

Ab/MOL/4054

15<sup>th</sup> April, 2013

Ms Marit Arnstad  
Minister of Transport and Communications  
Ministry of Transport and Communications  
Akersgata 59 (R5)  
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Norway

**OPEN LETTER**

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Dear Minister,

I refer to false claims made by Parat union and two former Ryanair cabin crew contractors in Norway last week, together with statements which were attributed to yourself and Prime Minister Stoltenberg. Ryanair wishes to advise you of the **FACTS**, to correct the false claims made by Parat in this matter as follows:

1. Unlike SAS, who are cutting jobs and reducing the pay of their workers, Ryanair is growing in Norway, creating jobs and has recently signed a 4 year agreement with its crews which includes a 10% pay increase.
2. All Ryanair aircraft based in Oslo Rygge Airport are on the Irish register and must therefore comply with Irish aviation legislation, which in turn complies with EU and international regulations and legislation. Under Irish tax law, airline crew operating international flights on Irish registered aircraft, which are managed from Ireland, must pay their taxes here in Ireland and not Norway. Please see attached Irish tax law.
3. All Ryanair pilots and cabin crew are employed to operate on these Irish registered aircraft, which under the Chicago Convention are part of the Irish territory. They are employed under Irish contracts, they are paid in Ireland, and pay their taxes and social taxes in Ireland, in full compliance with both Irish and EU law. The pay figure quoted by Parat last week of €15,000 (NOK 115,000) is false because it refers only to one cabin crew member, who in 2012 was employed for less than 9 months. The average pay of Ryanair's cabin crew in Oslo Rygge for a full 12 months is between €23,000 (175,000 NOK) to €35,000 (270,000 NOK), depending on whether they are junior or senior cabin crew members.
4. Cabin crew who are directly employed by Ryanair at Oslo Rygge and elsewhere enjoy all the benefits of Irish employee legislation, which entitles them to full sick leave benefits, the right and freedom to join a trade union should they so wish, as well as the prospect of job security and rapid promotion prospects, as Ryanair continues to grow. Crewlink employees who work on contract on Ryanair aircraft have all of the rights and entitlements associated with contract work and are protected under Irish legislation.

5. The attractive pay, growth opportunities, promotional prospects and job security which Ryanair's pilots and cabin crew enjoy contrasts markedly with the lack of job security and jobs cuts and pay cuts currently being suffered by crews at SAS Norway. As you will be aware in 2013 SAS has imposed 6,000 job cuts, and 17% pay cuts upon its people.

We find it surprising at a time when Ryanair is investing in, growing and creating jobs in Norway that we should be the subject of inaccurate claims by Parat and then criticised wrongly by Norwegian Ministers and your Prime Minister.

If, as these comments suggest, you support the policy of job cuts and pay cuts in high fare SAS, then perhaps you should publicly declare this support. However there is clearly no basis for calls for a boycott of Ryanair's services, when we employ 8,500 people, in full compliance with Irish and EU law, in good jobs, with rapid promotion prospects, security of employment and a recently agreed pay increase.

Should you require any factual information in relation to Ryanair's compliance with all EU safety standards, tax and employment legislation, please feel free to call me at any time.

Perhaps the Norwegian Government might now confirm its support for companies who are investing in, and creating jobs in Norway, as well as Norway's support for EU rules on the free movement of services and labour in international aviation which Norway has signed up to under the EEA Agreement and the European Common Aviation Area Agreement.

Yours sincerely



Michael O'Leary  
*Chief Executive*



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*Number 6 of 2011*

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**FINANCE ACT 2011**

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ARRANGEMENT OF SECTIONS

PART 1

INCOME LEVY, UNIVERSAL SOCIAL CHARGE, INCOME TAX,  
CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 1

*Interpretation*

Section

1. Interpretation (*Part 1*).

CHAPTER 2

*Income Levy and Universal Social Charge*

2. Cessation of charge to income levy.
3. Universal social charge.

CHAPTER 3

*Income Tax*

4. Amendment of section 15 (rate of charge) of Principal Act.
5. Age exemption.
6. Personal tax credits.
7. Benefit-in-kind taxation.
8. Taxation of lump sums.
9. Amendment of section 470B (age-related relief for health insurance premiums) of Principal Act.
10. Employee share schemes.



“127B.—(1) Income arising to any individual, whether resident in the State or not, from any employment exercised aboard an aircraft—

(a) that is operated in international traffic, and

(b) where the aircraft is so operated by an enterprise that has its place of effective management in the State,

shall be chargeable to tax under Schedule E.

(2) For the purposes of an arrangement to which this section and section 826 applies, ‘international traffic’, in relation to an aircraft, does not include an aircraft operated solely between places in another state.”.

Exemption of certain earnings of writers, composers and artists.

17.—Section 195 of the Principal Act is amended in subsection (3)—

(a) in paragraph (a) by substituting “subject to paragraphs (aa) and (b)” for “subject to paragraph (b)”, and

(b) by inserting the following after paragraph (a):

“(aa) The amount of the profits or gains for a year of assessment which an individual shall be entitled to have disregarded for the purposes of the Income Tax Acts by virtue of paragraph (a) shall not exceed €40,000 for the year of assessment 2011 and each subsequent year of assessment.”.

Amendment of Schedule 13 (accountable persons for purposes of Chapter 1 of Part 18) to Principal Act.

18.—(1) Schedule 13 to the Principal Act is amended—

(a) by deleting paragraphs 132 and 146,

(b) by deleting “174. Inland Fisheries Ireland.” (inserted by section 8 of, and Part 13 of Schedule 2 to, the Inland Fisheries Act 2010),

(c) by inserting the following after paragraph 180:

“181. Inland Fisheries Ireland.”,

and

(d) by inserting the following after paragraph 181 (inserted by paragraph (c)):

“182. National Consumer Agency.

183. The body known as the Credit Review Office established pursuant to guidelines issued under section 210 of the National Asset Management Agency Act 2009.

184. Health and Safety Authority.