

MINISTRY FOR EMPLOYMENT, SOLIDARITIES AND WOMEN'S CONDITION

NOTE 1

Employment Authority

<u>Objet :</u> Note on labour law applicable in French Polynesia

<u>Att.</u>: Guide for employment contract

The legal framework for Labour relations between TNOF and its employees is set by:

- 1. The Labour Code of French Polynesian,
- 2. Collective (bargaining) agreements that may be applicable in the enterprise and whose provisions must comply with the Labour Code,
- 3. The employees' employment contracts, whose provisions must comply with the Labour Code and collective bargaining agreements, where applicable.
- 1. <u>The Labour Code includes provisions regarding in particular:</u>
 - a. Individual Labour relations:
- The employee must be registered by the employer with CPS (Social Security fund) before he or she is recruited,
- The employee must have a written employment contract in certain cases (fixed-term contract or part-time contract)
- But in other cases, the signing of the written contract (or the handing of a recruitment letter) enables to specify certain clauses (specially the existence of a trial period during which the contract may be terminated more easily)
- The contract termination procedures are precisely determined.
 - b. <u>Collective Labour relations:</u>
- The possibility for trade unions to be represented in the enterprise and their ability to negotiate agreements with the employer
- The obligation for the employer to put staff representatives (from 11 employees upwards) and an employee representative committee (from 50 employees upwards)
 - c. <u>Working conditions:</u>
- Statutory working time (39 hours per week) and salary supplements for hours worked beyond such duration,
- Maximum working time (10 hours per day and 48 hours per week) and the minimum rest time between two working days (11 hours),
- Paid annual leaves (5 weeks per year) and other leaves.
- Minimum salary (SMIG) with current amount at 904.82 XPF for one hour of work (the actual cost for the employer is increased by around 30% because of social security contributions paid to CPS).

The salary is increased according to the worker's length of service in the enterprise (3% of the salary after three years, then 1% more per additional year of service, up to a maximum of 25%).

- d. <u>Health and security at work:</u>
- Obligation from the employer to carry out an assessment of the risks at work to which employees are subject and to implement an action plan;
- Safety regulatory requirements;
- Setting up of a CHSCT (committee for hygiene, safety and working conditions) from 50 employees upwards;
- Obligation to be registered with a health organisation and to check the medical ability of employees to work on their workstations
 - e. Employment and vocational training:
- Obligation to get a work permit for foreigners;
- Obligation to recruit disabled employees (2% of staff for enterprises having at least 25 employees);
- Mechanisms to assist recruitment and vocational training.

2. <u>Collective (bargaining) agreements</u>

The main professional sectors have collective bargaining agreements which specify and complete the provisions of the Labour Code.

TNOF's main activity, "aquaculture at sea" is not covered by any existing collective bargaining agreement. However if in the future the main activity becomes fish processing, the question for the application of the collective bargaining agreement of the industry would be raised.

The enterprise will be free to enter into any company agreements with the trade unions that are present among its employees, and even to work towards the signing of a collective bargaining agreement specific to their sector of activity.

3. Employment contracts (work contracts)

The employment authority of French Polynesia has issued a "Guide for employment contracts" consisting of eight sheets gathered in the attached document.

The work contract in particular specifies the qualification for which the employee is recruited and the corresponding remuneration and the length of the trial period.

If there is no written contract, the work contract is deemed to be an open-ended full-time work contract.