



UNITE CONSULTATION UPDATE 16

27th January 2013

Dear Colleague,

We met with Thomas Cook once again on Wednesday of this week (January 23rd). The format of the day was slightly different to normal as in the morning we were invited to attend a meeting that they described as being part of their 'Profit Improvement Plan' (P.I.P.). Your reps attended as requested and the Director of Customer Service was present to outline her target. She explained that her department has been set a PIP target – to find an extra £3m through cost saving and / or revenue generation. She made it clear to us that she wants to see this money IN ADDITION to the savings that they intend to make from the most recently announced cabin crew job cuts (£1.65m).

We responded by saying that we would consider what she has asked of us – but for now need to prioritise the proposed job losses that she announced only last October. We would hope that the Company would offset cost saving against job losses. In their latest memo, the Company have asked for suggestions from you directly. Please think very carefully about this and remember that the amount of money they want to save is broadly in line with our CEO's remuneration package. If you have any suggestions please send them to your reps rather than the Company. The Company will use your suggestions as a lever on your reps who are trying to protect your jobs and terms and conditions.

In the afternoon, we met again – this time with ACAS present, to discuss the consultation. In the last update we informed you that we felt that the Company had not been completely honest with us. We have been provided with information indicating that there will be an additional A330 entering the fleet for winter '13/'14 – and we asked that the Company reflect on its legal obligation to declare any such facts.

Once again, the Company came to the meeting without any information about how successful the revised VS scheme has been to date in terms of applications. We asked for this information to be supplied along with updated 'at risk' numbers. To date, only part of this important information has been provided to the reps.

We put to the Company two important proposals:

1. 'Buy downs' – offering cabin crew members at all bases a financial incentive to move to a lower rank or contract type (for example CM to Dual-role / C3, Dual-role to C3, or C3 full year to C3 7/5). We asked that letters were sent out to the crew asking if anybody would like to accept a buy-down to mitigate job losses. The Company acknowledged that this proposal may have potential and agreed to report back with costings at the next meeting.

2. Reviewing the pool of crew members that are 'at risk' of redundancy. Unite's legal advice is that the selection pool is currently too narrow and fails to take account of the 7/5 (part-year) crew members. As things currently stand – particularly in bases like MAN and GLA, a full-year C3 may have to leave the business, whilst at the same time a 7/5 crew member returns for the summer having never even been considered for redundancy. We therefore formally asked for a level playing field and for the 7/5 crew to be included in the process along with everyone else. The Company will take this away and report back.

The Company sought our input on their proposed draft selection criteria (as mentioned in their last two updates). As there is little substance in their proposal, we requested additional information which will be provided at the next consultation meeting.

A consultation meeting was planned in for tomorrow (January 28th), but has been postponed. This is as a result of a meeting that is taking place in London on January 29th between Frank Pullman (Airline MD), Oliver Richardson (Unite National Officer for Civil Air Transport), Sharon Cowell (Full Time Officer for Thomas Cook Airlines) and Martin Browne (Unite Cabin Crew Committee Chair).

We will update you once again after this meeting has taken place.

In solidarity,

Your Reps

