



Ex-Cathay Pilots Win \$7.6 Million for 2001 Firings (Update2)

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By Debra Mao



Nov. 12 (Bloomberg) -- A group of 18 former **Cathay Pacific Airways Ltd.** pilots won an eight-year court battle for wrongful dismissal and defamation against Hong Kong's biggest carrier and were awarded HK\$58.7 million (\$7.6 million) in damages.

The pilots were fired mainly over their perceived participation in union activities, Judge A.T. Reyes said in a 66-page judgment yesterday. Cathay cited gross misconduct for the 2001 firings after the **pilots' union** resolved to take industrial action.

Cathay spokeswoman **Carolyn Leung** said the airline was "disappointed" with some aspects of the decision. It is studying the judgment with lawyers before deciding on

any further steps, she said.

Chief Executive **Tony Tyler**, then director of corporate development, issued a 2001 press statement which Judge Reyes said accused the plaintiffs "of being unprofessional, of being bad employees, and of not caring for Cathay's best interests or those of Hong Kong."

Judge Reyes rejected Cathay's justification plea, saying that "there is more to Hong Kong than just Cathay." A pilot may sincerely vote for what he believes to be right in the context of a union dispute with management "and still care deeply about Hong Kong," he said.

On the impact of the defamation, he noted that "the world of pilots is a small one," and the plaintiffs likely experienced considerable distress and anxiety regarding finding employment due to the loss of reputation.

Aggravated Damages

"I also bear in mind that Mr. Tyler's statement remained published on Cathay's **Web site** until September 2009," Judge Reyes said, adding that aggravated damages may be awarded where the defendant has refused to apologize.

He awarded 16 pilots HK\$3.3 million in damages for defamation and HK\$150,000 for wrongful dismissal each. One pilot didn't get awarded damages for defamation and one didn't get damages for wrongful dismissal. He also awarded the pilots their legal costs.

That was below the more than HK\$5 million each of the plaintiffs sought, he said.

Benedict Chiu, a lawyer for the pilots, said they had no comment on the verdict.

Cathay rose 1.4 percent to close at HK\$13.30 in Hong Kong trading today after China eased regulations on jet-fuel surcharges.

The **Hong Kong Aircrew Officers Association** accepted a settlement with the carrier in 2005 over the firings. The pilots in yesterday's case didn't accept that settlement.

The case is John Simpson Warham et al and Cathay Pacific Airways Ltd., HCMP 4400/2001 in the High Court of Hong Kong.

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