



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

Honorable Dr. Ralph Gonsalves
Prime Minister of St. Vincent & The Grenadines
Chairman of LIAT Shareholders
Office of the Prime Minister
Administrative Center
Bay Street
Kingstown
St. Vincent & The Grenadines

20th March, 2019

Dear Honorable Dr. Gonsalves,

The Leeward Islands Airline Pilots' Association (LIALPA) after meeting with LIAT Shareholders in Barbados on Monday, March 11, 2019, did indicate to the Shareholders that we would communicate the Association's position reference the Company's request for all staff groups to agree to a voluntary time limited 10% reduction in wages.

It is important to highlight at this juncture that LIALPA is very concerned about the current financial health and viability of the Company and as such remains committed to the economic survival of LIAT.

The Association has held meetings in both bases with its General Membership and has presented the Company's proposal/request for consideration. Unfortunately the pilots by majority vote have rejected the request for a wage cut at this time.

The concerns expressed by the pilots are centered around the inability of the current Executive Management Team to navigate through the challenges which lie ahead in order to move the Company forward.

The 2018 CDB report, to date, has been in hand more than one year. The current management team has not acted in any material way on any of the cost saving proposals set out by the report. This sadly is not new, because historical evidence will show that the current management team has a track record of this type of failure to act, stretching back at least a decade.

Indeed, yet again at the meeting with shareholders held recently in Barbados, several cost saving measures were recommended. In some cases these were measures previously advocated by the 2018 CDB report. Yet, despite being allegedly in a crisis and on the edge of a financial cliff, management has not acted to materially cut cost in an expeditious way.

It would appear that this management team has either reached the hard limits of its capability or they are simply unwilling or reluctant to implement the vital and key measures to arrest or change the direction of the Company's downward spiral.

The Association having caucused and spent several hours deliberating the challenges facing the Company with its Membership, specifically on the Company's request for a 10% wage reduction. It was made pellucid that the unanimous belief amongst the pilot body is that any wage reduction could be deemed as an investment in the Company and such a significant investment made on behalf of the pilots will be wasted by the current management.

The pilots have indicated that they have no confidence in the management. As such, a definitive change in Management officials and current operational policies would be a precursor to any discussion related to salary concessions that the pilots might be willing to give.



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

We have recently updated the current Memorandum of Agreement between LIAT (1974) and LIALPA (MOA) and the only issue which remains outstanding to date in order to complete this update, is simply for both parties to meet and correct typographical errors. Subsequent to this process being completed the Company and the Association could sign off on this agreement which would form the base document of all future negotiations between the parties.

The Company would then be in a position to highlight and indicate to the Association the key areas of the MOA where it seeks some form of relief.

We trust that we have made our position pellucid and we would like to encourage you, to use your good office as Chairman of the LIAT Shareholders, to insist that the LIAT management expedite the process laid out above to ensure that the Association could be in a position to offer the Company some form of alternate relief rather than cutting pilots' wages.

We remain open and available to the Shareholders to continue meaningful discussions related to immediate cost saving measures which would be beneficial to the entire airline.

Yours faithfully,

.....
CARL BURKE
President LIALPA

- Cc: Dr. Jean Holder – Chairman, LIAT Board of Directors
Mrs. Julie Reifer-Jones – LIAT CEO
Ms. Ilean Ramsey – Director, Human Resources
Captain Arthur Senhouse – Director, Flight Operations
Mr. Justin Simon QC – Attorney-at-Law
Mr. David Massiah – Chairman SRCCTULS
LIALPA Membership