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Position Paper

EurECCA welcomes the ruling of the Paris Court of Appeal upholding Ryanair's conviction for circumventing French labour law

The Paris Court of Appeal confirmed the Irish airline's conviction of a fine and compensation of 8.67 million euros for undeclared work.

The Irish airline Ryanair has just suffered a new setback in the legal conflict that has pitted it against French social protection agencies and trade unions for a decade. The Paris Court of Appeal has confirmed the sentence on the low-cost carrier for concealing the status of Cabin Crews. According to the judges the company "deliberately evaded French social legislation" through what it describes as a "fraud".

The proceedings against Ryanair were started at the end of 2009, following a report from the Central Office for the Fight against Illegal Employment and complaints from several employee organizations and the *Caisse de Retraite du Personnel Navigant – CRPN* (Retirement Pension Fund for Professional Air Crew in Civil Aviation).

The Irish company was prosecuted for having employed 127 employees at Marseille-Marignane airport under Irish contract covered by Irish social security between 2007 and 2010, without registering with the commercial register, without declaring to URSSAF (the French network responsible for collecting employer and employee social protection contributions) and avoiding paying social security contributions in France.

The Irish company was also found guilty of "obstructing the exercise of trade union rights, the constitution, the freedom to appoint members of the Work Council and the free designation of Cabin Crew representatives".

Ryanair justified these practices by arguing that its aircrews based in Marseille-Marignane were working on aircraft registered in Ireland where its head office was located and its Marseille-Marignane base was not a permanent establishment but only a place for boarding and disembarking its passengers. Reason why according to the Irish company the aircrews concerned were subject to Irish social security legislation.

In this case, Ryanair had already been sentenced in October 2014 to the same sentence by the Aix-en-Provence Court of Appeal. But the Irish company appealed to the Court of Cassation (the highest French appeals court, which only rules on points of law) and, in 2018, the Court of Cassation overturned this conviction and ordered a new appeal trial for complex legal reasons, in the light of decisions a few months earlier by the Court of Justice of the European Union (CJEU) relating to European certificates known as E101 establishing the affiliation of the employees concerned to the Irish Social Security.

This is how the case ended up before the Paris Court of Appeal.

The Paris Court of Appeal retained “the false declarations of residence of the employees” to establish the fraudulent E101 certificates. Some employees were in fact declared at the address of Ryanair’s head office in Ireland, whereas their employment contract mentioned a French address.

At the end of the investigations, the company was referred to the correctional court of Aix-en-Provence and ordered in October 2013 to pay some 8.67 million euros in damages. A little over 80% of this amount was awarded to URSSAF and CRPN, to compensate for the losses caused by the fact that the carrier had not paid its contributions in France, but in Ireland, where the level of deductions is lower.

According to the judges, Ryanair "organized de facto social dumping" and "created a situation of unfair competition with respect to other airlines which complied with national legislation."

EurECCA considers this judgement, a victory for European Cabin Crew. It promotes fair competition and prevents a race to the bottom, creating better working conditions and better social protection.

EurECCA represents, protects and develops the rights and needs of all cabin crew all over Europe

About EurECCA: established in Brussels in 2014, the European Cabin Crew Association, EurECCA, represents, protects and develops the rights and needs of cabin crew all over Europe. It is composed of cabin crew unions from European Union Member States as well as accession and bordering states and represents some 33,000 cabin crew accounting for 70% of all organized cabin crew in Europe. EurECCA has no political connections. EurECCA's work is around Cabin Crew working conditions, wages, social protection and health and safety at work.

[EurECCA European Cabin Crew Association AISBL](http://www.eurecca.eu)
[Rue du Commerce 20-22](http://www.eurecca.eu)
[1000 Brussels, Belgium](http://www.eurecca.eu)

www.eurecca.eu
contact@eurecca.eu