

Recently I have been informed of a joint application (File 10106/274226.12) before the *CIRB* requesting the transfer of certain bargaining certificates and collective agreements and benefits from Air Canada to Aveos Fleet Performance. Please accept this letter as confirmation of my opposition to such an action. The proposed split of the bargaining unit certification will have dire consequences not only to me as an employee of Air Canada but also to the future of Canada's skilled aviation workforce.

As an employee of Air Canada I have been responsible for maintaining the fleet of aircraft which not only transports Canadians across our country but also represents our country throughout the world as Canada's National Airline. I have seen many changes throughout my career as a result of economic hardships and poor business decisions. I have sacrificed both salaried and negotiated benefits to help Air Canada restructure financially to allow it to continue to provide an invaluable service to Canada and Canadians. Air Canada presents this application as merely a sale of business. I argue that it constitutes a restructuring move that is being orchestrated to circumvent present and future negotiated collective bargaining agreements between my certified bargaining agent (IAM&AW) and my employer Air Canada.

The senior Management of Aveos Fleet Performance has told us, (seconded Air Canada employees) that there will be no scheduled aircraft Heavy Maintenance operations performed in Canada. This causes me to ask why I would willingly select to become an employee of a company that cannot produce or commit to a long term business plan for airframe maintenance in Canada. Heavy maintenance of commercial jet transport aircraft, primarily the Air Canada fleet of aircraft is the sole reason Aveos was created.

This statement also raises some obvious questions. Who will be maintaining the Air Canada fleet? Where will they be maintained? Can the quality of the maintenance be ensured in a foreign country by an understaffed and overworked Transport Canada staff? Can the security of the aircraft be guaranteed if they are maintained in countries that complicitly allow known drug cartels and terrorist organizations to exist and operate within their borders?

When the former crown corporation was privatized and protected by the *Air Canada Public Participation Act (ACPPA)*, the *Act* stated that repair and overhaul facilities would be maintained in Winnipeg, Montreal and Mississauga. This application before the *CIRB* is an attempt to trivialize and avoid an Act of Parliament. Already we have seen AVEOS invest money in foreign locations at the cost of neglecting expansions in Canada. The companies take the position that a mechanic with a can of oil and a screwdriver in any of these cities fulfills their obligation to maintain an MRO.

I am also concerned that the financial structure of AVEOS would make it an extremely poor long term employer. In the first 2 ½ years since its incorporation its initial capitol investments have been squandered, the original investors have defaulted on their loans and the lenders have become primary owners by default. This necessitated a financial restructuring of Aveos in February 2010 as the lenders attempt to make Aveos attractive enough to recoup their investment through whatever means possible.

Despite both companies' claims that Aveos is financially viable my co-workers and I constantly struggle to perform our jobs in a timely manner. That is because supplier credit holds continue to affect the

ability of AVEOS to purchase the necessary tools and parts needed to conduct its business on a day to day basis. This creates a huge impediment to Aveos' ability to produce an aircraft check at an industry acceptable turn time.

Aveos as currently structured and managed is a corporation that has been unable to attract any customers other than Air Canada. Without the continued long term commitment and support of Air Canada, Aveos would cease to exist in any meaningful way. This leads me to believe that the application before the *CIRB* is simply a thinly veiled plan to conduct a further restructuring of Air Canada. Air Canada is trying to obtain concessions and workforce reductions through the backdoor which it could not obtain in past CCAA negotiations. I have grave concerns that Aveos as a newly certified employer would not hesitate to use CCAA as a preferred method of resolving collective bargaining problems; specifically any Defined Benefit Pension Plan financial liability it may inherit from Air Canada.

I ask that the *Canadian Industrial Relations Board* consider that the arrangement currently in place between Air Canada and Aveos Fleet Performance has benefited both companies as they maintain a highly skilled and stable workforce. Allowing the application would create a volatile labour environment that would have an adverse affect on both. Allowing the application would accelerate the erosion of Canada's skilled workforce as the country continues to stand as a symbol of economic stability in a world of recession.

I implore the Board to look beyond the simplistic statement of "facts" put forward by Air Canada and Aveos in their joint application and carefully consider and weigh the negative labour relations and employment environment this application would create. Thank you for your time and consideration.

Respectfully submitted,