

## LAW &amp; POLICY GROUP

**GRIST****BASING DISMISSAL BENEFITS ON PARENTAL LEAVE SALARY IS DISCRIMINATORY, EU COURT SAYS**

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The amount of compensation dismissal and redeployment payments paid to a full-time employee who was on part-time childcare or parental leave (as permitted by national law) at the time of her dismissal must be calculated on the employee's full-time salary, the EU Court of Justice [ruled](#). The court said that using the employee's reduced salary to calculate her dismissal payments and redeployment allowance is potentially indirect discrimination because it disadvantages more women than men, and is contrary to [EU law](#).

The case concerned an employee in France who received reduced severance and redeployment payments on her dismissal as part of an organizational lay off due to the company's economic circumstances. The employee had taken two periods of maternity leave followed by parental leave during which she reduced her working hours by one-fifth. She was dismissed during her final period of parental leave and accepted a redeployment allowance during her notice period — the allowance aims to help laid-off employees acquire new skills and receive job search support. The French court — which referred the matter to the EU court — noted that 96% of workers who take parental leave in France are women.

## RELATED RESOURCES

- [Judgment in Case C-486/18 in Praxair MRC](#) (Court of Justice of the European Union, 8 May 2019)
- [Council Directive 96/34/EC on the Framework Agreement on Parental Leave Concluded by UNICE, CEEP and the ETUC](#) (Eur-Lex, 3 Jun 1996)

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