



## UNITE UPDATE

### PAY FREEZE & CONCESSIONS

18th May 2012

Dear Colleague,

As stated in our previous communication on May 4th, your committee and Unite would never enter into a dispute without first exhausting every means of resolving our members' issues in an amicable and agreeable way.

It was with this intention, at the request of your elected representatives, that a meeting took place on the 15<sup>th</sup> May with Ian Ailles (CEO UK & Ireland) at the Thomas Cook Hangar in Manchester, in order to try to resolve the issues around the nil pay award and the arbitrary removal of concessions. Frank Pullman (Airline MD) and David Alexander (Airline HR Director) were also in attendance. **It is with huge sadness that your Committee and Unite have to report that we are extremely disappointed and disheartened by both the conduct of the Company at this meeting, and the subsequent outcome.**

Ian Ailles opened the meeting with a business update detailing the Group's current situation, and strategy. This is something that your Committee and Unite are fully aware and appreciative of.

Your committee then asked for a short adjournment. Following the adjournment, only Frank Pullman and David Alexander returned. **Ian Ailles did not return for the rest of the meeting.** Your Committee felt extremely insulted and devalued by Ian Ailles' blatant disinterest and disregard for anything that we and Unite had to say on behalf of the cabin crew community. The whole reason for requesting the meeting was to have meaningful dialogue with Ian Ailles, who is the main decision maker (Frank Pullman had previously made it clear that he does not have the authority to make any decisions on this subject).

Your Committee was left to raise the relevant points and suggestions for an amicable resolution with Frank Pullman and David Alexander – both of whom had no remit to action any of our proposals. We explained that we did not want to damage the Company or have a dispute. We reiterated that the imposition of the interim concessions scheme and arbitrary pay freeze were not acceptable to our members; this was clear in the results of the consultative ballot back in March.

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We put the following three proposals forward, which we believe are reasonable, achievable and more importantly, affordable for the Company and which would have provided an agreeable resolution:

- 1. To allow crew members who have as yet been unavailable, to utilise their concessions up to the end of October 2012, whilst concessions talks take place;**
- 2. To enter into pay talks in the new financial year (September 2012), in recognition that the crew have been awarded below inflation pay increases over the past three years and the financial loss for the removal of the concession scheme could equate to 12.5% of the average cabin crew salary;**
- 3. To honour the contractual RPI increase on allowances and holiday pay, as per the 2009 harmonisation document, so crew are not 'out of pocket' when operating on Company business or on annual leave;**

The Company refused to budge on any of these proposals and the genuine attempt to resolve the situation. Consequently it was with regret that Unite officers advised the Company that they now intend to escalate the dispute on the back of the result of the consultative ballot.

**STOP PRESS** – We have learned that Ian Ailles has now requested a meeting with the Unite National Officer on Tuesday 22<sup>nd</sup> May. Be assured that your elected representatives will be in attendance. We remain open-minded, but not optimistic about the outcome of this meeting given the nature of the meeting of May 15th. We will issue a further update following this meeting.

As always, please contact one of your local reps if you want to discuss any of the above information.

In Unity,

**Your Reps**