

6th July 2020

To
Shri Rajiv Bansal
Chairman and Managing Director
Air India Limited.
HQRS
New Delhi

Respected Shri Rajiv Bansalji

Sub: Employment related measures to address the COVID pandemic

As we speak, Air India is engaged in an uphill battle to tide over the challenges brought about by the COVID pandemic. There is no gainsaying that the aviation sector has taken some very hard knocks. Sacrifices have to be made, stakeholders have to come together to win the fight against this virus.

Towards this end, ICPA & IPG have repeatedly assured the management that we are open to discussing measures and formulating steps to ensure the survival of the airline and secure its future. It is only by actively involving all Air Indians that the company can put up a united front.

Presently, the management has resorted to an across the board 10% cut on allowances. While prima facie appearing to be fair, this scheme distributes the financial burden across the various categories of employees in an extremely discriminatory manner amounting to treating unequal people equally.

This runs foul of the Constitutional guarantee of equality as enshrined in Article 14. For instance, the Class IV employees, who are at the bottom of the organization ladder, are more severely affected by such a salary cut than the employees at higher grades.

We therefore propose that Class IV employees should be exempt from such a wage cut. Their liability can be borne by other employees who are earning higher salaries.



INDIAN COMMERCIAL PILOTS' ASSOCIATION



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Air India should also be guided by how other players in the aviation sector are battling the adversities of the Coronavirus pandemic. We understand that a leading private carrier has an employee strength of 250 in finance and 130 in HR, handling a fleet of 255 aircrafts. This may be contrasted with Air India which has more than 1600 employees in HR and Finance for a mere 125 aircrafts. This is nowhere in-line with market standards and since operations have been scaled back, their workload has reduced drastically. It is prudent for Air India and the MoCA to take cognizance of this excess manpower to trim costs as our aircrafts stand under-utilized.

The pandemic induced crisis is the most opportune time for Air India to address its unviable employment policies and practices. In addition to this excessive staffing of backend operations, the Airline is also inexplicably maintaining departments that are completely non-relevant to the aviation business. It is high time to take a closer look at the viability of funding defunct departments at the cost of financial viability. It is supremely ironic that the management has done nothing about fixing bloated aircraft to employee ratios or trimming non-essential workforce while simultaneously crying wolf and preaching the need for urgent salary cutbacks.

Since Air India is in financial distress on account of the pandemic, the employee strength should be brought at par with other market players through common sense measures like "Compulsory leave without pay" till such time normal operations resume. Many Airlines have invoked their employees to proceed on "leave without pay". The company may even consider permitting such employees to take on some temporary assignment or engagement during this period to tide over the current hardship.

If any meaningful cost saving has to be effected, the financial burden must be fairly distributed between all employees based on their job functions and emoluments. This necessitates defining austerity measures in the form of a percentage cut on total earnings rather than any particular salary head, which may differ widely across different categories of employees rendering the whole exercise discriminatory. Adherence to this ethos would ameliorate the current hardships of select employees being discriminated against best

market practices wherein a similar approach has already been successfully employed must be given serious consideration.

We again request you to innovate and spare no efforts to secure the survival and financial health of the airline. We hope that you will respect our sacrifices and years of faithful service to the airline by taking us into confidence and making us willing allies in the fight ahead.

Yours sincerely,



Capt. T. Praveen Keerthi
General Secretary



Capt. Kanav Hingorani
General Secretary

CC: Hon'ble Minister of Civil Aviation
CC: Secretary, Ministry of Civil Aviation
CC: Director Personnel
CC: Director Finance
CC: Executive Director Operations