



#### PARIS

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Admitted to the Bar in 1997, Lionel Paraire founded Galion in 2008. He worked for six years with Jeantet Associés and then at Baker & McKenzie, followed by Mayer Brown, where he became Of Counsel.

He is a senior lecturer at the University of Montpellier I (DJCE and Certificate of Special Studies in Labour Law), where he teaches employment litigation.

Lionel has developed an acknowledged expertise in the area of individual employment relations and (high-risk) litigation and dispute resolution. He regularly assists companies with restructuring, and the labour and employment law aspects of corporate transactions. His activity extends towards Alternative Dispute Resolution (ADR), notably as a mediator.

He is a member of various national and international organisations: Avosial (Association of French Employment Lawyers Association); EELA (European Employment Lawyers Association); and IBA (International Bar Association). He is also an active member of IR Global.

Founded in 2008 by Lionel Paraire, Galion is an independent French business law firm dealing exclusively with labour and employment law and specialising in advice, litigation and dispute resolution.

Close to its clients, Galion creates and develops 'madeto-measure' solutions adapted to their needs, culture, business and organisation.

The approach is based on three fundamental points:

- Technical excellence maintained in a context of increasing legal uncertainty;
- Pragmatic vision and a strong corporate culture to act effectively; and,
- Partnership, availability and commitment, essential in creating a close-working relationship with HR, legal and top management teams.

Galion advises French and international clients, comprising companies of various sizes (small & medium sized, public companies, subsidiaries of multi-national groups) in the industrial, banking, insurance, luxury, new technologies, consulting services, telecommunication and medical sectors.

### LABOUR LAW

# Efficient Negotiation: the new keystone of French labour law

Negotiation has undoubtedly turned into the new keystone of French labour law, due to two recent major pieces of legislative reform relating to industrial relations and employment litigation.

No less than five orders were adopted on 22 September 2017, as part of the 'flexisecurity' movement, with the aim of revising our old labour code, while modernising social dialogue and work relationships in France.

Order No. 2017-1385 relates to the reinforcement of collective bargaining, and facilitates company-level bargaining, for a greater adaptability of the social norm. The new legislation redefines the rules of articulation between branch agreements and company agreements, and recognises a universal right to bargaining, by facilitating its conditions in the absence of union representatives.

The general public now has access to company agreements through a national platform put online on 28 March 2018 by the Ministry of Employment. But if more weight is to be given to company-level bargaining, then companies should be provided with the means for effective and fair bargaining, carried out by competent and consistent actors. This is the objective of Order No. 2017-1386, relating to the new organisation of the social and economic dialogue within a company, and facilitating the carrying out and valuation of trade-union responsibilities, which clarifies the scope and facilitates the conditions of the social dialogue.

The unique staff representation is made possible by the merger of the staff representatives, the employee representative committee and the health and safety committee into a new body, called the Social and Economic Committee (CSE). In this respect, the reform is quite radical: the requirement for a CSE affects all companies above all employees and shall be effective on 31 December 2019 at the latest. Furthermore, a more complete form of the CSE, the company council, may be put in place by a majority company agreement, or by an extended branch agreement.

The reform, thus realised, constitutes the most important labour law reform since the famous 1982 Auroux laws. With more than 400 pages in the Official Journal, the extent of the change is considerable. Securing individual work relations and simplifying and optimising collective work relations (both representation and negotiation-wise) are the key works of the reform.

We must, however, not rush into judging its efficiency and effectiveness. A few months, probably ultimately running into a few years, are necessary before we can note improvements, especially given that such improvements will be made effective only with the help of those involved in labour law (employers and employees, social partners, judges, jurists, HR services and lawyers) who must now grasp all the potentialities of the reform.

Another example of the need to negotiate can be found in the area of employment litigation. Despite the reforms carried out between 2015 and 2017 notably aiming at improving the functioning of the labour courts and decongesting them, the employment tribunals' and courts of appeal's caseload remains significant.

A large decrease in requests made to employment tribunals have already been noted. Litigants have had trouble appropriating the obligation to bring an action before the employment tribunals by means of an application containing a brief presentation of the grounds of each originating motion along with evidence.

The Order No. 2017-1387 has also set a schedule of compensation in case of dismissal without real and serious cause, which has reduced the hopes of gain from many employees. But some employment tribunals have begun to criticise and bypass this schedule, considering that it does not conform with the principles stated by article 10 of the ILO convention No. 158...

Facing this legal uncertainty, litigants still have a place to negotiate. Negotiation can take place before courts (conciliation is a compulsory preliminary phase in proceedings before the employment tribunal) or out of courts (alternative dispute resolution which is not common practice has also been promoted by the reforms in order to reduce the need of justice).

These are exciting times for experienced French labour lawyers.