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## Media Release

### **Agreement with Pilots is a Major Industrial Relations Blunder – MEA**

The Malta Employers Association issued harsh criticism at government's decision to offer a job in the public sector to the redundant Air Malta pilots at the same take home pay they had in their position at Air Malta. The Association said that this arrangement is flawed on many counts.

This decision will create relativity issues wherever these ex-pilots are posted, and contradicts any notion of equal pay for work of equal value which government appears to strongly advocate. This politically driven agreement will also create pressure for wage inflation as employees will make demands to establish relativities with the ex-pilots.

The condition for a 'take home pay guarantee' was made by stealth as a side letter and not included in the main body of the collective agreement. This raises serious governance questions, as side letters usually address personal issues and do not involve a major condition of employment. Companies are obliged to send a copy of a signed collective agreement to the Registrar of Trade Unions, and it is doubtful whether the side letter was included with the collective agreement when it was submitted to the Department of Employment and Industrial Relations.

It is also unjust that some privileged categories of employees have an automatic right to alternative employment with identical conditions if they become redundant, while others in the private sector who lose their jobs have to queue in the unemployment line. The MEA said that this agreement will be an unnecessary drain on public funds and could also have repercussions in collective bargaining in the private sector. If Air Malta is foreseeing a recovery in the not too distant future, which may require to employ pilots, it might have made more sense to negotiate a reasonable COVID fallback package, rather than resort to this measure.