



France drops proposal to cap severance packages

As part of radical proposals to change the country's labour code, and in a move which had been welcomed by employers' organisations, the French government had planned to introduce a total cap on severance pay for dismissals.

However, following widespread public protests against these proposed changes, the government has now significantly watered down its proposals and has dropped this aspect of the bill.

Further reforms, including changes to give employers more flexibility to agree in-house deals with employees on working time, are being proposed and are due to be debated in the French Parliament next week.