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10 March 2015

Mr Stephen Kavanagh
CEO
Aer Lingus
Dublin Airport
Dublin

Dear Mr Kavanagh

I wish to respond to your letter to all Aer Lingus staff today (10th March) concerning the meeting that took place last Friday (6th March) between you, IAG's CEO Willie Walsh and trade union representatives.

I am concerned that your review of the meeting was very selective. As the senior official for the largest union representing cabin crew, pilots and office staff at Aer Lingus, I communicated a number of points in relation to the commitments that would be required were the government to agree sell its stake in Aer Lingus to IAG, following a formal bid.

I outlined these commitments without prejudice to the fact that it remains IMPACT's view that we don't believe that the proposed takeover is a good idea for jobs, for Aer Lingus workers or for Ireland's connectivity and economic development.

The commitments I described would need to be processed into a suite of collective agreements, with all terms incorporated into contracts of employment, as was the case with Greenfield, for example.

As a further minimum protection we would need to see a Registered Employment Agreement (REA) in place but we would prefer to explore a legal agreement rather than a short term REA with opt outs.

As I outlined last Friday, the ingredients for any such agreement would need to include direct reference to the following:

- No compulsory redundancies and a pre-agreed staff friendly redeployment scheme that forms part of the suite of collective agreements
- Identifying, honouring and respecting all existing agreements for all new and existing staff
- Protecting agreed pay rates, terms and conditions

- Utilising the terminology of the IPO charter commitments of 2006 i.e. no changes unless altered by a subsequent collective agreement and re-iterating the points in the 2006 IPO Charter about trade union recognition, facilities and encouraging their employees to be union members that we should try to capture.
- Maintaining direct employment as the norm
- No offshoring of cabin crew or pilot bases unless by agreement
- A protocol that, in event of a dispute within any constituent company of the group, Aer Lingus cabin crew and pilots cannot be asked to perform work (flights or routes) in any dispute not confined to a strike. This protocol would serve to ensure that staff of any IAG group cannot be called upon to be involved in Aer Lingus work in circumstances of a dispute of any nature in Aer Lingus.
- Your commitment to cease the ongoing use of personal contracts as a means to undermine and replace existing grade structures and terms and conditions.
- Unions and members will need to see IAGs real position on connectivity and the use of Heathrow slots

I also asked if there is to be any Irish/Aer Lingus presence on the IAG board. It is currently composed of former BA and IBERIA personnel. This is significant as the IAG board makes decisions on investments and corporate policy, including ROI. Also, we asked you if a newly composed Aer Lingus board within the IAG group would include a worker representative.

I also suggested that if the proposed takeover is to yield significant positive results for Aer Lingus, is there an opportunity to re-establish a gainsharing scheme for Aer Lingus staff?

I noted that there are as many as 20 management figures set to share very large cash dividends among themselves if the takeover is successful. I put it to you to consider diverting some of that money to be shared with all staff. The sums are significant, the potential for gainsharing in a meaningful way is realistic.

Yours sincerely



Matt Staunton
National Secretary

