

Judge slams Cathay, awards 18 sacked pilots millions

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Cathay Pacific faces a bill of around HK\$100 million after a High Court judge ruled yesterday that the airline behaved wrongly in the firing of dozens of pilots eight years ago.

Seventeen pilots are now each in line for payouts of about HK\$3.5 million. Most will come with HK\$3.3 million each in damages as they were defamed by the airline when it sacked them and 32 other pilots - a group known as "The 49ers" - in 2001.



That came after years of wrangling over rosters and flying hours, with stepped-up industrial action in the wind.

The judge singled out current chief executive and then director of corporate development Tony Tyler, and Philip Chen Nan-lok, then chief operating officer and now chairman of John Swire & Sons (China) for making damaging statements against the pilots, including "holding Hong Kong to ransom."

The family of an 18th pilot involved in the legal action but who died after a plunge from his flat in Kennedy Road in 2002 will not be compensated for defamation, but like the others will receive HK\$150,000 for wrongful dismissal in addition to a month's pay.

The rest of the 49ers had settled separately with Cathay Pacific, which now faces legal costs of around HK\$40 million on top of the payout of about HK\$60 million to the pilots.

Court of First Instance Judge Anselmo Reyes concluded the main reason the pilots were sacked was due to the airline's belief they were involved in union activities.

The pilots, Justice Reyes said, were defamed in statements of them being "unprofessional," "bad employees" and "not caring for Cathay's best interest or those of Hong Kong."

"Such statements would lower the pilot in the esteem of right-thinking members of the public," he said.

Justice Reyes went on: "What I derive is that the 49ers were principally dismissed because management was unable to make headway in last-minute negotiations with the union."

"Cathay's intention was to show union members that management was prepared to take tough action against pilots who participated in MSS [Maximum Safety Strategy, a form of limited industrial action]."

"The 49ers were singled out by the review panel as persons who by reason of their sickness records and ostensibly argumentative character were probably the most active supporters of the union cause."

"By dismissing them, Cathay hoped to send a strong signal to other union members to comply with management's line or else face a similar fate as the 49ers."

The pilots, who went to court to seek compensation for loss of jobs and for distress caused by publicly aired criticism by top airline executives, were not making any comments in the immediate wake of the decision. But one of their lawyers, Priscilla Leung Mei-fun, said she was pleased as a four-year legal tussle had put enormous mental stress and financial pressure on her clients.

The sackings had completely ruined the careers of the 49 pilots, Leung added. Many were unable to find good jobs, with some forced to join second- or third-tier airlines.

"The case shows how a powerful corporation can wrongfully dismiss and ruin the careers of its employees."

Cathay Pacific issued a statement about being "disappointed with some aspects of the judgment," adding: "We are now carefully studying the High Court judgment with our legal counsel before deciding on any further steps."