

THE LABOUR COURT  
LANSDOWNE HOUSE  
LANSDOWNE ROAD  
BALLSBRIDGE  
DUBLIN 4  
D04 A3A8



AN CHÚIRT OIBREACHAIS  
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CD/19/247

RECOMMENDATION NO. LCR22111

CCC-164235-19

INDUSTRIAL RELATIONS ACTS 1946 TO 2015  
SECTION 26(1), INDUSTRIAL RELATIONS ACT, 1990

PARTIES :

CHC IRELAND  
(REPRESENTED BY MCCANN FITZGERALD, SOLICITORS)

- AND -

40 PILOTS  
(REPRESENTED BY FORSA)

DIVISION :

Chairman : Mr Foley  
Employer Member : Mr Marie  
Worker Member : Ms Tanham

SUBJECT:

1. Pay, Rosters, Pension, Overtime, Disability Allowances, Upgrades

BACKGROUND:

2. This dispute relates to a claim for an increase in pay and improvements in the terms and conditions of pilots.

The Union said that there is a shortage of Pilots worldwide and that it is imperative that the Employer increase the salaries of Pilots in order to attract the Pilots it requires to maintain the contract.



The Employer said that its parent company is loss making and the number of staff globally has reduced from 4,400 to 2,754.

This dispute could not be resolved at local level and was the subject of a Conciliation Conference under the auspices of the Workplace Relations Commission. As agreement was not reached, the dispute was referred to the Labour Court on the 23 July 2019 in accordance with Section 26(1) of the Industrial Relations Act, 1990.

A Labour Court hearing took place on 18 September 2019.

### **RECOMMENDATION :**

**The Court has given very careful consideration to the written and oral submissions of the parties.**

**The Court is struck by the degree to which the parties do not share an understanding of the some of the fundamental parameters surrounding the within dispute. In particular the parties before the Court did not share an understanding of relevant key features of the contract which underpins the employer's operations in Ireland and did not share an understanding of the key financial metrics of the employer's operation.**

**The parties came before the Court against a background where the estimated cost of concession of the Trade Union claim was submitted to be 7.5 times greater than the cost of the offer made by the employer in an effort to resolve matters in dispute. In addition, the parties asserted to the Court that engagements had been ongoing for some time and continued in relation to rostering of pilots.**

**The Trade Union has submitted that its claims are underpinned by an impending challenge in pilot recruitment and retention and has submitted, as a relevant comparator, detail of pay increases awarded by certain commercial airlines operating in Ireland. The Employer has submitted that it is not experiencing an abnormal retention challenge and has also submitted that the commercial airlines identified by the Trade Union operate in a commercial market rather than within the confines of a tendered public contract.**

**The Court, having considered the submissions of the parties, recommends as follows:**

- **The parties should continue their engagement as regards rostering with a view to finding final agreement, thorough normal industrial relations procedures as necessary, within three months of acceptance of this recommendation.**
- **That the offer made by the employer, adjusted in the manner set out below, should be accepted:**

**Pay should be adjusted as follows:**

**1<sup>st</sup> May 2018 – 2.5%**

**1<sup>st</sup> May 2019 – 2.85%**

**1<sup>st</sup> May 2020 – 3%**

**1<sup>st</sup> May 2021 – 2.5%**

**Maternity pay above statutory entitlements should be introduced to provide for a 'top up' to 50% of salary for the first 12 weeks**

**Payment of overtime should be at an actual 'day rate' rather than 'Day Off Lost'. This will, the Court understands, lead to an increase for Captains of 12% in the overtime day rate and in some cases to an increase of 24%**

**A move to a Productivity model of training should take place to allow additional trainers throughout the business.**

**There should be a commitment to engage in a cross functional working group, and to use best endeavours to agree and support the implementation of an appropriate Drug and Alcohol policy and Attendance Management Policy**

**Sick pay should move from a 12 month fixed period to a 12 month rolling period**

**Temporary loss of licence to be paid only when Company Sick Pay has been exhausted (minimum 90 day waiting period)**

**Death in service medicals to be undertaken from age 60 onwards as required by insurers.**

- **The parties should agree that the matter of a 'floater allowance' should be dealt with upon conclusion of the parties' engagements as regards rostering**
- **Any proposal as regards a reduction in the period allowed for roster changes should be dealt with as part of the parties' engagements as regards rostering.**
- **The Court notes that claims have been tabled as regards Loss of Licence arrangements. The Court finds that the parties have not put sufficient information as regards this issue before the Court. In those circumstances, the Court recommends that the parties should re-engage, with the help of the Workplace Relations Commission (WRC) and through normal industrial relations procedures as necessary in an attempt to find agreement.**

**Similarly, the Court has been asked to address matters related to pilot pension but has not been provided with sufficient detail as regards the operation or nature of the pension scheme to allow formulation of a recommendation. The Court therefore recommends that the parties should re-engage, with the help of the Workplace Relations Commission (WRC) and through normal industrial relations procedures as necessary in an attempt to find agreement.**

- **The parties should engage over a period of three months on an effort to review the Pilot Service Agreement. Any matters outstanding at the end of that period should be dealt with through normal industrial relations procedures as necessary.**

- **The company should train and appoint an additional four Line Training Captains for a 12 month period to help alleviate the current training backlog.**
- **The cost of Death in Service cover has been asserted to amount to 1% of pay. If that is the fact of the matter the Court recommends that the parties should share equally the cost of that cover.**
- **The parties should engage at the appropriate time to consider whether any productivity matters arise from the Night Vision Imaging systems.**

**The Court has been provided with no basis to support concession of additional Captain's scales and senior First Officer scales and a slide mechanism between same. The Court does not therefore recommend concession of this claim.**

**The Court so recommends.**

**Signed on behalf of the Labour Court**

**Kevin Foley**

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**Chairman**

**CR**  
**4 October, 2019**

**NOTE**

**Enquiries concerning this Recommendation should be in writing and addressed to Ciaran Roche, Court Secretary.**