



MEETING

ALPG, FAU, SLNSS and SAATA representatives with Chairman

DATE, TIME & VENUE

24th April 2020 AT 1100 hrs at the conference room , Softlogic office.

PRESENT	Mr Ashok Pathirage	-	Chairman
	Mr Vipula Gunatilleka	-	CEO
	Ms Buddhika Manage	-	HCS/AHHR
	Capt Pravin Wettimuny	-	HFO
	Mr Lasantha Liyanage	-	MHRO&A
	Ms Udani Dharmadasa	-	MR&IR
	Capt Janaka Perera	-	ALPG
	Capt Gayan Thudawe		
	Mr Dinesh Fernando	-	FAU
	Mr Charith Abeywickrama		
	Mr Janaka Wijayapathiratne	-	SLNSS
	Mr Hasantha Yasaratne		
	Mr Lawrance Mendis	-	SAATA
	Mr Chalaka Kularatne		

Chairman opened the meeting presenting the financial situation of the organization in the face of the Covid -19 outbreak, and stated the company needed USD 75 million was required to run the next three months even after taking the salary reductions etc.

He highlighted that the financial position of the company has deteriorated since the last meeting held. He further stated that government funding would be required however that this would be difficult at this point where it is a national crisis as well.

The Chairman explained to the Trade union representatives of the decisions taken by the management in order to curb the situation faced by the company.

1. All Recruitments will be frozen until further notice

(Any specific /special requirement to be sourced from outside, to be evaluated by CEO and to be subject to HR&RC approval.)

2. Internal Staff Vacancy Notice (SVN) process will be ceased until further notice

(Identified positions in any division to be filled through SVN process internally subject to CEO/Chairman's approval)

3. All promotions/ upgradings will be frozen

(upgradings specified in Collective Agreements to be differed in this financial year)

4. Direct SriLankan Airlines Contract Staff: to be placed on 3 months No pay in May, June, July,

Placing them on no pay will be as an alternate measure to serving notice on contracts for termination as per the letters of appointments.

Acting Head of HR elaborated the contractual positions affected. The Chairman added that if the situation continues the period of no pay may have to be continued.

Below staff on contract will be placed on no pay for a period of 3 months (May/June/July)

Department/Positions	Number of staff
AIRPORT & GROUND SERVICES	288
AIRPORT SERVICE AGENT (PAX)	268
AIRPORT SERVICE AGENT (RAMP)	19
LOAD CONTROL AGENT	1
CABIN SERVICES	43
FLIGHT ATTENDANT	1
GROUND / FLIGHT ATTENDANT	40
INFLIGHT DUTY FREE AGENT	2
ENGINEERING	43
JUNIOR AIRCRAFT MECHANIC (Rotational for one month)	43
FLIGHT OPERATIONS	21
CAPTAIN	12
FIRST OFFICER	6
FLIGHT DISPATCH ASSISTANT	2
JUNIOR FIRST OFFICER	1
WORLDWIDE SALES AND DISTRIBUTION	5
CUSTOMER SERVICE AGENT	5
Grand Total	400

Service Provider staff:

658 service provider staff - reduced to 132 for a period of 3 months from 15th of April 2020 to 15th of July 2020.

5. Establishing an upper limit for USD / LKR Exchange Rate for Processing Payroll

Chairman elaborated establishing of a limit for USD for those being paid salaries in USD.

Apply an upper limit for USD to LKR exchange rate will be applied for the processing of salaries and allowances paid in USD for the financial year 2020/21 with effect from 01st May 2020.

Internal exchange rate in April 2020 of 1 USD = 188.78 LKR as the upper limit and to apply this upper limit or the internal exchange rates published by Finance Division as per the Company Policy, whichever is lower, for the processing of salaries and allowances paid in USD terms for financial year 2020/21.

6. Cabin Crew Complement: going forward

Acting HHR explained the crew complement to be implemented going forward.

Wide Body Aircraft – 08

Narrow body A 320 – 04

Narrow body A 321 - 05

Inflight management will design the Onboard Service which will be adjusted according to the crew complement onboard and will discuss the same with FAU.

FAU queried if this was only for the period of pandemic outbreak. Chairman explained that a period is not being specified at this point as at the moment the company needs to survive.

7. Crew Layovers:

Acting HHR explained that wherever possible and legal to have turnaround operation, the crew layovers will be taken away and based on requirement two crew operation will be considered.

Chairman stated the support was required from everyone in order to ensure the survival of the company. The current situation is not something that has been experienced ever before. Given the low demand in the job market he emphasized on the importance of securing jobs.

In a situation where solutions and answers are scarce he requested to extend the fullest support to the management who is working tirelessly for survival.

FAU expressed having the no pay leave scheme open for short periods would encourage staff to take such no pay for shorter periods.

Acting HHR explained the scheme is available at the moment. Chairman informed that the same scheme will be extended for a period of 6 months .

Answering to the query raised by the Pilots Guild on the number of staff effected HFO explained that a total of 65 pilots in total will be effected.

SAATA queried regarding the number and the mechanism of placing the mechanics on No pay and AHHR explained that 43 will be placed on no pay for a period of approximately 2-4 weeks on rotational basis.

Chairman explained in a situation where there is little choice that these measures need to be implemented.

FAU queried if pax can be uplifted from Sri Lanka. CEO explained that the demand is very poor and the focus at present is on Cargo. Chairman explained that all avenues to explore markets is being considered. CEO explained the company was looking at connecting LON with MEL and some flights to Dhaka.

Chairman highlighted the there was a group revenue of about 1bn USD at the time. Except for some direct expenses, other expenses such as leases are to be paid, and in comparison when the revenue is about 5-6 million at present the situation is dire.

A loan has been requested from BOC Bank at a high interest in order to afford salaries.

Chairman stated this was a good opportunity to build a great team so that when we are in full operation we can perform at its best.

ALPG representative stated a division has been created when one segment is kept away from work whilst others are working, referring to contract staff. ALPG queried if the hit can be taken by all so that all will be assured of some kind of pay.

Chairman stated it cannot be applied to Pilots only and will not be possible to apply it to all as there are people in lower income categories as well. He further stated the inability to execute a scheme to the Pilots only. Chairman stated the terms of a contractual employment is for a specific period of time and the terms of which were different to that of permanent employees.

He further stated that on the long run overstaffed situations need to be addressed and going forward the need to specifically reduce management level staff too. There cannot be automatic promotions and the practices need to be looked at.

Chairman stated there was no point in dwelling in the past and measures need to be taken going forward.

Meeting adjourned at approximately at 11.40 am.