

Partial employment for air crew members due to the COVID-19 Coronavirus epidemic

This informational guide was updated following the subsequent publication of a number of legal instruments, in particular France's Government Order No. 2020-460 of April 22, 2020, which instituted a range of measures to deal with the Covid-19 epidemic, the Social Security Finance Act 2021 (LFSS) (Article 8 IV), Decree 2020-1491 of 1st December 2020 on the consideration of periods of partial employment for pension entitlements, and Decree 2020-1786 of 30 December 2020 on the determination of the rates and terms of calculation of the partial employment allowance and compensation, and we have also added examples to make the rules used to calculate days somewhat easier to understand.

PARTIAL EMPLOYMENT AS IT APPLIES TO AIR CREW MEMBERS

In light of the still-ongoing **extraordinary public health crisis**, CRPN joined together with both sides of industry to propose to our Oversight authority that air crew members be able to qualify for partial employment (better known under the former term "partial unemployment").

Indeed, pursuant to the French **Code of Civil Aviation** and the **French Transportation Code**, air crew members' working time is set up to alternate between days ON and OFF work, with no way to convert their working time into an equivalent number of hours. This equivalency is required in order to qualify for the partial employment program.

France's **emergency law No. 2020-290 of March 23, 2020, in response to the COVID-19 epidemic** authorizes the government to issue orders that will facilitate and increase enrollment in the partial employment program.

As a result, the **French government issued order No. 2020-346 of March 28, 2020, and decree No. 2020-435 of April 16, 2020, instituting emergency measures with regard to partial employment** (supplemented by **decree No. 2020-522 of May 5, 2020**) and **Decree 2020-1786 of 30 December 2020**. These instruments allow **air crew members to qualify for partial employment** and set forth the rules for **converting days off work into hours**. **The French Labor Ministry has also uploaded a factsheet to its website** which shows how air crew members' alternating on and off days due to the Covid-19 situation can be taken into account.

NO CRPN CONTRIBUTIONS ON PARTIAL-EMPLOYMENT BENEFITS UP TO A PREDETERMINED CAP

Partial-employment benefits paid to air crew members by their employer do not constitute wages, which means that they are not to be included in the member's CRPN contribution basis.

It follows from the above that **partial-employment benefits are not liable to CRPN contributions.**



However, France's government order No. 2020-460 of April 22, 2020, which institutes a range of measures to deal with the Covid-19 epidemic, sets for an **exception** to this principle, exception which was extended by Article 8 IV of the LFSS 2021 for the periods of employment of the year 2021: **when the total of a claimant's statutory partial employment benefits plus the additional benefit paid by their employer under either a collective agreement or a unilateral decision adds up to more than 3.15 times France's statutory hourly minimum wage ("SMIC"), the portion of the additional benefit that exceeds this amount shall be liable to social security contributions on earned income. This measure applies to benefits for periods of employment from May 1st, 2020.**

FREE CREDITS FOR PERIODS OF CONTRIBUTION-EXEMPT PARTIAL EMPLOYMENT FOR 2020

When exempt from contributions, periods of partial employment cannot be credited to a member's career as accrued through contributions. This means that **periods of partial employment on which no contributions are payable are to be subtracted from the number of CRPN days which the employer enters in their payroll reports** ("DSN", "DADS", and yearly files).

In practical terms, the number of days to be declared is the **difference between 30 and the number of days of partial employment in the month on which no contributions were payable**. A minimum of 1 day must be declared, unless **the entire month is categorized as contribution-exempt partial employment, in which case the count for the month must be entered as 0 CRPN day** (please refer to our informational guide on calculating days).

Examples:

- The count for a month with 10 days of contribution-exempt partial-employment benefits must be declared as 20 CRPN days (these days can have been accrued through actual work, paid leave or related days of rest, etc., assuming that there were no other days with a suspended contract over the course of the month which must also be subtracted from the number of CRPN days to be declared.)
- The count for a full month of contribution-exempt partial employment must be entered as 0 CRPN day.

To keep members' retirement pension entitlements from being adversely affected, CRPN's Board of Directors has issued a **special decision** under which these periods of **contribution-exempt partial employment** will be **treated as periods off work while on an alternating work pattern**, and be able to be credited free of charge **at a later date according to the same rules**. **This change was conveyed in the French Civil Aviation Code by Decree no. 2020-1491 of 1st December 2020 (Article 5), for periods of partial employment running from 1st March 2020 to 31 December 2020.**

This means that these days of **contribution-exempt** partial employment **2020** will be counted toward the member's length of career which is used to assess their air crew pension claim when they retire. **Employers will be contacted to enable identification of the periods of partial employment of 2020**. New texts are expected for treatment of 2021 partial employment.

If a member is liable to contributions during a period of partial employment as from May 1st, 2020, their days must not be reduced and will be credited to their air crew career as accrued through contributions, based on the information declared by their employers.



Examples:

- The count for a month with 10 days of partial employment for which contributions were due on the portion of the additional benefit that exceeds the ceiling must be entered as 30 CRPN days (assuming that there were no other days with a suspended contract over the course of the month which must also be subtracted from the number of CRPN days to be declared).
- The count for a full month of partial employment for which contributions were due on the portion of the additional benefit that exceeds the ceiling must be entered as 30 CRPN days.