support meets two objectives: making jobs and sectors more attractive and helping local companies become more competitive.

Public support to GEs in Poitou-Charentes²

Various public supports exist in Poitou-Charentes to help the creation and development of GEs:

For GEs outside of agriculture (members of CRGE at least during their first three years of existence):

- Support for the creation of GEs on the first three years (respectively €15,000, €10,000, €5,000) to partially finance an administrative full-time position and support the GE's business development
- Support for the development of existing GEs in a new business sector or for opening an establishment in a new territory, based on a budget for coordinating and facilitating the action (€ 25,000)
- Aid for recruitment under permanent full-time and shared contract: € 3,000 / employment (€ 2,000 for turning a fixed-term contract of 12 consecutive months or less into a long-term one) plus €500 if it concerns an employee under 26 or over 50 years of age
- Support for 'emploi d'avenir' (Jobs for the Future scheme): €2,000 for each job³

For agricultural GEs:

- € 500 / young (18-25 years) recruited on permanent full-time contract
- € 2,500 for GEs set up for less than a year and hiring at least one full-time employee on a long-term contract (combined with the € 500 above)

State support:

- € 686 / year for GEs organising the accompaniment of unskilled young job seekers of 45 or more, as part of a publicly funded employment contract ('contrat de professionnalisation').

Likewise, employer groups can also turn to chambers of trade for assistance. They mostly help GEs in the implementation stage, when it comes to launching feasibility studies and to initiating the project. In the long-term, chambers are also available for advice and they play a part in the promotion, communication and development of employer groups.

² See : <http://www.horizon.entreprise.arftlv.org/Fiche-Aide/437/Groupements-Employeurs-aides-au-recrutement-et-la-creation/>

³ The aim of the Jobs for the Future scheme is to create employment solutions and open up access to qualifications for under-qualified or unqualified young people who cannot gain a foothold in the labour market. Priority is given to those aged between 16 and 25 who have no qualification, especially in urban areas particularly affected by unemployment. Only employers from the non-commercial sector are eligible to access the scheme.

Financial support can also be provided for GEIQs through social tax reductions. GEIQs encourage employment for specific groups finding it difficult to access the labour market. They can therefore enter into state-aided contracts: the principle is that if a company (or an employer group) hires a worker in difficulty under such a state-aided contract, it will have to pay less social taxes for this worker.

Membership criteria

Regarding the criteria for membership, the principle in French law is freedom of membership. A company can always choose which employer group it wants to join. For instance, there are no restrictions linked to a company's existing memberships in employer organisations.

Nevertheless, employer groups used to be subjected to significant limitations until 2011. A company with more than 300 employees could only join an employer group if it had signed a collective agreement which defined 'the guarantees granted to the employer group's workers' and could not join more than two employer groups. A company has to be a member of a given employer group before it is allowed to use the workforce employed by the employer group. Membership is a mandatory prerequisite. As in any association, employer groups retain the right to choose their members. The eligibility criteria have to be stated in the employer group statutes. For employer groups, it is essential to be particularly diligent concerning eligibility criteria, as the accession of each new company can have consequences for the other participating companies and on the viability of the employer group itself, because of the principle of joint and several liability.

The law does not state which entity is responsible for making the decision to accept new members. In practice, this competence lies in the hands of the board management or an ad-hoc commission set up to reviewing new requests for membership as and when necessary.

The geographic distance between companies is important and must be small: setting up a GE is a matter of proximity. It must nevertheless be understood that it's necessary to make the distinction between the geographic area covered by the GE (it may be as big as an entire department and several GEs operate in areas of this size in Poitou-Charentes) and the geographic area in which a given worker operates, that must be the local labour market and covers a much smaller area.

Membership can be lost through resignation, non-payment of the contribution if required by statutes, exclusion, non-compliance with conditions of membership or dissolution or liquidation of the employer group. Not all employer groups have membership fees, and this is not regulated by law.

Cooperation is at the root of the creation of GEs. GEs are not established between companies that are rivals. According to the interviewed actors it is nevertheless not necessary that employers have experienced previous cooperation (cluster for example): it is the role of the CRGE (see below) to contact employers through employers' organisations or chambers and propose them to consider setting up a GE. Cooperation is then useful. Corporate Social Responsibility strategies of companies make it easier for GEs to get established. As GEs turn part-time or seasonal job needs into full-time jobs, it is deemed as fostering secure employment instead of casual jobs and therefore as a way for employers to be socially responsible. The existence of strategic HR management (future-oriented HR/skills planning) in the company is neither a precondition nor an especially favourable element: GEs are established in order to introduce these elements to SMEs. What is needed is the willingness for employers to cooperate to meet their fragmented or seasonal HR needs; given that each

employer has a word on whether they share a given employee with others.

For workers, there are no general eligibility criteria, although GEIQs usually target specific categories of workers experiencing difficulties entering or reintegrating to the labour market.

Management bodies

As with any legal entity, employer groups need to have management bodies. In practice, those bodies are constituted of employer group management and board management.

The employer group manager is vested with powers granted to him by the statutes. They can act on behalf of the employer group only if the statutes allow. If provided for in the statutes, management can summon the general assembly, take legal proceedings on behalf of the employer group and delegate authority to other members. Following a ruling in 2004, except as otherwise explicitly mentioned in the statutes, the employer group manager has the power to initiate a dismissal procedure even without special mandate from the board management or general assembly.

The role of the board management, generally constituted by a selection of member companies, is rather vague and varies according to the statutes of specific employer groups, but generally has to do with making strategic decisions for the employer group (such as exclusion or accession of a new member, nomination of the manager and modification of the statutes) and representing the members of the employer group.

In Poitou-Charentes, the opinion of the GRGE is that a full-time director may be appointed if 30 people or so work in the GE. Smaller GEs have two options. If the GE is very small, with one or two employees as is common in the agricultural sector, it is usual that one of the employers does volunteer work. Beyond a certain threshold it makes sense for a GE to hire a part-time managing director. The Languedoc-Roussillon CRGE has a slightly a different point of view, as it is reluctant to help create GEs with fewer than 10 people, and deems as a strategic goal to find a way for setting up GEs liable to hire 10 or more people within three years. It estimates that it is the minimum threshold to appoint a half-time director. From this it follows that GEs with over 20 employees should hire a full-time director.

The question of management and the question of whether or not to hire a director is generally raised during the feasibility study, and the decision of whether or not to establish a GE is decided upon by the interested employers. Beyond the director, GEs generally feature very small staff, depending not only on the size of the GE, but also management options, for example whether or not administrative tasks are subcontracted.

Required skills for being the director of a GE does not differ very much of those needed for being the director of any other non-profit organisation except in three fields. As seen, there exists in France a strong legal corpus related to GEs, meaning they have to be familiar with this regulation. Relationships with employers are of course at the core of the director's activities, especially the need to link them together and understand the evolution of their needs. Finally, planning is an important part of a GEs' work. The diversity of GEs has to be kept in mind as well. Long-term planning and recruitment (understanding the needs of employers, conducting job interviews, short-listing applicants) are always important. GEs nearly always look after training needs and training organisation and, very often, but not always, they act as counsellors in the field of HR management or as an external human resources manager. They invoice companies but, depending on the size and the options of each GE, payroll, accounting and other administrative tasks may be outsourced. In Poitou-Charentes, the CRGE provides and sells services in this field as well as provides judicial

advice. It is the role of the employer group management to define good processes to make it work and to implement them, as it is their role to achieve transparency and mutual trust between employers, companies and workers.

The CRGE Languedoc-Roussillon has set up, for the first time, a special training programme in 2016, as 'the multipurpose management of a GE may seem complex to those who manage them daily', according to the training programme flyers. Every year, the CRGE offers training sessions in accounting, human resources management, communication and commercial.

These training sessions address all fields of expertise useful to GE managers to ensure they cover the full range of their needs. The CRGE also organises meetings of GE managers, in the framework of a 'club of GEs', opened to CRGE members (for free). Four issues were selected in 2016 with, for each one, two meetings in various locations, within the new region (Languedoc-Roussillon-Midi-Pyrénées): hiring/how to secure hiring in GEs; training for GE managers; how to manage vocational training within a GE/how to train employees sent to members; how to develop a GE (partnership, methods).

Tax regime

Despite the fact that employer groups can only conduct non-profit operations, from a tax perspective this characteristic is set aside and they are considered as commercial bodies and are therefore subjected to business taxes. This can be explained because employer groups are composed of for-profit companies and an employer group, despite its non-profit vocation, matches the definition of a company, being composed by a set of means and materials for the benefit of the economic activity.

Therefore, the employer group is subjected to the taxation regime of its members and might be liable for VAT, corporate taxes, payroll taxes and professional taxes. However, this taxation regime is not very well adapted to mixed employer groups composed of private for-profit companies and local authorities.

The objective of ensuring collaboration between private companies and local authorities is commendable but this constraint on the fiscal level may act as a barrier (Debat, 2012).

Besides, mixed employer groups remain rather rare because specific rules have to be applied and employer group principles are sometimes difficult to reconcile with regulations applicable to local authorities, particularly concerning recruitment procedures and the principle of joint and several liability (Kerbourc'h, 2012).

Application of a collective agreement and involvement of works councils

A worker hired by an employer group also benefits from the provisions of the collective agreement applicable to it. This is not a problem when the employer group is composed of organisations in one sector: obviously, the collective agreement falling within the same scope will be applied to the employer group.

However, many employer groups are multisectoral and therefore the employer group management is in charge of designating, at the creation of the employer group, which collective agreement is to be applied. Usually, a collective agreement is imposed on companies according to their sector of activity. However, as there is no collective agreement specific to employer groups, this opportunity of choosing a collective agreement is rather uncommon in the French system.

As a consequence, the solution is often to adopt a collective agreement which has quite vague and low standards, so that it is possible to adapt them further to specific needs. There has been a debate about the idea of negotiating a collective agreement specific to GEs. However, the idea has been set aside for the time being, as employer groups still lack representativeness and visibility at the national level to launch such negotiations (see below – strengths and weaknesses section).

If a works council exists in a company using shared employees, it has to be informed of the decision to establish a GE. Works councils are typically not in favour of shared workers since they prefer workers be hired directly by the company. There is one case in Poitou-Charentes where a works council sued the company since the shared workers were not counted in the calculation of the subsidy the employer must give every year to the works council. There is no verdict yet and this kind of case is extremely rare. In Languedoc-Roussillon, less than five member companies have a works council.

GEs themselves may have an information and consultation body. However, as their size is generally under the threshold to elect employees' delegates (from 11 employees) or works council (from 50 employees), there are about 10 GEs within the Languedoc-Roussillon region, according to the director of the CRGE, which have employees' representatives.

Central organisation and representation

In France, potential GEs are not subject to any prior authorisation procedure and can be incorporated as regular businesses.

There is no central body or register which monitors or records all French employer groups. When a new employer group is created, it only has to be declared to the labour administration, and a similar declaration has to be made by the employer group when it decides to modify its functioning. The only control the labour administration can exercise is on the choice of the applicable collective agreement for multisectoral employer groups. If the administration is of the opinion that the chosen collective agreement is not adapted for the employer group, it can oppose it and the employer group must choose a more suitable collective agreement.

The GE landscape is quite fragmented and there is neither a national centre nor national-level coordination between CRGEs. There are six employers' organisations at national and territorial level that aim to represent GEs with rivalries between some of them to cover GEs or represent their interests: Fédération nationale des groupements d'employeurs ([FNGE](#)), Fédération nationale des groupements d'employeurs ([FNEG](#)), Union des groupements

d'employeurs de France ([UGEE](#)), Fédération Nationale des Groupements d'Employeurs Agricoles et Ruraux ([FNGEAR](#)), Fédération Française des Geiq ([FFGEIQ](#)), Groupement National des Professions Sports et Animation (GNPSA). This fragmentation is a source of weakness for GEs in the framework of discussions with public authorities. There is no Trade union covering GE employees specifically. The CRGE Poitou-Charentes was created in the 2001. There was then a good awareness and understanding of the work method to promote and develop strategic employee sharing among governments, employers' and employees' representatives. This explains why public authorities (that is the Region and the State services in the Region) co-financed the launch of the Poitou-Charentes CRGE in 2001 and why, since this date, regional employers' and employees' organisations collaborate to promote and take specific actions to help GEs become established in the region. Together the Poitou-Charentes region and the state provide 70%⁴ of the financial CRGE resources, the other 30% coming from members' contributions and the selling of services. It organises every year an annual meeting with GEs coming from other regions of France and nearly half of its members (GEs) are from beyond the region. Four people work full-time in this organisation. The role of the CRGE is to: promote GEs among employers and workers

- realise feasibility studies
- help employers to set up GEs when a feasibility study indicates it is possible and desirable
- provide services to existing GEs, such as HR management advice, pay slips or judicial advice.

The fact that CRGE Poitou-Charentes is a joint social partners' body allows promoting the setting in their networks and their publications for example by interviewing employers belonging or having created a GE in the employers' organisation regional newsletter. Beyond this means of promoting GEs, they also hold peer meetings and promotions on the public authorities' websites. They also organise every year an event gathering the CRGE members and publish the results. In Languedoc-Roussillon, the CRGE was created in 2008 by the Regional Labour Conference (Conférence régionale du travail), which includes representatives of the region and of social partners. The Regional Labour Conference fixed as main goal for the CRGE to create jobs through the development of GEs in the region. It has four full time employees to carry out its tasks. Together, the Languedoc-Roussillon Region and the State provide 85%⁵ of the funding necessary for the centre, which represents about €80,000 per year. The remaining 15% comes from members' contributions. The CRGE mainly interacts with the GEs it has created, but also with the GEs that have become members (about 30), and pay their contribution (about 20, as some members do not pay their contribution on a regularly basis). Being a member of the CRGE allows GEs to obtain some services:

- to check the compliance of legal and regulatory documents (status, employment contract, rules of procedure) or analysis of the future need of skills and competencies;
- to support the development of the GE (analysis of a new business plan, elaboration of a territorial action plan, support to seek for financing);

⁴ The Region being the main funder

⁵ Half coming from the Region and the other half from the state.

- to promote GEs' activities through communication tools (pamphlets, video), or support to elaborate specifications to create a website;
- GEs managers can participate in a 'club of GEs', where they exchange experience and practices.

Unlike the CRGE of Poitou-Charentes, the CRGE of Languedoc-Roussillon does not provide paid services, like accountability, hiring or other kind of consultancies. However, for such needs, the CRGE has created a network of experts who have some experience with GEs, which can be consulted by its members who pay for the services they need. But as member of the CRGE, they benefit from preferential rates.

Outcomes

As French employer groups are often multisectoral, it is difficult to assess which types of companies and sectors are most common in employer groups. Likewise, any type of worker can be hired by an employer group, as long as they accept that they will probably have to work in different companies and workplaces.

More generally, and regardless of types of activities, the details of what employment situations are to be covered by employer groups were specified in a ministerial circular No. 94-6, dated 20 May 1994. They can:

- share a qualified worker on a part-time basis;
- use one or several workers to perform seasonal work successively, depending on times of the year;
- benefit from a complementary workforce to reinforce permanent staff so as to service fluctuating needs;
- maintain workers by rotating them within several companies to avoid risk of dismissal or more precarious situations;
- turn precarious jobs into permanent jobs.

However, this list is not exhaustive, as employer groups bring other benefits as well. This mechanism has impacts both on the macro level – labour market and economy – and on the micro level – working conditions.

Macro level

As the statistical public data system does not track GEs as such (with the exception of agricultural GEs) all preceding figures are estimations and are likely slightly overestimated. GEs are not equally distributed among the various French regions: two-thirds of them are in six regions: Ile-de-France, Nord Pas-de-Calais, Rhône-Alpes, Bretagne, Languedoc-Roussillon and Poitou-Charentes. The agriculture is significant in the three latter regions, even if the concerned workforce is less than 5% of the regional workforce ([Le Bilan annuel de l'emploi agricole](#), Agreste Chiffres et Données Agriculture n°224). In the beginning there was little uptake of GEs in France and by 1988 only 72 GEs, according to the CRGE Poitou-Charentes, mainly in the fields of livestock farming, winegrowing and specialised crops, had been recorded. This instrument took off in the mid-1990s. In 1998, there were 2,400 GEs in operation, involving a total of 11,400 members and 8,100 employees. In 2010, the estimation was that there were around 5,100 groups, involving 36,500 employees and achieving a

turnover of €650 million. In 2014, the estimated figures for France were the following: 35,000-40,000 persons (about 0.2% of the total workforce in France) are employed in about 5,600 GEs involving 100,000 companies.

The majority of GEs are from the agricultural sector: in 2014 they were 3,900 agriculture GEs employing 23,662 full time equivalent (FTE) workers. In 2013, in the agriculture sector, 8 regions employ 76% of the total number of employees working in GE within the agriculture sector (MSA, 2016). Since 2004, this kind of employment has grown at an average of 7% a year and witnessed almost a twofold increase in long-term contracts during the same period, from 6,190 to 11,176 full-time equivalents. GEs in this sector are small sized organisations, but their average size (5.8 full-time equivalents) is far above that of agricultural companies (2.0). General working conditions are close to those of the sector: wages are at the same level, long-term contracts represent 47 % of the worked hours (53% for the whole agriculture sector) and the annual length of work is around 1,388 hours (in comparison to 1,299 hours in 2013 for the whole agriculture sector). As expected, seasonality is high, with considerable work concentrated between April and October (MSA, 2014). Agriculture is a sector where agricultural workers represent 17.5 % of an active workforce of about 850,000 people (farmers, family workers) in 2013.

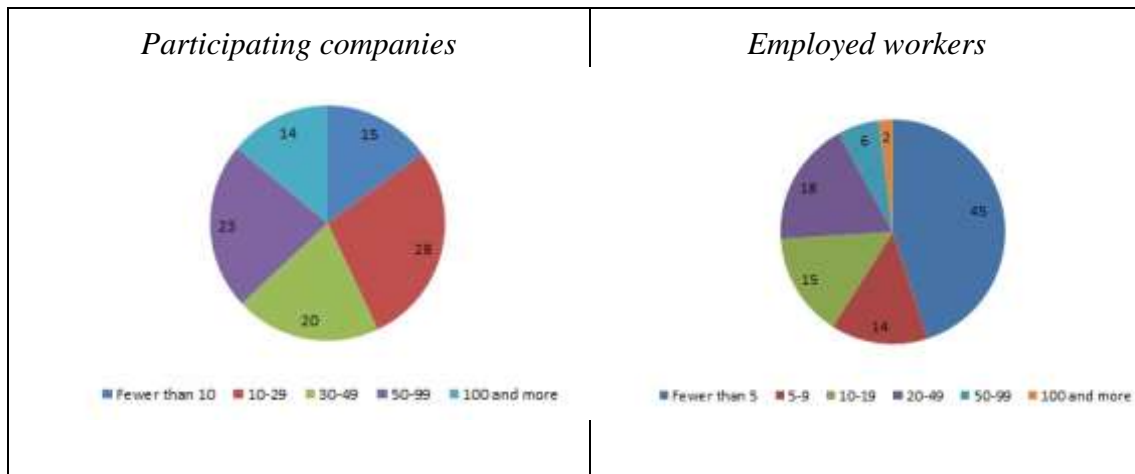
Other data indicate that outside of the agricultural sector, there are 821 GEs joining 19,031 workers corresponding to 15,815 full-time equivalents (or 711 GEs outside agriculture with at least one employee during 2013, employing 15,515 people representing 12,646 full-time equivalents).⁶ About 60 to 70 GEs were created⁷ each year since 2009.

On average, each GE has 58 member companies and three full-time employees. 15% involve fewer than 10 companies and about the same percentage has 100 or more participating firms. Just under 30% of groups have 10–29 member companies, 20% have 30–49, and 23% have 50–99 member companies. Nevertheless, the vast majority of them operate as micro enterprise employers, with 60% of the employer groups employing fewer than 10 shared workers, and fewer than 10% of the employer groups have 50 or more shared workers. Although agricultural employer groups are small (employing, on average, 5.8 full-time equivalents), they are much larger than other agricultural companies (two full-time equivalents) (MSA, 2016).

⁶ Source: Délégation Générale à l'Emploi et à la Formation Professionnelle- DGEFP (General Delegation for Employment and Vocational Training). A study is under way and final results may change. The estimated number of GEs outside of the agricultural sector is close to the above mentioned 900.

⁷ While the number of new GEs is known, the number of those which are liquidated or no longer active remains unknown.

Figure 1: Size of French employer groups outside of the agriculture sector, 2013



Source: DGEFP/GESTE (2016), *Les groupements d'employeurs*

As concerns gender, 51.3% are male and 48.7% are female (respectively 52% and 38.4% for the whole workforce in France) (DARES, 2015). Young employees (less than 30 years old) represent 49% of the total workforce employed in GEs (in comparison to 44% on national level (DARES, 2013)). 40.5% are workers / blue collars (in comparison the share for the French workforce is 21%), 35.4% general employees (28% in France), 17.9% technicians and qualified employees (26% in France) and 7.1% managers (16.1% in France). The remaining 0.2% are craft workers of company owners.

In Poitou-Charentes, the CRGE (Centre de Ressources de Groupements d'employeurs ([CRGE](#)) / Resource centre for strategic employee sharing) has made an attempt to collect data on GEs in Poitou-Charentes from social security bodies. According to this source, there were 204 GEs in Poitou-Charentes in 2014 against 195 in 2012 and 193 in 2013. The director of the CRGE estimates that this increase is the result of actions undertaken to develop GEs in new fields of activities, such as sports and social cultural activities. In 2014, 73% (148) belonged to the agricultural sector and 27% (56) to other sectors. While there is no data available, it seems that the GEs are quite sustainable, meaning that once they are established and reach a certain size (about 30 employees), they stay around for a long time.

The number of companies involved in GEs in Poitou-Charentes is estimated by the regional CRGE to be about 2,000. Companies involved in GEs in Poitou-Charentes are very diverse and range from very big companies (subsidiaries of worldwide groups) to very small SMEs in the craft trade sector or self-employed farmers. They also belong to various sectors from agriculture to services and may be private or public companies and for or non-profit organisations.

The number of employees involved in GEs is around 1,900 (representing 0.5% of the overall wage-earning employment population in the region). According to the CRGE director, about 60% of the people working in GEs are workers (blue collar) or qualified employees (other workers are technicians, managers), a proportion much higher than in the overall active population. According to the CRGE, the share of permanent employment contracts increased from about 11% in 2013 to almost 14% in 2014. CRGE highlights the positive impact of GEs to reduce precarious work, against the background that nowadays most of the new contracts are short-term ones.

However, data to validate this assumption is not available. Data on the breakdown of GE

employees by gender and type of contract are presented in the table below.

Table 1: Employees repartition in GEs in Poitou-Charantes by gender and type of contract, end of 2013 and 2014

	2013	2014
Gender		
Men	50.37%	55.28%
Women	49.63%	44.72%
Type of contract		
Permanent	699	825
Fixed term	5,694	5,221
Total	6,393	6,046

Source: CRGE Poitou-Charentes

In Languedoc-Roussillon, the CRGE collects data on non-agricultural GEs. In 2014, there have been 50 GEs. Most of them (28%) are active in the field of sports, while the other ones spread over a large variety of sectors (culture, food, logistics, building, industry, licensed professionals, etc.). The number of employees in non-agricultural GEs during the year 2014 was around 820, including both fixed-term and indefinite contracts (almost equally distributed). The vast majority of GEs employ fewer than 10 workers. More than 40% of the workers are aged 25-39, about 30% are 40-54 years old, and about 22% are younger than 25. Compared to the overall working population in the region, the share of younger GE workers is considerably higher, while the share of older GE workers is lower. About 40% of the GE workers are female, compared to 45% in the regional working population.

In recent decades employment relations have experienced significant changes. Linear relations are no longer commonplace, workers are now used to changing workplaces, employers, and jobs during their career paths and having several periods of unemployment or under-employment.

Based on this observation, employer groups appear to be adapted to this new employment landscape.

As employer groups operate in limited geographical regions, their effects are mainly felt at the local level. The lack of national management of employer groups in France makes it difficult to see the effects and in some ways confines them to marginal status. From the very beginning, employer groups were created in line with the logic of territorial employment development and with the purpose of revitalising employment in areas experiencing difficulties, particularly in rural areas (Delalande and Buannic, 2006).

In the framework of local development, employer groups can help some professional sectors to structure themselves by pooling the resources within their territory to accommodate their needs (Dalichoux and Fadeuilhe, 2008). Companies can evolve and develop by using local resources like the local workforce.

Likewise, employer groups may be seen as a way to revitalise local labour markets by contributing to job creation and stabilising employment within a territory. As the employer group answers some of the key concerns of companies (workforce loyalty, qualified and experienced workers, management of a significant portion of administrative burdens linked to the employment relationship), the creation of an employer group might make it possible for employers to focus more on developing new markets and innovation (Joubert, 2012).

Employer groups could also contribute to the development of a so-called territorial social dialogue alongside social dialogue at the company level, at the branch level and at the national inter-professional level (Joubert, 2012). This fourth level of social dialogue should be more developed as it plays an essential role when it comes to organising employment at local level. In this context, employer groups are capable of conveying to elected representatives and the administration a picture that reflects the economic reality in the field. However, in order for this to happen, employer groups need better coordination and visibility at the national level.

Micro level

The well-known effects of employer groups on working conditions are that they merge flexibility for companies with less job precariousness for workers. As a consequence, they have often been presented as ideal instruments for expanding the concept of flexicurity.

From the workers' perspective, employer groups contribute to making their employment situation less precarious. Broadly speaking, being hired by an employer group means greater job security, as the worker is employed, usually under a permanent contract, by a single employer. They answer to one employer instead of various as would be the case when combining various part-time jobs. Working time predictability is high since GEs generally schedule working (and training) time for a year in advance. This is one of the reasons why in a recent comprehensive analysis on new forms of employment in France, GEs are seen as the less flexible setting among those analysed.

The goal of GEs is to provide, as far as possible, permanent employment, which is not always possible for different reasons. First, when training is the reason for hiring people in a GE, then the contract is automatically a fixed-term one. Second, it is now a general habit in the French labour market that a first contract is a fixed-term one and GEs are no exception. Third, it is not always possible to create permanent and or full-time employment. In Poitou-Charentes, about 43% of the employment contracts in GEs at the end of 2014 have been indefinite ones. However, the repartition between long-and fixed-term-contract says very little on the reality

of professional paths and the associated security or precariousness. A short-term contract may be a way for accessing permanent employment and, in the very case of strategic employee sharing in France, this will not be seen in statistics related to GEs since very often the long-term contracts will be provided by one of the member companies. Similarly, a short-term contract may lead to another one (in the GE or in a given member company) or to unemployment, situations the statistics also do not reflect.

It is generally said that employment security is higher for people belonging to the GE than for people belonging to other kind of companies since they are well trained, multi-skilled and used to working in a different type of organisation. It is then easier for them to find another job. Importantly, in cases when one employer has no more work to offer employees belonging to a GE, it means first that they go on working for the other companies they usually work with and, second, they keep their contract with the GE and go on being paid. There is then a strong incentive for the employers to find a solution if they do not want to be in a position where they should fire workers they need. In Poitou-Charentes, the following example came to light. After September 9/11, two companies participating in a GE faced a sudden drop in their orders triggering the need to find a new type of activity for 26 people. This was achieved through networking among employers and active participation of the concerned workers. Unfortunately, there is no inquiry or data on professional paths that followed, and it is then impossible to know whether it is a mechanism that applied in other cases or was one successful, but exceptional, practice.

In terms of income stability, GEs provide exactly the same as other companies and this stability depends on the contract, namely on whether it is fixed or long-term. Some GEs employees may be paid more than core staff, as a recognition of their adaptability and polyvalence. Regarding income levels, the question is more complex, but according to law it is up to the employer to make sure core and shared workers get the same income. In GEs belonging to the same collective bargaining agreements income levels are the same for people working in a GE or in one of the member companies. There are recurring discussions in multi-sectoral GEs on the collective bargaining agreement that should apply. The rule is that a maintenance and repair technician working, for example, in a metalworking company and a chemical one, is subject to the metalworking collective bargaining agreement when he or she works for the former and the chemical one when working for the latter. This applies for the wage elements as well as for the working time and, in some cases, it creates a certain level of complexity while occasioning some small but existing differences in earnings between people working in the companies and those employed by the GE. Discussions regularly take place on whether a strategic employee sharing collective bargaining agreement should be negotiated or not, without result for the moment.

Workers are able to increase their employability by developing new skills through the performance of different tasks in different companies. There is no data on training in the GEs, but in Poitou-Charentes it is said that training expenses are twice higher in GEs than in other companies. This can be considered favourable to workers, however it is difficult to say whether this contributes to attracting people to GEs since not all workers see training as a beneficial opportunity.

In the field of health and safety at work, the relevant regulations are those of the collective agreement of each company. They apply to workers belonging to the company as well as to those belonging to an employer group.

Strategic employee sharing makes the tasks, responsibilities and task content clearer than casual jobs for the workers and the company: workers generally work in two or three companies, always the same, for a long period of time. Responsibilities depend on the position of the employee not on the affiliation to a GE. For qualified workers, (technicians for example) it may be interesting to work in different companies since it enlarges their skills but in each company the responsibility and content are clearly defined.

None of the interviewed stakeholders mentioned the relation to managers as a problem, but the trade unionist and CRGE director noted that people working in a GE are always part-time in all the companies they work in, and this may be a problem. If for example someone works from Monday to Wednesday in a given company and Thursday to Friday in another one, he or she is not aware of what happened in the other company when they were not present. This kind of problem is very similar for part-time workers.

In the field of social protection workers belonging to a GE have the very same protection as those working in member companies except for those complementary health protections that are called in France 'mutuelles' since they are company-based. Before 1 January 2016, it was not compulsory for companies including GEs to offer a complementary health protection to their employees. However, since then, such protection is compulsory in France for every single company including GEs, whatever its size. But the quality of the protection may be – and generally is – different in a large and a small company. This is nevertheless a problem that GEs encounter since they tend to be small companies, not because of their very nature.

In short, employer groups improve the quality of life for many workers. Many of those interviewed said that being employed by an employer group offered job security and, for instance, makes it easier to take out a loan or to have access to better housing leases with a full-time permanent contract.

It sometimes happens that employment by an employer group acts as a stepping stone towards standard employment. A company may ask more and more frequently for the same workers, to the point that the worker is almost exclusively working for one company. If the company has gained the capacity to hire the employer group's worker directly to its permanent staff, the employer group's worker is offered the permanent position.

As concerns risks for employees, some people find it difficult to work in two or three different workplaces. To mitigate this issue, GEs usually have long-term planning, and are transparent with workers and companies about the dates and periods of time during which a given worker will be in one or another workplace. However, the fact remains that, when someone works in two companies, it may be more difficult for him or her to adapt to two (or three) different sets of regulations and rules (health and safety, day to day organisation to name a few) and sometimes to be fully integrated into a given working group. In practice, the CRGE Languedoc-Roussillon asks its members to prepare a briefing for the employee when he/she comes back to its company to inform them on changes that happened within the company during the period they worked somewhere else (new process, new manager, new tools) Also, GE managers or usual employers are invited to maintain contact, mainly via e-mail, with the employees during the periods they are working for another employer.

People working in strategic employee sharing organisations in Poitou-Charentes estimate that a three-thirds rule applies: a third of the workers cannot bear working in different places and

leave as soon as possible, one third like this arrangement, and the remaining third do not mind it as a medium-term solution.

For participating companies, Employer groups are considered as a beneficial instrument in that they offer greater flexibility. Companies do not have to be preoccupied with the consequences of dismissals and can quickly find qualified and experienced workers as and when needed. Generally, companies claim to be very satisfied with the services provided by the employer group and with the work provided by employer group workers. GEs are a way to access to human resources they would otherwise have no access to. In the interviews, certain qualifications are often quoted. In the case of maintenance technicians, quality safety and environment technician, accountant or accountant assistant GEs are useful for companies which need skills without offering to the concerned people attractive employment conditions. The same is true in the case of seasonal activities: it is generally better for an employer to get every year the same workers since they know the company and the job, but is impossible to guarantee to the worker a yearlong occupation in the company.

GEs may be deemed as time-consuming by employers since, as in every non-profit organisation, decisions are shared among employers and every year an annual meeting takes place, gathering all the employers involved. This is nevertheless the other side of the coin of the business of self-organisation. On the other side, GEs bear recruiting costs and time spent looking for relevant people to hire. GEs also cost less to the company than for example temporary agency workers as a GE is by design and regulation a non-profit company.

Joint and several liability towards the shared workforce may hinder the participation of employers since it is more stringent than the option to turn to agency work. However, the two options are typically used for different targets: agency work is useful for replacing an absent worker or facing a business peak or a sudden increase. Shared employees are done for meeting a permanent need that would not be otherwise met.

Since they bring skills and workforce where they are difficult to hire, GEs tend to reinforce business performance, competitiveness and the efficiency of production processes. There is no study to date on the topic, but the long-term results of GEs in Poitou-Charentes sheds light on a possible long-term effect of GEs on the local economy. In the second half of the 1990s, the Chamber of Trades and Crafts of one of the regional department (Deux-Sèvres) set up a GE dedicated to the craft sector. The GE, which goes by the name of Adequat, is still in operation and on the occasion of its 15th birthday in 2013 it reported that it had had 2,230 members over the 15 years of its existence (about 60 members in 2015) and had given birth to 1,830 long-term contracts as well as to the creation of 52 business companies. Such results can easily be explained: the craft sector is made of very small companies with no or very few workers. Adequat offered to those who needed part time or seasonal skilled workers the opportunity to get them without bearing the administrative constraints linked to HR management. As they are also trained, those workers are naturally hired on a permanent basis when activity grows and some of them become craftsmen thus contributing to business creation.

The creation of a GE relies on the employers' willingness to cooperate but does not seem to foster clusters or other forms of networking. They are sometimes deemed by employers as a way to implement their corporate social responsibility and acquire a better image.

Strengths and weaknesses

While employer groups have proven to be an advantageous instrument for both employers and employees, they are yet to become widely applied. Despite their strengths and effectiveness, they seem to suffer from a lack of coherence and cohesion, probably due to the absence of a general and single employer group law and the lack of interest of the social partners on this issue.

No specific law dealing with employer groups exists in French legislation and only partial adjustments have been made over the years to more general legislation that partially regulates employer groups. As a consequence, the initial objective of the employer group has been lost and distorted and some of the reforms have made the system rather difficult to understand (Casaux-Labrunée, 2012). Calls have been made for the adoption of a general law specific to employer groups, that would summarise the legal regime and all conditions linked to it.

The stakeholders highlight a concern about the legislative changes that may impact the functioning of GEs, such as tax regulations on VAT. The president of the Languedoc-Roussillon CRGE stressed that GEs do not have enough visibility for legislators to take into account their specific issues. To solve this, he suggested the CRGEs in the 13 new regions to coordinate nationally to give one voice for the GEs in the national debate. As an example, he highlighted that the tax regulation does not allow to have in the same GEs organisations that are subject to the payment of VAT (as a horse riding club) and others that are not (as a basket sport association supported by a municipality). Even if it could make sense to build a GE between such organisations, it is not allowed and the CRGE has to create two GEs for each category. For the president, GEs are too weak to obtain changes in the regulation or to be consulted before such regulation is adopted.

The level of engagement, dialogue and initiative to establish employer groups by governments, employers' and employees' representatives, can be measured by the level of financing of the Languedoc-Roussillon CRGE by public authorities (around 85% of its financial needs) and by the fact, quite rare in the national context, that all the employers' and employees' organisations participate in the Languedoc-Roussillon CRGE. It means that unions agreed that GEs played a role in job creation on the regional level. Eight years after its creation, its financing has been secured for five years through its integration, in a document called 'Contrat de Plan État Région' (State - Region middle-term contract). Even though the Languedoc-Roussillon CRGE was born of regional social dialog and was one of the outcomes of the Conférence Régionale du travail (Regional Labour Conference), and though the regional employers' and employees' organisation are on its board, strategic employee sharing is not very well-known among social partners, according to the President of the GE, who is a union representative. The so called 'reformist unions' are more willing to reach a compromise, support GEs, but others, such as Confédération Générale du Travail (CGT), according to the president of the CRGE (who belongs to Confédération Française Démocratique du Travail (CFDT)), consider GEs as a tool to produce precarious work. According to the director of the CRGE, even if GEs are not well-known by social partners, the presence of social partners' representatives within the board helps dissemination. Moreover, a partnership agreement has been signed with Pole Emploi (PE) to publicise and

share the needs of business companies on part-time and shared times, a next Internet site has been created to promote GEs and a regional forum will be organised every year.

The awareness and understanding of the model of employee sharing among companies is low and GEs are not the form of innovative HR management practices regional companies spontaneously think about. By widening the access of employer groups to larger companies and by making it possible for companies to join multiple employer groups, some stakeholders feel that employer groups are being confused with other forms of employment such as temporary agency work and are therefore losing their originality, particularly in the sense that the solidarity aspect of employer groups is sometimes set aside.

Likewise, some stakeholders are concerned that by trying to liberalise the legislation on employer groups for the purpose of their promotion and development, the Loi Cherpion of 2011 did not really provide greater security for workers.

Observations have been made that although employer groups are supposed to offer permanent, full-time contracts to their workers, some are not playing by the rules and some workers end up with an 'employment relationship with minimalist terms' (Tournaux, 2012) and are actually employed by employer groups on part-time or fixed-term contracts, which is not compatible with the initial purpose of employer groups.

In general, each interviewed actor – be it social partners, participating companies, workers, employer group managements, or experts, academics and representatives of the administration – agrees that according to the original principle, employer groups are a useful innovation that deserve to be better known. However, when asked who should take the lead in making more efforts to promote employer groups, answers are less clear and stakeholders pass the buck to each other. This reaction is rather a paradox: while admitting that employer groups are efficient tools, stakeholders still remain reluctant – not to say afraid – to recommend this innovative and untraditional form of work organisation.

This lack of visibility is one of the greatest shortcomings of employer groups and can be explained by insufficient representation at the national level. As employer groups cover many different activities, it is challenging to speak with one voice to represent the interests and peculiarities of each sector. Therefore, as mentioned above, employer groups are currently organised at two different stages according to categories of employer groups (six national categorical organisations) and geographical sectors (seven regional resources centres – CRGE). None of these limited organisations have the capacity and legitimacy to represent all employer groups at the national level.

At the sectoral level, in March 2012 the UGEF signed a convention with the Ministry of Labour on the development of employment and security of career paths through the use of employer groups. This convention received the support of the former Minister of Labour. However, as a change of majority occurred in May 2012, this convention will probably have to be revised. Besides, some stakeholders feel that the UGEF does not provide enough services to its members to qualify as the national representative of employer groups in France.

There are no collective agreements specific to employer groups. Such are considered to be one way to clarify the situation of employer groups in France (Verkindt, 2012). The position of employer groups' workers (employee sharing, multiple work locations, multi-tasking) would justify the implementation of a common set of minimum rights.

It could help to improve the structuring of employer groups and consequently make them more coherent at national level. However, employers' organisations are particularly concerned that this would create more bureaucracy and would actually hinder the development of

employer groups by damaging flexibility.

Some employers say the objective of employing workers on a full-time basis through an employer group is difficult. If employees are hired on full-time contracts and the employer group does not find enough positions in participating companies to guarantee full-time engagement, the burden is on the employer group to compensate the employees. There is a proposal for a transitional status which would be based on the same principle of sick leave, and which would allow employers to receive financial support to compensate workers for staying at home when there is not enough work to guarantee full-time employment. This idea has not really been discussed yet.

Transferability

France took its role as a precursor in the creation of employer groups very seriously and shared its expertise with other European countries.

The CRGE Poitou-Charente had already supported Germany and Belgium to set up employer groups in their territory. Likewise, Austria has also recently decided to try out the model. To facilitate and encourage the development of such cooperation and to promote transferability, a convention of European employer groups was held in 2006 attended by representatives from the European Commission and the Committee of the Regions.

The CRGE Poitou-Charente took the initiative in 2008 and, with the help of other similar structures in France, Belgium and Germany, created a European resource centre for employer groups (CERGE). The aim of this centre is to promote and develop employer groups as a flexicurity instrument in Europe and to give support and advice to countries willing to implement such a scheme.

Since then, within the framework of the PROGRESS programme, the CERGE has helped in the implementation of employer groups in Austria, and has initiated contacts for such projects in Greece, Portugal and Italy.

Commentary

In their publication of 2008, Dalichoux and Fadeuilhe concluded with five proposals for the future of employer groups. The last of these proposals was to pursue professionalisation of the GEs' permanent staff.

This proposal has been followed up with the creation of a new diploma in employer group management (*Diplôme universitaire manager de groupement d'employeurs*) at the University of Nantes, under the supervision of Jean-Yves Kerbourc'h.

It is a unique initiative that came out of a meeting with the UGEF, during which it was demonstrated that directors and managers were lacking some of the essential tools to professionalise their practice. The aim is to develop an economic model by helping employer group managers avoid mistakes or uninformed decisions.

In accordance with recent developments in the legislation regarding employer groups, particularly since the 2011 Loi Cherpion, another possibility for improvement would be to redefine what an employer group is supposed to be.

The emphasis should be placed on the solidarity aspect of employer groups. Joining an employer group means getting involved in and contributing to the achievement of the dual

objectives of such groups: improving flexibility for companies and security for workers.

A proposal has been made to rename employer groups as 'inclusive' or 'solidarity' employer groups (*groupements d'employeurs solidaires*) because

solidarity is the very base of employer groups. It constitutes the motivation for companies which generally join employer groups and is making this process rich and useful. Without it, and to meet the needs for short-term jobs, companies could equally turn to usual forms of flexibility that are fixed-term contracts or temporary agency work. Solidarity is exactly what makes the difference between employer groups and other types of employment.

Casaux-Labrunée, 2012

This concept of solidarity is more easily assimilated by some sectors, such as the agricultural or the sports and recreational sector (Artis, 2013). However, this does not mean that limiting employer groups to a few activities is seen as a solution. Even if it is more difficult to articulate the needs of some sectors, French employer groups are seen as open to different types of activities.

Recent developments since the adoption of the Loi Cherpion suggest that flexibility is starting to prevail at the cost of security. In the attempt to develop GEs, some of their original objectives might have been forgotten (Casaux-Labrunée, 2012) and quality of work is unfortunately not always guaranteed (Artis, 2013).

While trade unions recognise that managing work schedules so as to guarantee full-time employment is not an easy task for employer groups, they would nevertheless welcome a provision which would limit – if not forbid – the use of fixed-term contracts for employer groups, except for the replacement of an employee who is absent.

More generally, trade unions stress that overall efforts need to be made to improve the working conditions of employees of employer groups. A general call has been made to better address the personal situations of workers and work-life balance of individuals, particularly for workers who have to move between remote workplaces.

Finally, trade unions would welcome further steps to ensure that employer group workers have access to professional training to increase their employability, and access to the social advantages and employee representatives of the receiving companies.

Another recent legal development in the French system has been much discussed by employer group stakeholders. This law is not directly targeted at employer groups, but it reforms the overall system of part-time employment in France. It stipulates that a part-time contract of employment cannot be concluded for less than 24 weekly working hours. The objective was to grant workers more security and to try to avoid precariousness when working part-time. This rule can be waived in collective agreements or, in certain circumstances, on an individual basis by negotiation between the employer and the worker.

As part-time legislation has an impact on employer groups, some managers were worried that the fact that 'short' part-time engagements are not allowed anymore would complicate their work in finding complementary positions for workers, as some sectors need contracts of less than 24 hours a week. Even though workers are often employed under full-time contracts by employer groups, some employer groups also resort to part-time or fixed-term contracts. This particularly concerns newly established employer groups that may find it easier to begin

operating with short part-time contracts.

However, this is not the core purpose of employer groups. Employer groups are supposed to be a solution that provides full-time employment. This new law could, in fact, help to promote employer groups as way in which companies could comply with the 24-hour requirement. Some stakeholders even say that the failure to specifically mention employer groups in this law was a missed opportunity.

Information sources

Websites

CERGE (Centre Européen de Ressources des Groupements d'Employeurs): <http://fr.cerge.eu/>

CRGE (Centre de Ressources pour les Groupements d'Employeurs) Poitou-Charente: <http://www.crge.com/>

UGEf (Union des Groupements d'Employeurs de France): <http://www.ugef.fr/>

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