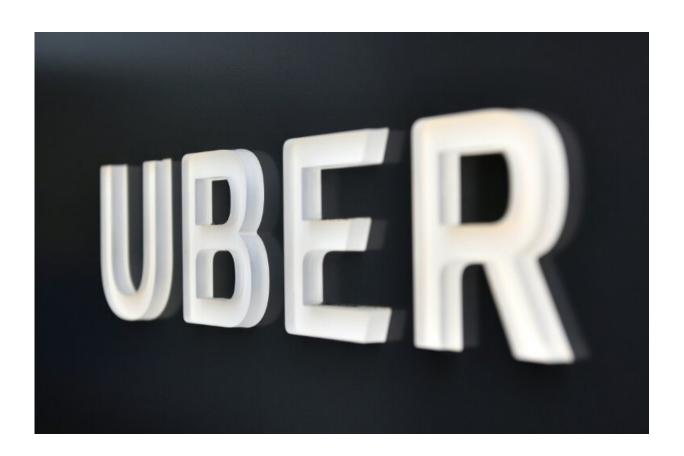# French court backs Uber driver in key gig-economy case (Update)

January 11 2019, by Lucile Malandain

A setback for Uber in France, but a 'landmark decision' for a former driver

Ride-hailing giant Uber said Friday that it would appeal a fresh legal setback in Europe after a French court ruled a former driver who sued the firm effectively had a work contract, potentially undermining a pillar of the US group's business model.

The driver's lawyer Fabien Masson hailed the appeals court ruling as a "landmark decision," though it was unlikely to force Uber to recognise its French drivers as fully fledged employees anytime soon.

Uber has long argued that it merely a service provider with drivers who are self-employed, able to work when and where they want.

That strategy has drawn a flood of private drivers who now operate alongside established taxi services worldwide, which often bristle at what they consider unfair competition.

"We're going to appeal this decision" to France's top Court of Cassation, an Uber spokeswoman told AFP on Friday, insisting on the need to maintain "flexibility" with its drivers.

"Drivers choose to use the Uber application for the freedom to connect to it when they want," she added.

But the Paris appeals court said the "registration partnership" Uber agreed with the driver who sued in 2017 effectively gave it "control" over the terms of his work.

It found, for example, that the driver could not freely choose clients or set his own rates.

As a result the court sent the case back to a specialised employment tribunal, though first the Court of Cassation must render its ruling.

'Completely logical'

The French ruling follows a similar court decision in Britain last month that Uber should grant rights including the national minimum wage and holiday time to its drivers.

But Uber argues such requirements would jeopardise a strategy which has allowed it to spread to some 630 cities worldwide.

Uber drivers in Britain have been demanding better rights

The European Court of Justice has also determined the US group to be a transportation service, subject to the same regulations governing traditional taxis and other ride providers.

In the French case, the driver, who stopped working for Uber in 2016 after providing some 4,000 trips in under two years, sued to have his "commercial accord" reclassified as an employment contract.

He was seeking reimbursement for holidays and expenses as well as payment for "undeclared work" and unfair contract termination.

He sued after Uber deactivated his account, "depriving him of the possibility to get new reservations", according to the court.

Franck Heas, a law professor at Nantes University in France, called the ruling "completely logical," adding that it could "set a precedent."

"If there's a work contract, then labour laws must be applied," he said.

Model in doubt?

European authorities have been increasing their pressure on Uber, a pioneer in the so-called "gig economy" of using freelancers to offer a cheap and easy alternative to payroll staff.

Last month it lost an appeal in Britain of a ruling ordering it to pay a minimum wage and offer holiday time to its roughly 40,000 drivers in Britain.

In Portugal and Spain, taxi drivers staged a series of protests last year seeking to force Uber to comply with the same regulations governing

traditional tranport companies.

Such rulings could force Uber to rethink its development strategy as it prepares for an initial public share offering this year potentially worth billions of dollars.

"It throws into question Uber's ecosystem and business model, based on this idea of independent contractors," Heas told AFP.

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