



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

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For immediate release

**MINISTER OF FINANCE WILL ASSIST CARIBBEAN AIRLINES
TO SETTLE PILOTS' PAY DISPUTE, WITHIN REASON**

The Minister of Finance, Hon. Colm Imbert, MP, has noted ongoing protest action by the pilots of Caribbean Airlines Limited regarding salary negotiations for the period 2015 to 2020. These protests are occurring even though air transport is an essential service. In addition, over a year ago, in August 2023, the Industrial Court ordered an injunction against the Trinidad and Tobago Airline Pilots Association (TTALPA), restraining TTALPA and the pilots from engaging in industrial action. This injunction remains in place, and it is expected that TTALPA and its members will respect the order of the Court, and will not engage in absenteeism or sickouts, or other forms of industrial action (see attached injunction).

The Minister wishes to reaffirm the Government's commitment to ensuring that fair, equitable, and reasonable collective agreements are reached in the best interest of all stakeholders while also considering the country's economic realities, particularly Caribbean Airlines' current financial condition.

However, it is necessary to remind TTALPA, the pilots, and the public at large, that while CAL may be heading for an operational profit, which is commendable, it is a fact that over the last nine (9) years, the Ministry of Finance has taken over CAL's debts and debt servicing obligations. The Ministry therefore covers a significant portion of CAL's annual expenses.

In the last four (4) years in particular, the Ministry of Finance has provided the airline with billions of dollars in financial support in the aftermath of the COVID-19 pandemic. Further, the Ministry of Finance continues to subsidize the airline to the tune of hundreds of millions of dollars per year.

Just two months ago, the Ministry paid for a spare engine for CAL's Max-8 fleet, which cost the Ministry US\$18 million, or TT\$122 million. This was unbudgeted expenditure, for which the

Ministry had to scramble to source the required funding, but it did so because of the importance of CAL to the country.

Regarding the current wage negotiations, CAL has advised that, to date, the airline and the Trinidad and Tobago Airline Pilots Association (TTALPA) have agreed on and closed off fifty (50) non-cost-related matters.

It is noteworthy that CAL pilots, including starting and senior members, have received consistent increases in compensation over the years. CAL has advised the Minister that pilots are compensated through competitive salaries, allowances, and per diem rates that place them among the highest-earning professionals in the region. Since 2022, the airline has onboarded 90 pilots (54 recalls, 8 rehires on fixed-term contracts not attaining the age of 65, and 28 new hires, including internal candidates).

Overall, CAL has advised that pilot salaries account for thirty-three percent (33%) of the airline's payroll costs, while the pilot body comprises thirteen percent (13%) of the total workforce. To provide further clarity and transparency, the following table, provided to the Minister by CAL, outlines the compensation of pilots at Caribbean Airlines Limited:

CATEGORY	AMOUNT
Starting Pilot Annual Salary	TT\$273,819 (TT\$22, 818 per month)
Senior Pilot Annual Salary	TTD 1,137,123 (TT\$94,760 per month)
Average Monthly Allowances and Per Diem, <i>paid in addition to Salary</i>	US\$6300 or TT\$42,714 per month
Average % Increase in Pilot Salaries (2015 - Present)	The average increase between 2015 and 2024 would be 23.4% from a salary in 2015 to 2024.

CAL is of the view that this table illustrates that the starting salary for new pilots is quite competitive, with senior pilots receiving compensation that reflects their experience and long service. Additionally, pilots enjoy substantial allowances and per diem payments, contributing to a robust overall package. The competitive nature of this package can be linked to the low attrition rate for pilots, where, since 2022, there have been just thirteen (13) resignations and one (1) early retirement from Caribbean Airlines. Since 2015 to present, pilots have received salary increases averaging 23.4%, well above the national inflation rate.

CAL has advised the Minister that other complex issues exist, including TTALPA's demand of TT\$55 million for severance and damages from contract pilots over 60 years of age, who, it is

reported, are not willing to leave the company upon reaching the age of 60, despite specific contract clauses.

Minister Imbert wishes to emphasise that the Government values the critical role that pilots play in maintaining regional and international connectivity and ensuring safe travel. However, based on the information provided by CAL, the compensation packages for pilots appear to compare favourably with that of other professionals, particularly given the challenging economic conditions affecting the broader population.

Notwithstanding this, the Minister of Finance will take appropriate action to provide further support to Caribbean Airlines so that this wage dispute can be settled, within reason, and once good sense prevails.

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The Honourable Colm Imbert M.P.
Minister of Finance