Ex-Cathay executive ties firings to union

Sacking of 49 pilots linked to 'disruptive activities'

Yvonne Tsui Oct 15, 2009



A former top executive of Cathay Pacific (SEHK: <u>0293</u>) admitted yesterday that the sacking of 49 pilots during an industrial dispute in 2001 was partly due to union activities that disrupted the company's operations.

Philip Chen Nan-lok, who was the airline's director and chief operating officer at the time, was testifying in the Court of First Instance, where Mr Justice Anselmo Reyes was hearing the claims launched by 18 of the pilots who alleged that their sacking - due to their union activities - was unlawful. The pilots are seeking compensation for the loss of their jobs and the distress they say was caused by the defamatory criticism by top airline executives in the media

Chen told the court the pilots were sacked in July 2001 for the disruption caused by their "individual attitudes and activities", after a thorough review of their records. He said their behaviour caused a number of flight delays and cancellations.

He admitted they were sacked "partly" because of their labour actions, which brought about the disruption.

Earlier, the court had heard that the union, the Hong Kong Aircrew Officers Association, had encouraged the airline's pilots to take part in a "contract compliance campaign" that asked them to apply strictly the terms of their contracts. Pilots were asked to make sure they could not be contacted on their days off, so that the company could not rely on off-duty staff, the court heard. The campaign, which caused the delay of flights by about 15 minutes, was aimed at pressing airline management to continue negotiations with the union on various issues.

The 18 pilots were sacked after the start of an industrial action called the "maximum safety strategy" on July 3, 2001, the court heard.

Chen told the court the decision to sack the pilots was based on whether the company could rely on its employees to act in its best interests, in a way "not entirely to do with contract compliance".

Clive Grossman SC, the pilots' barrister, then asked Chen: "So you have confidence in the other 1,500-odd pilots, notwithstanding the fact that they also participated [in the industrial action]?" Chen said: "We had confidence in our staff, except disruptive activities."

Chen had also publicly attacked the pilots' industrial action as a lack of professionalism, the court heard. Chen said he could not recall whether he had said those words, but he acknowledged the sacked pilots were all "technically professional".

Tony Tyler, the airline's chief executive, also testified. Tyler, then the director of corporate development, had criticised the pilots' behaviour as holding Hong Kong to ransom, the court had heard.

He said he was not involved in the decision to sack the pilots, but was confident it was the result of the pilots' performance and not connected to their union activities.

He said that although he was not involved in identifying the pilots to be sacked, he felt that those picked "could not be relied on to perform their job". He also said he stood by his claim that the 49ers, as the pilots became known, were holding Hong Kong to ransom because travel in and out of the city had been disrupted.

But when Grossman cited comments attributed to Tyler in a CNN report that suggested a link between the labour actions and the firings, Tyler said he could not recall making those comments.

The hearing continues today.

RATE THIS STORY

AVERAGE (7 VOTES)



Cathay chief executive Tony Tyler yesterday.

Photo: SCMP

RELATED STORIES

(Last 7 Days)

- 1. Lawyers voice hopes for new prosecutions chief
- 2. Pollution solution
- 3. Top earners demand the best
- The rest of us will have a hard time keeping up with the Joneses
- 5. Stopover allowance part of pay, Cathay appeal told

RELATED ARCHIVES

- 1. Sacked pilots sue Cathay executives
- 2. Talking a good dogfight
- 3. Cathay appoints first Chinese chief
- 4. Cathay to pay its top three executives \$16m
- 5. Lai See