

SALARY AND REMUNERATION

The salary is the consideration for the work done. It is freely fixed between the employer and the employee or unilaterally by the employer according to custom or collective agreements.

Remuneration is a more general notion which refers to all benefits of any kind received by the employee according to the work contract.

PUBLIC SERVICE REMUNERATION

The remuneration in the public service is composed by :

- a basic salary (indexed salary, residence allowance, family salary supplement and new indexed bonus (*),

(*) except for contractual employees.

- bonuses and allowance (for example : transport allowances),

- employee contributions, which differ according to the status of the employee (civil servant/contractual),

THE CALCULATION OF THE SALARY

- The salary grid is used to determine the increased index to which each trade, grade and level corresponds.

The index point is used to calculate the gross salary of civil servants and some contractual agents (paid by reference to an index).

- The gross salary is calculated by multiplying the increased index (IM) by the annual value of the index point.

- The monthly value of the index point on 1st July 2022 is €4.85003,

- Full cost of the employer = basic salary + bonuses and allowance + employer contributions

- Gross salary = total employer cost – employer contributions

- Net salary before income tax (net taxable) = gross pay – employee contributions

- Net salary after tax (net payable) = net taxable salary – income tax (or withholding tax)

n.b. : Employer and employee contributions (« charges ») vary every year and may change between a public and a private organisation.

n.b. : The withholding tax rate at depends on the total annual income received and the family situation. If you have not personalised your withholding tax rate with the tax office of your place of residence, your employer will apply a default rate based on the gross salary.

- Simulation/Calculation of gross to net salary

>> <https://code.travail.gouv.fr/outils/simulateur-embauche>

THE PAY SLIP

The pay slip is a mandatory document established by the employer and given to the employee when the salary is paid. It includes mandatory informations ; the content varies according to the type of employer. It must be retained until retirement. =For the State public service, the slips can be downloaded online from the ENSAP website ; they are kept for one year after the retirement of the employee.

>> <https://ensap.gouv.fr/web/accueilnonconnecte>

when you first log in, all you have to do is create your personal space with your social security number

The public service pay slip can be divided into three parts:

1) General informations (number of the establishment of employment, name of the establishment, trade and grade, level, salary index, working time)

2) Remuneration elements, "to be paid" (what is paid to the employee), "to be deducted" (what the employee pays as contribution), "for information" (what the administration pays for the employee)

- Gross salary

- Residence allowance

- Contributions on retirement pensions with a ceiling

- Non-deductible generalized social contribution (CSG)

- Deductible general social contribution (CSG)

- Social debt repayment contribution (CRDS)

- De-capped old-age employee contributions

- Employee pension contributions

- Income tax deducted at source

- Autonomy solidarity contribution

- Unfunded health contributions

- Employer's contribution to health insurance

- Unemployment insurance contributions

- Mobility payment contributions

- Net salary to be paid before income tax

- Unfunded old-age pension contributions

- Employer's contributions for family allowances / increase

- Employer's contribution to family allowances/increase

- Employer's contribution to the national fund for occupational accidents

- Employer's contributions to the national housing fund (FNAL)

- Contribution old-age pension contributions

3) Employee details, bank account number, date of salary transfer, calculation of amounts to be paid (including net salary after tax)

MONTHLY SALARY PAYMENTS

The annual working time is set at 1607 hours. Work is organised collectively according to a 5-day weekly cycle.

Monthly remuneration is an average calculated on the basis of the legal or contractual weekly working hours. It does not depend on the number of days worked in the month.

For a full-time employee in a company that applies the legal working week of 35 hours, it is
 $(35 \text{ hours} \times 52 \text{ weeks}) / 12 \text{ months} = 151,666 \text{ hours / month}$

LEGAL NATIONAL HOLIDAYS

Article L 3133-1 of the French Labour Code sets out the list of legal national holidays considered as public holidays: (1) New Year's Day (1st January), (2) Easter Monday, (3) Labour Day (1st May), (4) Victory in 1945 (8th May), (5) Ascension Day, (6) Whitsuntide, (7) Bastille Day (14th July), (8) Assumption Day (15th August), All Saints' Day (1st November), Armistice Day (11th November), Christmas Day (25th December).

GLOSSARY

The "**contribution sociale généralisée** (CSG)" and the "**contribution au remboursement de la dette sociale** (CRDS)" are social contributions on earned income (including wages) and on replacement income (unemployment benefits, retirement pensions, etc.).

These contributions also apply to income from property and capital, with some exceptions.