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**CEPIA to protest
against Fly Dubai
on Monday**

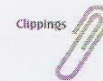
By our correspondent

KARACHI: The Council of Employees of PIA (CEPIA) has decided to stage a protest against non-IATA airline Fly Dubai and other Gulf carriers which are being allowed to increase flights to Pakistan, the council announced on Saturday.

Terming open sky policy a disaster for PIA, the CEPIA said employees will stage a protest at the head office of PIA on Monday — the day Fly Dubai's first flight lands in Karachi.

The protest will be aimed at authorities which are granting flying rights to foreign carriers even when PIA is suffering huge financial losses, it said.

CEPIA had earlier raised concerns over the government's decision to give traffic rights to UAE based low-cost Fly Dubai to operate seven flights a week. The CEPIA is a confederation of six labour unions of the national flag carrier.



CEPIA blasts open sky policy

ISLAMABAD—The Council of Employees of Pakistan International Airlines (CEPIA) on Friday decided to stage protest demonstration against the permission given by the authorities to a non-IATA (International Air Transport Association) airline 'FLY DUBAI' and other Gulf carriers, saying "Open sky policy a disaster for PIA."

CEPIA made this decision in its emergency meeting held on Friday, said a press release issued here.

Meanwhile, the body also decided to convene a meeting of the general body on Monday to finalize future course of action in this regard.

The council expressed serious concerns regarding the decision to give traffic rights to a UAE based non-IATA airline to operate seven flights in a week from Dubai to Karachi and vice versa.

The body also criticized the PIA management saying that it should have persuaded the Ministry of Defence to reverse its decision in larger national interest.

CEPIA is formed by PIA employees' associations, unions including PALPA, CBA, PIASSA, FENA, SAEP and ATAP to protect the rights of PIA employees and work for betterment of the national flag carrier.—APP



Publication: Express

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Date: 20 June 2010

سپیا کا جنرل ہاؤس اجلاس منگل کو طلب

کراچی (اسٹاف رپورٹر) پی آئی اے کے ملازمین کی کونسل سپیانے نان اٹا یا غیر ملکی ایئر لائن کو پرواز میں شروع کرنے کی اجازت دینے کی مخالف احتجاجی مظاہرے کا اعلان کیا ہے اور اوپن اسکائی پالیسی کو ادارے کے لیے خطرناک چاہی قرار دیا ہے، اس سلسلے میں سپیانے جنرل ہاؤس اجلاس منگل کو طلب کر لیا ہے۔

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Date: 20 June 2010

سپہا کا تان ایسا میزلائن کو پروڈازوں کی
اجازت دینے کیٹلاف مظاہرے کا اعلان
کراچی (سٹاف رپورٹ) پی آئی اے سے ملازمین کی کوسل
(سپہا) نے تان ایسا میزلائن کو پروڈازوں کو کام کی
جانب سے پروڈازوں شروع کرنے کی اجازت دینے کے
خلاف ڈمٹ کرتے ہوئے اس فیصلے کے خلاف احتجاجی
مظاہرہ کرنے کا اعلان کیا ہے، جبکہ اوپن اسکائی پائسی کو
ادارے کیلئے مخترباک تھائی
قراردیدہ احتجاجی مظاہرے کا فیصلہ سپہا کے بنگالی اجلاس میں کیا
گیا جس میں سپہا نے جنرل ہائی اجلاس بھی منگل 21 جون کو
طلب کیا ہے۔



Publication: Khabrain

Edition: Karachi

Date: 20 June 2010

سیدیا کا احتجاجی مظاہرہ کرنے کا اعلان
کراچیہ (جنرل ریپورٹر) نی آئی لے ملائین کی
کونسل (CEPIA) نے جن لایہ غیر ملکی بیرون نقلی مہی
کو کھم کی جانب سے پروڈس شروع کرنے کی اجازت دینے
کے خلاف اپنے اجلاس میں حمت کرتے ہوئے اس فیصلے
کے خلاف احتجاجی مظاہرہ کرنے کا اعلان کیا ہے۔

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Open skies policy

THIS is regarding the news item regarding the open skies policy (June 13). Open skies policy was enforced in Pakistan, after a number of incidents caused by some non-professional decisions taken by the PIA management of the time, coupled with gross mishandling of passengers and their baggage.

Because of the haste with which this policy was implemented without doing any homework, ignoring some sane suggestions from within the PIA and CAA, it backfired, as was expected. Passengers suffered more at the hands of some novices in the civil aviation.

It is time that some knowledgeable representatives from the PIA, CAA and CEAPIA sat down and thrash out a comprehensive policy, keeping in mind the interest, safety, comfort and convenience of potential passengers.

ABID MAHMUD ANSARI
Islamabad

Lack of double taxation
treaty

**PIA incurring
loss of Rs40,000
per Kabul flight**

MOHAMMAD ALI

KARACHI: The Pakistan International Airlines Corporation (PIAC) is incurring a loss of Rs 40,000 on each flight from Islamabad to Kabul, owing to the absence of double taxation treaty between Pakistan and Afghanistan.

Sources told Business Recorder on Saturday that the issue was highlighted by the officials of the national flag carrier at a meeting with the chairman of the Federal Board of Revenue (FBR) some time early this month in Islamabad.

They said that the PIAC has been paying 25 percent corporate tax and 10 percent business receipt tax (BRT) on its gross sales to the Afghan officials, which results in a loss of Rs 40,000 on each flight from Islamabad to Kabul.

They said that although the government could not stop the flights to Afghanistan because of strategic reasons, it could enter into a double taxation treaty to get exemption on the levy on income of airlines of both countries.

Officials of national flag carrier had further informed the FBR

chief that Indian government had finalised similar treaty with Afghanistan to avoid such revenue losses.

Commenting on value-added tax (VAT) implementation, the office-bearers of PIAC said that although the implementation of VAT on international transport

services had been withheld for the time being, it would result in drastic implications for the airline on implementation in future.

They said that foreign carriers, lifting passengers from Pakistan to their hubs, mainly in Gulf, would have the facility of issuing tickets from Pakistan to their hubs and collecting applicable VAT only for this travel.

Moreover, they said, the tickets for the remaining part of the travel from their hubs to other destinations in the world would be issued out of Pakistan and, therefore, these tickets would be much cheaper than the tickets of PIA, involving VAT for the full itinerary.

They said that the foreign airlines would start issuing tickets from their hubs in Gulf and make the passengers travel from Pakistan without involving any VAT, thereby depriving the government of Pakistan of its revenue, and putting PIAC in an uncompetitive position.



CEPIA to protest against Fly Dubai on Monday

By our correspondent

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The protest will be aimed at authorities which are granting flying rights to foreign carriers even when PIA is suffering huge financial losses, it said.

CEPIA had earlier raised concerns over the government's decision to give traffic rights to UAE based low-cost Fly Dubai to operate seven flights a week. The CEPIA is a confederation of six labour unions of the national flag carrier.



CEPIA to stage protest demo against 'Fly Dubai' inaugural flight tomorrow

IQBAL MIRZA

KARACHI: A paradoxical situation seems emerging on the commencement of non-IATA airline, 'Fly Dubai', Pakistan operations and the reaction of the Council of Employees of PIA (CEPIA).

While Ghaith A Ghaith, Chief Executive Officer of Fly Dubai, announced on Saturday that it would celebrate its inaugural flight to Karachi which would arrive on Monday at 1 pm, the Council of Employees of PIA (CEPIA) at the same time announced that thousands of PIA employees would stage a protest demonstration against the permission granted by authorities to 'Fly Dubai' at 3 pm on Monday at PIA head office.

Ali Saif Sultan Al Awani, Ambassador of United Arab Emirates in Pakistan, will be guest of honour at the function at a local hotel.

At an emergency meeting held here on Saturday, CEPIA, while terming the open sky policy as a disaster for PIA, also decided to raise its voice against other Gulf carriers as well. A general body meeting of CEPIA has also been convened on Monday to protest against the traffic rights granted to 'Fly Dubai' to operate seven flights a week to and from Karachi. The management was also flayed on its indifferent attitude and showing no concern to the authorities. They emphasised that PIA management should have persuaded the Ministry of Defence to reverse its decision in the larger interest of the national flag carrier and the country.

CEPIA comprises PIA employees' associations/unions including Palpa, CBA, PIASSAA, FENA, SAEF and ATAP to protect the rights of PIA employees and work for the betterment of PIA.

Capt Suhail Baluch, President

of Palpa and convener of CEPIA, said that the government of Pakistan, being the owner, has its obligation to safeguard the interests of national-flag carrier, and no owner should expose its own business to disadvantage by allowing competitors with undue facilities.

PIA is competing with all major airlines of the world on every sector in the best possible way but an undue advantage given to a non-IATA/ICAO airline will put PIA at great disadvantage, he said.

He said that the permission to a non-IATA airline would expose Pakistani passengers' safety as the aforesaid airline is not monitored by the regulatory authority, i.e. IATA, and does not offer any insurance cover etc as offered by IATA monitored airlines. According to sources, the government is looking for aviation experts to turn around PIA as its

whopping losses has made the rulers realise that putting 'cronies' at top instead of a competent aviation professional is disastrous for the national carrier. Pakistan International Airlines has been losing money for the last five years. It posted losses of Rs 4.513 billion in 2005, Rs. 13.215 billion in 2006, Rs 13.070 billion in 2007, Rs 39.987 billion in 2008 and Rs 13.308 million in 2009. The cumulative losses during this period have crossed Rs 84 billion. The prospects for ongoing year are also bleak. Managing Director of PIA Captain Ijaz Haroon has admitted that the airline had technically gone bankrupt since 2005 and that PIA suffered a loss of Rs. 13 billion in 2005 and since then according to him the losses have escalated to Rs 77 billion. It may be noted that the External Auditors in the Annual Report of the Airline for 2009 have commented: "These conditions indi-

cate the existence of a material uncertainty which may cast doubts about the Corporation's ability to continue as a going concern." This is the first time in the history of the airline that such a comment has been incorporated.

The Prime Minister, sources said, is appalled by recurring expenses and has ordered immediate reformation while the new Federal Finance Minister is not prepared to spare resources for loss making public sector entities unless a turnaround is guaranteed. Sources in the Ministry of Defence said that a number of former experts who managed PIA when the airline was respected around the globe for its service and competence have been interviewed. Authorities realise that the national carrier would need massive financial support to stay operative but they do not want to release the resources to

the incompetent lot that have brought the airline on the verge of collapse. A parliamentary committee has also called for urgent steps to arrest the declining trends in the airline. Commercial aviation experts believe that the government, keeping Pakistan Steel Mills as a model, is ready with a package that would benefit the national flag carrier by saving the interest cost and ensure better future financial flexibility. But it wants a competent and professional executive to handle the situation. Sources said that the government wants a guarantee that the money it arranges under current financial constraints is not wasted. "PIA is a precious national institution that cannot be allowed to reduce to rubble", commented a source on condition of anonymity adding that search for a messiah is on and the Prime Minister is being

kept fully informed.

Sources said that during the course of these interviews numerous weaknesses in the airline operations and sales were highlighted.

Policies like Open Sky need to be reviewed, experts believe, as this has not only reduced PIA's market share but have also left two operating domestic airlines also in a condition where one flies only 30 years old aircraft and the other does not have the capacity to offer comfort of even business class seats to its passengers.

Aviation experts believe that turnaround of PIA and its future viability will remain unpredictable unless grant of traffic rights to Gulf countries' airlines and PIA's business strategies are not aligned in an innovative and inter-active manner. The gulf carriers fly 60 flights to Pakistan every week and over

200 flights to points in Americas, UK, EU countries through their "hubs" thus carrying huge traffic from Pakistan on the Indian sub-continent.

The national carrier has a golden past but its decline started with the highly criticised political appointment of Shahid Khaqan Abbasi as chairman of PIA in 1997 and the slide has yet to abate.

This has also negated the argument that inexperienced business sector persons may once again be tried to play with fate of the airline.

Commercial aviation experts in the country believe that PIA needs an effective and efficient management team led by a visionary managing director to curtail the ever-increasing losses and not gamble with huge investment of around \$ 4 billion in new aircraft and aviation infrastructure.



CEPIA blasts open sky policy

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سیپا کا غیر ملکی ایئر لائن کو پروازوں کی
اجازت دینے کے خلاف احتجاجی
مظاہرے کا اعلان

اسلام آباد (اشرق نقوی) آئی آئی اے ملازمین کی
کنسل سیپا نے نان ایئر ٹیرملی ایئر لائن "طافی
دعویٰ" کو کام کی جانب سے پروازیں شروع کرنے کی
اجازت دینے کے خلاف اپنے اجلاس میں مذمت
کرتے ہوئے اس فیصلے کے خلاف احتجاجی مظاہرہ
کرنے کا اعلان کیا ہے جبکہ ملازمین اسکاٹی پائسی
کو ادارے کیلئے خطرناک چابی قرار دیا۔ احتجاجی
مظاہرے کا فیصلہ سیپا کے ہنگامی اجلاس میں کیا
گیا۔ دو برس آنچہ سچانے نزل ہوا ہی اجلاس میں منگل
22 جون کو طلب کیا ہے۔



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PIA ملازمین کونسل کا غیر ملکی ایئر لائن کو پروازوں کی اجازت دینے پر احتجاج

”فلائی وہی“ کو راہی دہی روٹ پر سات پروازوں کی اجازت دینے کے حکومتی فیصلے کی شدید مذمت

سینیا کا جنرل ہاؤس ایلاس 21 جون کو طلب: اوپن سکاٹی پالیسی ادارے کیلئے خطرناک جاتی ہے۔ سینیا
اسلام آباد (پ ر) پی آئی اے ملازمین کی کونسل (CEPIA) نے ٹن لیا غیر ملکی ایئر لائنز
فلائی وہی کو کلام کی جانب سے پروازیں شروع کرنے کی اجازت دینے کے خلاف اپنے ایلاس میں
ذمت کرتے ہوئے اس فیصلے کے خلاف احتجاجی مظاہرہ کرنے کا اعلان کیا ہے۔ جبکہ اوپن سکاٹی پالیسی
کو ادارے کیلئے خطرناک جاتی قرار دیا۔ احتجاجی مظاہرے کا فیصلہ سینیا کے ہنگامی ایلاس میں کیا
گیا۔ درس اٹھا، سینیا نے جنرل ہاؤس ایلاس بھی منگل
21 جون کو طلب کیا ہے۔ فلز ایئر، سینیا کی طرف سے غیر ملکی
IATA ایئر لائنز، فلائی وہی کو راہی دہی روٹ پر سات پروازوں کی اجازت دینے
کے حکومتی فیصلے پر شدید سختیوں کا اظہار کرتے

ہوئے اسے پی آئی اے کیلئے نقصان دہ قرار دیا گیا تھا۔ ایلاس میں انتظامیہ کے رویہ پر بھی افسوس کا اظہار کرتے ہوئے کہا گیا کہ قومی فضائی ادارے اور ملک کے مفادات پی آئی اے کی انتظامیہ کو چاہیے تھا کہ وہ وزارت و خارجہ پر اس غیر دانشمندانہ فیصلے سے گریز کیلئے ہانڈا لٹی۔ سینیا حال ہی میں پی آئی اے کے ملازمین کی مختلف تنظیموں نے تقابلی دی سے جس کا مقصد قومی ایئر لائنز اور مول ایوی ایشن انڈسٹری کی بہتری کیلئے انتظامیہ اور حکومت کو تیار اور اقدامات جو کرنا ہے۔ سینیا میں تمام ایوی ایشنوں اور یونٹوں کے نمائندے ہیں، ان میں ہی پی اے، پاپا، ایس ایس اے، ایس اے ای پی، فیفا اور ایپ شامل ہیں۔