



A Member of



Leeward Islands Airline Pilots Association

P.O. Box 2313, St. John's
Antigua, West Indies.

1 (268) 764-5862

Or: 1 (268) 764-5864

June 06, 2017

Mrs. Julie Reifer-Jones

CEO (Ag.)

(LIAT (1974) Ltd.

P.O Box 819, Coolidge

St. John's, Antigua

Dear Mrs. Reifer-Jones,

The Association is in receipt of a copy of the letter (**Re: IC Ref. No. 58 of 2014 – LIAT (1974) Ltd v LIALPA**), dated 2nd June, 2017, from LIAT's legal counsel Mrs. Stacey Richards-Roach to LIALPA's legal Counsel Mr. Justin L. Simon QC.

We wish to state for the record that we are not surprised by the Company's reluctance to cooperate with Mr. Simon to officially register our January 2017 agreement on the retroactive salary package for pilots and the settlement terms brokered by the Hon. Attorney General and Minister of Labour on May 24th, 2017. LIAT's management continues to demonstrate a pattern of disengagement, lack of good faith, disrespect, and ill will towards the pilot body.

With regard to the new ATR-72 aircraft pay, the Memorandum of Agreement between LIAT and LIALPA is clear.

Section XVII – Crewing, Article 2 states: *In the event that the Company desires to place in operation aircraft of a type other than the aircraft currently in operation or envisaged in (The Preamble of Section II), either party may, irrespective of envisaged provisions of this Agreement, serve written notice for the purpose of negotiating rates of pay, rules and working conditions for such new equipment. The resulting Agreement shall be retroactive in effect. Pending such an Agreement, the Pilots shall work under the terms of this Agreement or such interim Agreement as may be reached.*

The facts of this matter are clear. LIAT and LIALPA have indeed reached an agreement. That has not been denied by LIAT's Legal Counsel. Therefore, the follow-up action of the Company and the expectation of the pilots is payment with no delay or strings attached. Once again, the Company has violated and breached the MOA.

What is also evident based on correspondence between LIALPA and LIAT dated December 05, 2016 and December 12, 2016, is that the Company stalled the negotiations by asking LIALPA to meet with personnel from its Finance Department to review the Company's cash flow situation and projected revenue earnings with the aim of devising an affordable increase for the pilots. It was determined at this meeting that a 7% increase on basic pay and 7% increase on risk pay would be a feasible and manageable option to the Company.

By way of letter to LIALPA dated December 12, 2016 you made this exercise futile by reducing our requested increase to 2% increase on basic pay and 6% increase on risk pay. Despite this reduction, LIALPA accepted your reduced counter-offer but the Company continued to negotiate in bad faith by stalling the implementation of the agreed wage package.

Now by way of letter from Mrs. Richards-Roach dated June 02, 2017 the Company seeks to further delay and frustrate the pilots by once again shifting the goal post. The technical work being done by the Shareholder Task Force is still in its infancy and the terms of reference of the said task force is yet to be shared with and agreed upon by the trade unions within LIAT. This exercise could take months and there is no guarantee that the liability to LIALPA would be a priority to the task force.



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The Company has been reaping the benefits of the pilots' goodwill by their operating the ATR-72 since July 2013, and now seeks further relief from the pilots who have been the only staff body that has undertaken additional responsibility since the introduction of the new type without commensurate pay. Any properly run airline would have been able to meet its obligation to its pilots after a four (4) year grace period and a seven (7) year wage freeze.

The Association is not convinced that it should subject its members to further exposure and responsibility without the agreed compensation. This is a basic principle under which any professional pilot body would operate. The ATR-72 with its increased capacity over the Dash-8 is in fact increased responsibility in terms of passengers and payload.

The well-publicized financial troubles highlighted in the last paragraph of Mrs. Richards-Roach letter is due to the continued incompetence and mismanagement by the LIAT management and is in no way linked to the pilots. The unjustifiable decisions by management such as the cancellation to the morning flight LIAT 560 from Grenada and the pull out of destinations in the northern tier which has led to an expected reduction in revenue. Management lacks the skills and qualifications necessary to come up with innovative ways in which to create new revenue streams to make up for that short fall. Therefore, not even all the Kings horses or all the Kings men and the intervention of the Shareholder Task Force could save LIAT from this fatal decent.

In light of the aforementioned it is the responsibility of the Association to safeguard the earnings of its membership. The Association hereby puts LIAT (1974) Ltd on notice that if the Company fails to agree (via Consent Order of the Industrial Court) with our requested dates for the retroactive payments to be made in two tranches by December 31, 2017 as agreed at our meeting with the Hon. Steadroy Benjamin on May 24, 2017, the pilots and members of LIALPA will be withdrawing their professional services by not operating the controls of any ATR-72 600 series aircraft owned and operated by LIAT.

We will also be issuing a Press Release to explain our position and highlight your unreasonable attitude in the face of our continuing sacrifice, and additionally disclose to the public that your reduced and yet unreliable service is mainly due to the smaller load capacity provided by a severely reduced aircraft fleet compounded by the senseless reduction of our northern routes.

We await confirmation from Mr. Simon reference your compliance with our above stated position.

Respectfully yours,

Carl B. Burke

President LIALPA

Cc. Dr. Jean Holder - LIAT Chairman

Dr. the Hon. Keith Mitchel - Prime Minister of Grenada

Hon. Sir Robin Yearwood - Minister of Aviation, Antigua and Barbuda

Hon. Steadroy Benjamin - Minister of Justice & Legal Affairs, Antigua and Barbuda

Mr. Justin Simon, QC – LIALPA's Legal Counsel

Ms. Stacy Richards Roach - LIAT's Legal Counsel