

Joint Select Committee on State Enterprises

Republic of Trinidad and Tobago

Levels G - 9, Tower D

The Port-of-Spain International Waterfront Centre

1A Wrightson Road, Port-of-Spain

Public Hearing Summary

Monday May 8, 2017 at 10:23a.m.

TOPIC:

Inquiry into the Operations of Caribbean Airlines Limited (with specific focus on Customer Services)

COMMITTEE MEMBERS:

The following Committee Members were present for the meeting:

• Mr. David Small Chairman

• Dr. Lester Henry Vice Chairman

• Brig. Gen. (Ret) Ancil Antoine Member

• Mr. Wade Mark Member

• Ms. Cherrie-Ann Crichlow-Cockburn Member

WITNESSES WHO APPEARED:

Officials from the Caribbean Airlines Limited (CAL):

• Mr. Shameer Mohammed Chairman

Capt. Jagmohan Singh
 Ag. Chief Executive Officer/VP Operations

Ms Marina Chase
 Ag. Chief Financial Officer/Senior Manager Treasury

• Mr. Colville Carrington VP Maintenance & Engineering

Ms. Hyacinth Guy
 VP Human Resources

• Ms. Nalini D. Lalla General Counsel & Corporate Secretary

• Ms. Dionne Ligoure Head Corporate Communications

• Mr. Adrian Agarrat Senior Manager Financial & Revenue Accounting

Officials from the Ministry of Finance:

• Ms. Lisa Phillips Ag. Permanent Secretary, Ministry of Finance

• Ms. Mala Mohammed Ag. Senior Business Analyst, Ministry of Finance

KEY ISSUES DISCUSSED WITH CAL

- i. Concerns over CAL's hesitance to provide the Committee with all requested information.
 - a. Management's claim of ignorance that the Lufthansa report provided to the Committee was incomplete.
 - b. The "value for money" of the Lufthansa report.
 - c. CAL's plans to implement the recommendations of the Lufthansa report.
 - d. Recognition that if CAL's management had implemented the recommendations of the Lufthansa report in a timely manner, the current situation would be completely different.
- ii. The issues with communication between CAL and the Ministry of Finance.
- iii. The tendering process used for purchase of the ATRs
- iv. CAL's status with respect to preparation of its strategic plan 2016-2019.
- v. The current consultants hired by CAL, and their purpose.
- vi. CAL's framework for succession planning.
 - a. The reason for the number of staff members who are over sixty (60) years in age.
 - b. Retirement policy for foreign employees of CAL.
 - c. The compensation received by staff members who officially retire at sixty (60) years, yet return to work on contract.
 - d. Clarification on the collective agreement with Trinidad and Tobago Airline Pilots Association (TTALPA)
 - e. The jurisdiction of TTALPA with respect to negotiating terms of the collective agreement.
- vii. Whether there has been redundancy following the return of the Boeing 767.
 - a. Whether a manpower audit has been conducted at CAL.
- viii. The status with respect to submission of outstanding audited financials.

- ix. Provision of Management Accounts to the Committee.
- x. Assessment of the experience with the ATR fleet, given that the aircraft were new.
 - a. Whether there has been any consideration to sell the ATR fleet.
 - b. Whether they would be any contractual issues if CAL decides to dispose of the ATR fleet.
- xi. The issue of incumbents in critical roles within the organization not meeting the criteria for the positions.
- xii. Whether CAL has a performance related incentive scheme.
- xiii. The policy for use of the "flight deck jump seat" by staff members.
- xiv. Schedule for assumption of the CEO and CFO.
- xv. Who drafts Terms and Conditions for Senior Management Positions?
 - a. Clarity on the "Responsibility Allowance"
- xvi. CAL's targeted year to break even.
- xvii. The issue of staff morale.
 - a. Steps taken to deal with staff's dissatisfaction with management, and low staff morale
 - b. The possibility of improving staff salaries by reducing the proportion of CAL's salary expenses that go to pilots.
- xviii. The issue of customer service.

View the Hearing:

The hearing can be viewed on our YouTube page via the following link: https://www.youtube.com/watch?v=piCMnnepUa8&list=PL-SYOndJDfa6 Y1Jc7H3z 6 c BnQ0ttE

Contact Information:

You may contact the Committee's Secretariat at <u>jscse@ttparliament.org</u> or 624-7275 Ext. 2309/2527.

Committees Unit

May 8, 2017