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國際運輸勞連

International Transport Workers' Federation  
Federación Internacional de los Trabajadores del Transporte  
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Internationella transportarbetarefederationen  
Internationale Transportarbeiter-Föderation  
Международная федерация транспортников  
الاتحاد الدولي لعمال النقل

Mr. Roberto Alvo  
CEO LATAM Airlines Group

Via email: [Roberto.Alvo@latam.com](mailto:Roberto.Alvo@latam.com)

Ref: CA/SMC/dn

12 May 2020

Dear Mr Alvo,

**Re: LATAM's decision to cut thousands of workers while continuing to reward shareholders**

I am writing to you on behalf of the International Transport Workers' Federation (ITF), which represents nearly 700 transport trade unions from 150 countries with a total membership of around 20 million working men and women.

Our 30 aviation affiliates representing LATAM Airlines workers in 9 countries where LATAM operates in the region recently informed us that in the name of supporting the long-term health of the company, LATAM has launched a plan for voluntary retirement and leave without pay, accompanied by a forced 50 per cent wage cut of its employees while distributing a substantial amount of dividends to its shareholders. At the same time, from the international press, we know that LATAM is trying to obtain financial aid, i.e. taxpayer-funded assistance, from the Chilean and Brazilian governments.

Distributing millions of dollars to shareholders and trying to obtain taxpayer-funded money while leaving many workers without a pay check is unfair, and belies the repeated statements from LATAM about its concern for employees' welfare during the coronavirus crisis.

Moreover, our affiliates claim that there was no proper social dialogue process, and that the cost-saving measures were imposed instead of being negotiated collectively. This is a missed opportunity for LATAM as such unilateral cost-cutting measures deprive companies of many voluntary programs and options that could be presented by unions to provide them with a significant amount of savings that would be socially responsible and acceptable.

Like our affiliates organising LATAM workers in different Latin American countries, the ITF also recognizes the need for airlines to save money in these extremely challenging times. From the very early days of the global pandemic, the ITF and our aviation affiliates are fighting together with airlines for government aid to help support the global airline industry. On 21 April 2020, the ITF and the International Air Transport Association (IATA) issued a [joint statement](#) calling for support from governments to the aviation industry, to protect jobs and ensure that air services can be maintained.

Quite contrary to the current path LATAM is set on, a climate of trust, built through social dialogue is essential in the effective implementation of measures to address the impacts of the COVID-19 outbreak. Strengthened respect for, and reliance on, mechanisms of social dialogue create a strong basis for building

resilience and the commitment of employers and workers to painful but necessary policy measures. This is particularly key during times of heightened social tension. The International Labour Organisation's (ILO's) Employment and Decent Work for Peace and Resilience Recommendation (No. 205) emphasizes, in particular, the importance of social dialogue in responding to crises and the vital role of employers' and workers' organizations in crisis response.

Furthermore, the Recommendation emphasises the key role of consultation and encouraging active participation of employers' and workers' organizations in planning, implementing and monitoring measures for recovery and resilience. It additionally underlines the necessity of recognising the Freedom of Association and Protection of the Right to Organise Convention (No. 87), and the Right to Organise and Collective Bargaining Convention (No. 98).

As we highlighted in the ITF-IATA joint statement, there is no doubt that as employers and unions we can navigate our way through this crisis only by working side by side. On the other hand, unilateral and socially irresponsible responses to the crisis, will increase tensions, lower trust, and most probably lead to intensified conflict in the near future.

The ITF will continue to closely monitor the situation. I look forward to your positive response on these urgent and important matters in order to achieve a proper and effective dialogue with the unions representing workers in the Group that could avoid any escalating conflict.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stephen', followed by a stylized flourish.

Stephen Cotton  
General Secretary

CC:

Edgardo Llano – Vice Chair, ITF Civil Aviation Section

Gabriel Mocho Rodriguez – Section Secretary, ITF Civil Aviation Section

Edgar Diaz – Acting Regional Secretary, ITF Latin America and the Caribbean