



## UBER

Wednesday, 4 March 2020

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The French Court of Cassation has decided to reclassify the contractual relationship between *Uber* and a driver as an employment contract. Indeed, when connecting to the *Uber* digital platform, a relationship of subordination is established between the driver and the company. Hence, the driver does not provide services as a self-employed person, but as an employee.

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### Facts and Procedure

*Uber* connects ride-hailing drivers and customers via a digital platform.

After *Uber* closed a driver's account, the driver called upon the industrial tribunal to reclassify the contractual relationship with this company as an employment contract.

The Court of Appeal acceded to his request.

### The question put to the Court of Cassation

When performing a service for *Uber*, is a driver, filed in the trade registry as a self-employed person, bound by a relationship of subordination with that company which thus justifies reclassifying the contractual relationship as a contract of employment?

### The response by the Court of Cassation

The criteria for self-employment include the possibility of building up one's own clientele, the freedom to set one's own rates, and the freedom to set the terms and conditions for providing one's services.

Conversely, in the context of an employment contract, the relationship of subordination is based on the employer's power to give instructions, to oversee their execution and to sanction non-compliance with the instructions given.

Drivers who use the *Uber* application do not build up their own clientele, do not freely set their rates, and do not determine the terms and conditions of providing their transportation service. The company imposes the itinerary and the driver's fare is adjusted if this itinerary is not followed. The destination is unknown to the driver, thereby revealing that the driver cannot freely choose the route that suits him/her.

In addition, if the driver has declined more than three rides, *Uber* may temporarily disconnect the driver from its application. In cases where an order cancellation rate is exceeded or if "*problematic behaviour*" is reported, the driver may lose access to his/her account.

Lastly, the driver participates in an organised transportation service for which *Uber* unilaterally determines its terms and conditions.

Thus, all of these elements characterise the existence of a relationship of subordination between the company *Uber* and the driver when connecting to the digital platform, the driver's self-employed status being merely fictitious.

The fact that the driver is not obliged to connect to the platform and that this absence of connection, irrespective of its duration, does not expose the driver to any penalty, are not taken into consideration when characterising the relationship of subordination.