

**AGREEMENT NO. 1**

**BETWEEN**

**AIR CANADA**

**AND**

**THE INTERNATIONAL ASSOCIATION  
OF  
MACHINISTS & AEROSPACE WORKERS**

**CLERICAL**

**DISTRICT LODGE 140**

**Effective April 1st, 2011**

## TABLE OF CONTENTS

ARTICLE	SUBJECT	PAGE NO.
	DEFINITIONS.....	i
ARTICLE 1 -	PREAMBLE.....	1
ARTICLE 2 -	SCOPE OF AGREEMENT.....	2
ARTICLE 3 -	HOURS OF SERVICE.....	3
ARTICLE 4 -	PAID HOLIDAYS.....	6
ARTICLE 5 -	OVERTIME.....	12
ARTICLE 6 -	MINIMUM MONTHLY RATES OF PAY.....	14
ARTICLE 7 -	JOB DESCRIPTIONS & QUALIFICATIONS.....	17
ARTICLE 8 -	TRAINING.....	18
ARTICLE 9 -	FILLING OF VACANCIES.....	19
ARTICLE 10 -	PROBATIONARY EMPLOYEES.....	24
ARTICLE 11 -	UNION MANAGEMENT CLERICAL COMMITTEE MEETINGS UMCCM.....	26
ARTICLE 12 -	TEMPORARY EMPLOYEES.....	27
ARTICLE 13 -	SENIORITY & COMPANY SERVICE.....	29
ARTICLE 14 -	LAYOFF AND RECALL.....	33
ARTICLE 15 -	LAY OFF/REDUNDANCY PAY.....	37
ARTICLE 16 -	EMPLOYEES' REPRESENTATIVES.....	39
ARTICLE 17 -	DISCIPLINE/GRIEVANCE / ARBITRATION PROCEDURE AND HEARING.....	42
ARTICLE 18 -	INTENTIONALLY LEFT BLANK.....	53
ARTICLE 19 -	LEAVE OF ABSENCE.....	54
ARTICLE 20 -	MATERNITY REASSIGNMENT.....	59
ARTICLE 21 -	ORDERS IN WRITING.....	61
ARTICLE 22 -	HEALTH AND SAFETY.....	62
ARTICLE 23 -	EMPLOYEE BENEFITS.....	65
ARTICLE 24 -	MODIFIED WORK.....	70
ARTICLE 25 -	BULLETIN BOARDS.....	71
ARTICLE 26 -	TRANSPORTATION.....	72
ARTICLE 27 -	TECHNOLOGICAL CHANGE.....	73
ARTICLE 28 -	STRIKES & PICKET LINES.....	75
ARTICLE 29 -	SAVINGS CLAUSE.....	76
ARTICLE 30 -	GENERAL PROVISIONS.....	77
ARTICLE 31 -	DEDUCTION OF DUES.....	79
ARTICLE 32 -	ATTENDING COURT.....	81
ARTICLE 33 -	EXPENSES.....	82
ARTICLE 34 -	EMPLOYEE ASSISTANCE PROGRAM.....	84
ARTICLE 35 -	WORK WEAR ALLOWANCE.....	85
ARTICLE 36 -	INTENTIONNALLY LEFT BLANK.....	86
ARTICLE 37 -	INTENTIONNALLY LEFT BLANK.....	87
ARTICLE 38 -	DUTY TO ACCOMMODATE.....	88
ARTICLE 39 -	SEXUAL AND PERSONAL HARASSMENT.....	89
ARTICLE 40 -	ELECTRONIC SURVEILLANCE.....	91
ARTICLE 41 -	INTENTIONALLY LEFT BLANK.....	92
ARTICLE 42 -	RENEWAL AND TERMINATION.....	93

<b>LETTER OF UNDERSTANDING NO. 1 - 9-DAY FORTNIGHT GUIDELINES .....</b>	<b>94</b>
<b>LETTER OF UNDERSTANDING NO. 2 - FLEXIBLE HOURS GUIDELINES .....</b>	<b>96</b>
<b>LETTER OF UNDERSTANDING NO. 3 - HISTORICAL PRECEDENTS .....</b>	<b>97</b>
<b>LETTER OF UNDERSTANDING NO. 4 - CONTRACTING OUT .....</b>	<b>98</b>
<b>LETTER OF UNDERSTANDING NO. 5 – CONTRACTING IN.....</b>	<b>99</b>
<b>LETTER OF UNDERSTANDING NO. 6 - INTENTIONALLY LEFT BLANK .....</b>	<b>100</b>
<b>LETTER OF UNDERSTANDING NO. 7 - VOLUNTARY SEPARATION .....</b>	<b>101</b>
<b>LETTER OF UNDERSTANDING NO. 8 - MITIGATION OF STAFF REDUCTIONS.....</b>	<b>103</b>
<b>LETTER OF UNDERSTANDING NO. 9 - ADDITIONAL QUALIFICATIONS.....</b>	<b>104</b>
<b>LETTER OF UNDERSTANDING NO. 10 – AMALGAMATION OF CLASSIFICATIONS .....</b>	<b>105</b>
<b>LETTER OF INTENT NO. 1 - WORK SHARE PROGRAM .....</b>	<b>106</b>
<b>LETTER OF INTENT NO. 2 - CERTIFICATION AMENDMENT .....</b>	<b>107</b>
<b>LETTER OF INTENT NO. 3 - BUY BACK OF PENSION BENEFITS .....</b>	<b>108</b>
<b>APPENDIX A IAM -CLERICAL RATES OF PAY .....</b>	<b>109</b>
<b>APPENDIX B – JOB CLASSIFICATION TASKS LIST .....</b>	<b>111</b>
<b>APPENDIX C.....</b>	<b>123</b>
<b>APPENDIX D.....</b>	<b>126</b>
<b>APPENDIX E.....</b>	<b>128</b>
<b>APPENDIX F .....</b>	<b>130</b>
<b>APPENDIX G .....</b>	<b>132</b>
<b>APPENDIX H.....</b>	<b>133</b>

## **DEFINITIONS**

The following definitions under this section will apply to all provisions covered by this Agreement.

1. Mutual Agreement - when used in reference between Company and Union shall mean agreement determined on behalf of the Union or the company by an authorized representative(s).
2. Local Agreement - when used in reference between the Company and Union shall mean agreement between an authorized representative of the Local Lodge and local management except as specifically provided herein.
3. Calendar Day - the twenty-four (24) hour period from midnight to midnight.
4. Working Day - The calendar day on which a shift commences.
5. Base - all airport locations in Canada where bargaining unit members are employed.
6. Spouse - any reference in this agreement to spouse shall also mean common-law spouse as defined in Company policy.
7. Laid Off Active - Any employee affected by a staff reduction who is forced to move from their classification and status but who remains employed in a position covered by this Collective Agreement.
8. Laid Off Inactive - Any employee affected by a staff reduction who elects not to or cannot hold a position covered by this Collective Agreement.
9. Status - When used in this Agreement, refers to type of employee, i.e., permanent full-time, temporary, or laid off.
10. Registered Mail – When used in this Agreement, refers to mail courier delivery that provides a receipt.
11. Grievance: Any difference between the Company and the Union concerning the interpretation, application, administration or alleged violation of this Agreement.

## **ARTICLE 1 - PREAMBLE**

- 1.01 The purpose of this Agreement is in the mutual interest of the Company and the employees, to provide for the operation of the services of the Company under methods which will further the continuation of employment under conditions of reasonable hours, compensation and working conditions. It is recognized by this Agreement to be the duty of the Company and of the employees to cooperate fully, both individually and collectively, for the advancement of that purpose.
- 1.02 In making this Agreement, the parties hereto recognize that compliance with the terms of the Agreement and development of a spirit of cooperation are essential for the mutual benefit and public service.
- 1.03 Should a question of interpretation arise from the French and English texts of any Article or paragraph of this Agreement, the language in which the text was negotiated will prevail.
- 1.04 In the event that the Company changes ownership, merges with another Company or changes its Corporate identity, this Agreement shall remain in full force and effect and the certificate issued by the Canada Industrial Relations Board then in effect, shall not be affected in any way, except as otherwise governed or directed by the Board. The Company further agrees to enter into discussions with the Union relative to the protection of employee seniority and other conditions of the Agreement. Failing settlement, Part I - Industrial Relations, of the Canada Labour Code will apply.
- 1.05 If legislation is enacted which has an effect on the provisions of this Agreement or on Company policy which has a detrimental effect on the employees covered by this Agreement, the Union may initiate discussions with the Company regarding methods of alleviating such detrimental effects.
- 1.06 All amendments to this Agreement, and all mutual agreements as required by various Clauses, shall be in writing and signed by both parties.
- 1.07 All new employees shall be provided with a copy of this Collective Agreement by the Company.
- 1.08 Whenever the feminine gender is used, it shall be understood to mean the feminine or masculine gender unless otherwise specifically stated.

## **ARTICLE 2 - SCOPE OF AGREEMENT**

- 2.01 The Company recognizes the International Association of Machinists and Aerospace Workers as the sole and exclusive bargaining agent for all the Company's employees in the bargaining unit set forth in the Certification Order issued by the Canada Industrial Relations Board.
- 2.02 The Company agrees that except in work emergency situations or as otherwise provided in this Agreement, it is not intended that work which is normally assigned to bargaining unit employees be performed by management or other staff outside the Union's certification. This provision shall not restrict the ability of management to train employees covered by the scope of this Agreement.
- 2.03 The operation of certain machines and/or instruments as a source of information is essential to certain management duties. The operation of such machines and/or instruments as a part of a management function shall not be construed as management personnel performing bargaining unit work.
- 2.04 Subject to the provisions of this Agreement, the control and direction of the working forces, including the right to hire, suspend or discharge for just cause, to promote or set back in classification, to re-assign, to transfer or to layoff because of lack of work or other legitimate reasons, is vested in the Company, provided that in the exercise of such functions, the Company shall not violate any provisions of this Agreement.
- 2.05 The right of the Company to operate and manage its business in all respects in accordance with its commitments is recognized by the parties subject to the terms of this agreement.

## **ARTICLE 3 - HOURS OF SERVICE**

- 3.01 Eight (8) consecutive hours' service exclusive of meal period, shall constitute a day's work for all employees except as otherwise provided herein.
- 3.02 The normal working week shall be one of forty (40) hours exclusive of meal periods and will consist of five (5) consecutive days of work. Except where other shift arrangements dictate, the rest days will be Saturday and Sunday.
- 3.03 In normal circumstances the daily starting and stopping times of work shall not be changed without seventy-two (72) hours' notice with a copy to the local Shop Steward.
- 3.04 The length of meal periods shall be as mutually arranged locally between the Company Officials and the affected employee(s); but in the absence of any agreement to the contrary, the meal period shall be thirty (30) minutes.
- 3.05 The Company shall ensure that all employees are provided with rest breaks during each half of the normal daily hours of work as per Clause 3.01.
- 3.06
- (a) Prior to the establishment of any shift arrangement, the matter shall be discussed with the affected employees and the Union. Consideration shall be given to the wishes of the employees in regard to the shift arrangements. As much advance notice as possible, and in no case less than thirty (30) days shall be given to the Union of any anticipated change in shift arrangements.
  - (b) Shift schedules developed in accordance with the provisions of this Article shall be posted at the base concerned and same shall not be changed without seventy-two (72) hours notice.
  - (c) If an employee is required to change from one shift to another with less than seventy-two (72) hours' notice, she shall be compensated for all shifts worked prior to seventy-two (72) hours from notification at one and one-half (1½) her hourly rate.

3.07

- a) Shift arrangements will be established to effectively meet operational requirements. For other than rotating shifts which are equal and like in turn, or shifts as per Clause 3.08 all shifts will be bid once yearly.

An employee wishing to exercise their seniority privilege in order to obtain a preferred start time within their department must submit their request to their local manager (by email), with a copy to their Chief Shop Steward, prior to September 1<sup>st</sup>. This request must be actioned within 30 days of September 1<sup>st</sup>.

- b) When work or training requirements necessitate the reassignment of an employee's regular days off, an employee may be required to work a series of days on, with a corresponding series of days off in accordance with the formula below. The reassignment of days off shall be completed at the time of the work schedule change, otherwise overtime rates will apply. In summary, the principle of balancing days worked to days off will be applied to a work schedule change.
- c) When work requirements necessitate the reassignment of an employee's regular days off, the following formula will apply for determining days worked to days off ratio:

Shift	<u>Ratio</u>		
5 on 2 off	1 day worked	1 day off	
	2 days worked	1 day off	
	3 days worked	2 days off	
	4 days worked	2 days off	
	5 days worked	2 days off	
6 on 3 off	1 day worked	1 day off	
	2 days worked	1 day off	
Or	3 days worked	2 days off	
	4 days worked	2 days off	
4 on 2 off	5 days worked	2 days off	
	6 days worked	3 days off	
	4 on 4 off	1 day worked	1 day off
		2 days worked	2 days off
3 days worked		3 days off	
4 days worked		4 days off	



3.08 Hours of work arrangements differing from the foregoing provisions, e.g., nine-day fortnights (LOU 1) and flexible hours (LOU 2), may be implemented by mutual agreement on a local level between a majority of the affected employees and the Company. Such alternate arrangements may be proposed by either the Company or the representatives of the affected employee group. Any such alternate arrangements mutually agreed to will be detailed in a letter from the Company to the local employee representative of the Union with copies to the Union and to the Labour Relations Department of the Company. Any such arrangement may be cancelled on thirty (30) days notice on the basis of any of the following:

- (a) The arrangement no longer suits the work requirement of the area concerned;
- (b) The majority of the affected employees no longer support the arrangement;
- (c) The arrangement is not as productive as an alternate arrangement.
- (d) Economic reasons.

During the thirty (30) days' notice period both parties will endeavour through joint discussions to find an alternate resolution to the problem. In cases where there is a requirement of the service the existing schedule will remain in effect pending finalization of the case.

3.09 Occasional shift trades may be made by mutual agreement between the affected employees and their supervisor/manager.

## ARTICLE 4 - PAID HOLIDAYS

4.01 Where both the recognized holiday and/or any day designated by the Company for observance of a recognized holiday falls on an employee's scheduled day off the employee shall be allowed a compensating day off to be taken at a time mutually agreed to between the employee and the Company within a period of twenty-eight (28) days after such holiday. If not used within the 28 day period, the day will be added to the employee's time bank at straight time rates.

4.02

(a) The following statutory holidays:

New Year's Day	- actual
Good Friday	- actual
Victoria Day	- Monday
Canada Day	- actual
Labour Day	- Monday
Thanksgiving Day	- Monday
Christmas Day	- actual
Boxing Day	- actual

shall be observed and scheduled hours shall be paid for at straight time, if not worked, by not reducing the monthly rate of pay outlined in Article 6, providing that the employee is entitled to wages for at least twelve (12) days during the thirty (30) days immediately preceding the general holiday.

(b) In the event of any of the above holidays falling on a Saturday or Sunday where these are the assigned rest days of the employee, the day substituted by the Federal Government shall be observed. Where an alternative day is not set aside by the Federal Government, the Monday following the holiday shall be set aside in lieu thereof.

4.03

(a) Except in the province of Quebec where St. Jean Baptiste day will be observed as a general holiday, one (1) additional day will be granted to permanent employees who have completed at least sixty (60) days of service. This day off will be determined by agreement between the Company and the employee or assigned on thirty (30) days' notice following October 31 in each calendar year.

- (b) This day may be assigned under the thirty (30) days' notice provision up to January 31 in the following calendar year. A day assigned in the above manner will be assigned consecutively with the employee's scheduled rest days.
- (c) In lieu of the assignment in (a) and (b) above, at the employee's option the unused floating general holiday will be placed in the employee's time bank at straight time rates.
- (d) In the application of this Clause a permanent employee will be credited with one (1) general holiday under this Clause if she leaves the service of the Company before March 31 in a calendar year for reasons other than retirement.
- (e) The application of the above is not meant to restrict the utilization of this general holiday before the date specified

4.04 For the purpose of calculating and recording annual vacations a "vacation year" has been established. The year begins January 01 and ends December 31.

4.05 Vacation entitlement listed below will be increased by one (1) day for each General Holiday that occurs during their vacation period:

During the vacation year in which the employee begins:	The employee will be entitled to:	With the following pay applicable (subject to Clause 23.09):
<b>YEARS OF SERVICE</b>	<b>TIME ENTITLEMENT</b>	<b>PAY ENTITLEMENT</b>
One (1) to four (4) years (or second to fourth years)	Two (2) weeks (fourteen (14) calendar days)	Two (2) weeks regular earnings or the Canada Labour Code which-ever is greater.
Five (5) to fourteen (14) years (or sixth to fourteenth etc.)	Three (3) weeks (twenty-one (21) calendar days)	Three (3) weeks regular earnings or the Canada Labour Code whichever is greater.
Fifteen (15) to Twenty-four (24) years	Four (4) weeks (twenty-eight (28) calendar days)	Four (4) weeks regular earnings.
Twenty-five (25) years and over	Five (5) weeks (thirty-five (35) calendar days)	Five (5) weeks regular earnings.

- 4.06 Employees who have completed less than one (1) year of continuous service by December 31<sup>st</sup> of each year will be granted vacation leave with pay in accordance with the following chart for each full month of continuous service up to December 31<sup>st</sup>.

<u>Full Calendar Months of Continuous Service</u>	<u>Calendar Days of Vacation with Pay</u>
1	1
2	2
3	4
4	5
5	6
6	7
7	8
8	9
9	11
10	12
11	13

Note: A full calendar month of service for vacation purposes will be credited if an employee commences Company service on the first working day of the month provided all days of the month, before commencement of employment, are statutory holidays and/or regular days off in the employees work cycle.

- 4.07 Employees leaving the service of the Company who have completed thirty (30) days but less than one (1) year of continuous service with the Company, excluding any layoff period or authorized leave of absence, shall be entitled to four percent (4%) of total wages earned during their period of employment as vacation pay.
- 4.08 Employees leaving the service of the Company who have completed one (1) year of continuous service with the Company, excluding any layoff period or authorized leave of absence at a time when an unused period of vacation stands to their credit, shall be paid the amount due them in lieu of vacation calculated to the date of their leaving the service as provided in Clauses 4.04, 4.05, 4.06, or 4.07.

4.09

- (a) Before November 1 each year, a vacation entitlement list will be published by the Company.

Each Employee shall bid her vacation within her functional grouping or department at the base or through any other procedure that is mutually agreeable to the affected employees and local management.

Vacation choices will be made as follows:

- 1st choice in by November 1<sup>st</sup>, approved by November 6<sup>th</sup>.
- 2nd choice in by November 8<sup>th</sup>, approved by November 13<sup>th</sup>.
- All other choices in by December 1<sup>st</sup> approved and posted by December 15<sup>th</sup>.

The number of employees that can be off any given week will be determined by the operational requirements of the functional grouping or department.

NOTE: Employees who have not made their choice in each selection round will forfeit such choice. Following this process, any outstanding vacation may be assigned.

- (b) Employees may elect to split holidays into one (1) week segment, however, when vacations are split the employee's first preference will be in order of bargaining unit seniority and the awarding of her second and subsequent preference will be in order of bargaining unit seniority only after all employees have made their choice in each selection round.

4.10 Employees shall be compensated for vacation at the rate of pay of their regular position except when they have occupied a temporary position for two (2) weeks or more prior to going on vacation. In such cases they will be compensated for vacation at the rate of pay of the position held immediately prior to going on vacation.

4.11 The employer shall not defer an employee's approved vacation; nor shall the employee defer her approved vacation without mutual agreement between the employee and the applicable management representative.

4.12 Employees who will be absent on vacation for two (2) weeks or more may apply for advance payment of wages due on regular pay days during their vacation period. Such advance payment will be made on their regular cheque preceding their vacation period. Application must be made not later than four (4) weeks prior to the date on which the advance is to be paid.

- 4.13 An employee who is unable to commence her scheduled vacation period due to serious injury or critical illness, including Workers' Compensation, shall be awarded a new vacation period upon return to duty. However, if the employee does not return to duty on or before December 1<sup>st</sup> of any year, she shall receive pay in lieu of vacation earned but not taken.
- 4.14 An employee who moves voluntarily to a new position, work location or base after the vacation list is posted shall not be allowed to exercise her seniority to disrupt the list but shall accept an open vacation period.
- 4.15 An employee who is repositioned or displaced into a new position, location or base, shall retain her vacation selection or, at her option, change to an open vacation period.
- 4.16 In addition to the above, employees covered by this agreement are entitled to two (2) additional General Holiday days. These days off are to be taken at a time mutually agreed to between the employee and the Company subject to reasonable operational requirements,
- 4.17 Permanent employees who have completed twelve (12) continuous months of full-time service in a position covered by this Agreement will be entitled to five (5) days leave each calendar year with pay at their regular rate in accordance with the following.
- (a) For the purposes of selection of the leave period, the five (5) days of paid leave will either be added to the employee's regular vacation entitlement and selection then made in accordance with the provisions of Clause 4.09 or selection may be made by individual day(s) during the current vacation year with choices subject to local supervisory approval, such approval will not be unreasonably withheld. The employee will make such an election on or before October 1<sup>st</sup> of each year.

Unused days from the current year not requested or requested and not approved by December 1<sup>st</sup> will be paid out by year end subject to Clauses 4.17 (b), (c) and (d).

- (b) Following the date on which the required service is completed, new employees will be eligible for the five (5) days paid leave in the calendar year in which they complete twelve (12) months of continuous service in a permanent position providing the twelve (12) months service requirement is completed prior to December 1<sup>st</sup> of the calendar year.
- (c) If an employee who has established eligibility for paid leave in accordance with this Clause leaves the service or transfers to a position within the Company where she is not entitled to five (5) days paid leave of absence, the five (5) days shall be prorated on the basis of one day's leave for seventy (70) calendar days of service or major portion thereof.

NOTE: Clause 4.17 (c) does not apply to those employees who retire from service with the Company.

- (d) Employees who have established eligibility for paid leave under this Clause and who were absent for more than seventy (70) calendar days in the preceding calendar year for reasons other than compensable injury will have their five (5) days paid leave prorated on the basis of one (1) day's leave for each seventy (70) calendar days of service or major portion thereof.

NOTE: It is understood and agreed that the provisions of this Clause have been established in lieu of an additional two percent (2%) on the wage rates.

## **ARTICLE 5 - OVERTIME**

5.01 All time worked on proper authority beyond the limits specified in Clause 5.01 hereof shall be paid for as follows:

- (a) For time worked in excess of eight (8) hours or the normal work day, if longer, at time and one-half for all hours.
- (b) Time worked on an employee's assigned rest day or general holiday at time and one-half, with a minimum of six (6) hours.

5.02

- (a) If an employee is called in advance of her regular starting time, she shall be paid for all such time in advance of her regular starting time at the rate of time and one-half on the minute basis with a minimum of one (1) hour.
- (b) Employees recalled after the completion of regularly scheduled hours of work shall be guaranteed a minimum of two (2) hours pay at time and one-half, or the actual hours worked at time and one-half, whichever is greater.
- (c) All overtime worked will be paid on a minute basis.

5.03

- (a) Employees required to work more than two (2) hours beyond their assigned hours of service shall be granted a second meal period of twenty (20) minutes with pay at time and one-half prior to commencing the second tour of duty.

5.04 Fractions of one-half cent ( $\frac{1}{2}$  cent) and over shall be as one cent (1); fractions of less than one-half cent ( $\frac{1}{2}$  cent) shall be dropped.

5.05 Overtime work requirements will be filled in the following manner at the time of each occurrence:

- (a) The overtime will be offered to the incumbent(s) of the position.
- (b) If declined in (a), the overtime will be offered, in seniority order, to qualified available employees in the same classification in the department, in the following order: Permanent employee, then Temporary employee.
- (c) If declined in (b), the overtime will be offered, in seniority order, to qualified available employees in the same department.



- (d) If overtime work remains unassigned after the foregoing it will be assigned in reverse order of seniority to the available qualified employees in the same classification in the department.

NOTE: The foregoing provisions will apply to the extent they are consistent with the Canada Labour Code.

#### 5.06

- (a) All overtime hours worked will, at the employee's option, and at the time of each overtime occurrence, be credited to an overtime bank at the applicable overtime basis, to a maximum of twenty-four (24) hours or will be paid in accordance with this Article. Once the bank limit is reached, any further overtime worked will be paid out on the subsequent pay period.

Credits in the overtime bank may be either:

- (i) Taken as time off at the employee's written request and at a time mutually agreed to by the Company; or,
- (ii) With two (2) pay periods' notice an employee may request in writing that she be paid out at her current wage rate.

Lost time with the exception of late reporting for work, sickness, Workers' Compensation and leaves of absence will be deducted from the bank.

#### 5.07

Should an employee be required to work overtime that would result in less than a ten (10) hour break before the employee's next regularly scheduled shift management will:

- (a) advise the employee that she is not to report to work until ten (10) hours have elapsed without loss of pay; or
- (b) advise the employee to report to work as scheduled in which case she will be paid time and one-half for all hours worked until she has a minimum of ten (10) consecutive hours off duty.

## **ARTICLE 6 - MINIMUM MONTHLY RATES OF PAY**

- 6.01 Minimum rates of pay for classifications covered by this Agreement shall be as set out in the tables in Appendix "A".
- 6.02 Advancement in pay within each salary scale shall be automatic on the first day of the pay period following that in which the employee(s) have completed the required service.
- 6.03 Employees shall receive the appropriate salary for a change in classification effective with the date of transfer in accordance with the following:
- (a) Promotion - the employee shall receive the salary for the new classification in accordance with the following:
    - (i) not less than the salary provided in the first step of the salary schedule for the new classification; or
    - (ii) the lowest salary in the new classification which will result in an increase of not less than fifty dollars (\$50.00) per month over that being received immediately prior to the date of transfer.
    - (iii) progression in the new salary scale will be based on the date of transfer into the new classification.
  - (b) Lateral Move - should an employee move to a new assignment with the same salary scale, there shall be no change in salary level, or modification of dates affecting future increment increases.
  - (c) Voluntary Move to Lower Salaried Position - when an employee is awarded a position with a lower salary scale they will move to the same step on scale and progression in the new salary scale will be based on the date of transfer into the new classification.
  - (d) Displacement to a Lower Salaried Position - when an employee is required to displace to a lower salaried position, they will move to the step on scale that is closest to, but not greater than, their current salary and will retain their increment date.
  - (e) Demoted to Former Position - when an employee is demoted to her former position her salary shall be affixed at the appropriate step of the salary scale that would have applied as though the employee had remained in the former position without change.

- (f) Return from a Temporary Upgrade/Downgrade - for salary and increment purposes, will be treated as if the employee had never left their permanent position.
- (g) Return from Laid-off Inactive Status - When an employee on laid-off inactive status is recalled as per Clause 14.06 she shall be returned to the same salary step as she left, if possible, or the step on the salary scale closest to but not less than that being received immediately prior to her lay-off.
- (h) Return from Laid-off Active Status - When an employee on laid-off active status is recalled as per Clause 14.06, she shall return to the greater of:
  - (i) the same salary scale as she left, or
  - (ii) the step on the salary scale closest to but not less than that being received immediately prior to her recall.

6.04 Where an employee is injured at work and requires medical attention the employee shall be paid regular earnings for that day. It is understood however that the Company will not be required to make any payment if the employee received compensation for that day from any other source.

6.05 Employees will be paid every second Wednesday during their regular working hours. Should the regular pay day fall on a general holiday, payment will be made on the banking day preceding the regular pay day. Where there is a shortage of one (1) day's pay or more in an employee's pay and the shortage is not as a result of the employee failing to follow established time reporting procedures, a cheque will be issued to cover the shortage as soon as possible, normally within seventy-two (72) hours of notification to the Company. Any other reported shortages will be corrected on the next pay.

6.06

- (a) Recovery of pay errors shall be limited to those errors which occurred during the twelve (12) calendar month period immediately preceding the discovery of the error.
- (b) When the error involves a failure to make a required deduction or an overpayment to an employee which is being recovered by the Company, equal deductions shall be taken from the employee's pay over a period equal to the length of time over which the error occurred. However, where an employee's service with the Company is being terminated, all monies due to the Company shall be deducted from the final severance pay cheque.

- (c) Prior to making any deductions under (b) above, the Company will advise the employee in writing of the error, the number of pay periods over which recovery will be made, the amount to be deducted in each pay period and when deductions will commence. This notice must be provided to the employee no later than fourteen (14) calendar days prior to commencement of any deductions. Should the proposed payment schedule place an undue hardship on the employee, the parties will have the right to meet and discuss alternate arrangements.
  - (d) When an error involves underpayment or a deduction in excess of the amount required, the employee shall notify the Company of such error and provide any pertinent facts. The Company shall verify or dispute the claim within fourteen (14) calendar days and if verified, a correction shall be input prior to cut off for the following pay period. In the event the claim is disputed, a grievance may be lodged.
- 6.07 An employee awarded a Lead position will continue to progress normally through the pay scale of her classification and in addition she shall be paid a premium of two hundred dollars (\$200) for each month worked in the Lead position. Any wage reduction amount applied to basic wages will also be applied to this premium.

## **ARTICLE 7 - JOB DESCRIPTIONS & QUALIFICATIONS**

- 7.01 The job descriptions and qualifications of all persons under the scope of this Agreement are contained in Appendix B.

Qualifications required for positions covered by this collective agreement shall also be indicated on the vacancy notice posted at the time of the vacancy. In order to be eligible to fill a vacancy the employee must be able to demonstrate they fulfill the requirements of the position.

Positions of Coordinator, Senior Coordinator and Lead positions will be awarded to the employee who has successfully passed a structured interview. A Union representative will be present as an observer in the interview process. The selection of the successful candidate will be made by the hiring manager.

## **ARTICLE 8 - TRAINING**

- 8.01 Employees will receive training to meet the requirements of their positions. Courses will be offered “in house” whenever such training is available. Other job related in-house training courses will be provided as required.
- 8.02 Courses will be filled according to requirement and seniority within the department.
- 8.03 Employees requiring training or retraining on software applications for their positions will be provided access to training on line through the applicable tutorial. Computer access shall be provided. Notwithstanding the foregoing, this does not preclude employees from using available training resources to upgrade their skills on their own time.
- 8.04 Details concerning on line courses can be obtained on the Aeronet.
- 8.05 For permanent employees who pursue job related and/or developmental education, for their own job or for future opportunities within the Company, the Air Canada Tuition Reimbursement policy shall apply.

## ARTICLE 9 - FILLING OF VACANCIES

### **General Provisions**

9.01 The Company shall fill vacancies from permanent employees whenever qualified employees are available.

Language Requirements (English & French)

- a) Station                      Bilingual Requirement  
  
Montreal                      All Coordinators and Senior Coordinators
- b) To be considered for a coordinator or senior coordinator position an employee must have a level III bilingual qualification on record.
- c) Employees hired into the Assistant Coordinator classification must be able to demonstrate a level II language capability. In order to be considered for transfer or promotion, employees in the Assistant Coordinator classification must possess, as a minimum, a Level III bilingual qualification on record.

9.02 Vacancies will be filled based on qualifications and seniority as provided for in article 7.01.

9.03 Career Opportunities Postings shall indicate work location(s), department, title, status, nature of duties, shift requirements (if applicable), required qualifications, type of selection process, closing date and, if temporary, the approximate duration.

The posting will be for a minimum of ten (10) working days. On line Applications with an up-to-date employee career profile must be submitted by 23:59 EST on the closing date. It is the employees' responsibility to ensure all relevant test results and/or course transcripts and language requirements are on file with Employment Services prior to the closing date of the posting.

9.04 Employees' qualifications may be tested only when they apply for positions where the qualifications are additional to those of the positions they hold or have held as a permanent qualified employee or, in the case of unqualified successful bidders, have on file with Employment Services. Employees may test in order to place additional qualifications on file.

- 9.05 When more than one (1) vacancy or new position exists at the same time, employees shall have the right to bid on any or all, stating preference. An employee bidding on more than one (1) vacancy shall indicate the order of preference.
- 9.06 Employees bidding on positions must ensure that they can be reached by phone and be available to attend an interview with three (3) calendar days' notice. Successful bidders must accept or reject the offer within two (2) working days and must be available to report to the new position within fourteen (14) calendar days. These time limits may be waived by mutual agreement between the Union and the Company.
- 9.07 Employees filling vacancies shall receive salary adjustments in accordance with Clause 6.03.
- 9.08 Employees will be advised of the effective date and salary range of the new position at the time such position is awarded. The appointment shall be made within fourteen (14) calendar days from the close of the bid.
- 9.09 An employee awarded a position will be transferred either within thirty (30) calendar days after the selection or the effective date of the vacancy whichever is later.

If not transferred she shall be paid at the rate of the present position or the new position whichever is greater, but every effort shall be made to have a transfer made within the time period stipulated above.

In any event, the employee must be transferred no later than sixty (60) days after the date of the notice of selection.

- 9.10 In the event that an employee is offered a position and declines, she will be ineligible for future bids in the same classification and status for six (6) months from the date of verbal offer. This provision may be waived by mutual agreement should extenuating circumstances exist.
- 9.11 Employees awarded permanent positions will be required to complete six (6) months service in that position before being eligible to bid on future vacancies unless the vacancy is in a higher classification and/or merits greater pay. This time limit may be waived by mutual agreement between the Company and the Union.
- 9.12 An employee who accepts a temporary position accepts the position for the stated duration, and shall revert upon completion of the temporary award to her permanent position, except:
- (a) that she may in accordance with Clause 9.17 be awarded any other permanent position that becomes vacant during the course of her temporary position.



- (b) that she may be awarded a longer term temporary vacancy that provides a salary upgrade of fifty (\$50.00) dollars or more from her temporary position.
  - (c) that she may be awarded a subsequent temporary vacancy in any classification upon completion of the first.
- 9.13 Should the temporary position be filled by an employee on laid off inactive status, such employee shall revert to laid off inactive status at the completion of the temporary position and shall not be terminated.
- 9.14 Should an employee being the successful bidder on a job find within a period of six (6) months from the date of transfer the job or conditions to be not as represented on the posting she may seek redress through the grievance procedure.
- 9.15 Upon an employee's request to the hiring manager, unsuccessful bidders will be advised verbally as to the reason(s) they were not awarded the vacancy. If desired by the employee, the discussion will be confirmed in writing with a copy to the Chief Shop Steward.
- 9.16 An employee within a classification at a base may be repositioned as required at anytime in order to meet operational requirements. In so doing, employee preference will be taken into account.

**Permanent Vacancies six (6) months or more**

- 9.17 When filling vacancies with an estimated duration of six (6) months or more, except as noted in Clause 9.20, it will be done in the following order:
- (a) In order of seniority, recall from laid-off status to former employees of the same status and classification at the base in which the vacancy exists.
  - (b) Post and fill with a permanent qualified employee.
  - (c) Whenever practical, offer to an employee who bid on the position but who does not possess the required qualifications to the level specified. Seniority will be considered along with qualifications. Such employees will however be expected to satisfactorily carry out the full range of duties of the position but for the purposes of bidding, bumping or recall they will not be deemed to possess the full qualifications of the classification by virtue of the award. Should the employee qualify in the interim, her record with Employment Services will be updated accordingly.
  - (d) If the vacancy cannot be filled by (a), (b) or (c) above, it may be filled with a qualified applicant in the following order:

- (i) Employees of other IAM&AW Bargaining Units.
- (ii) Outside hire.

### **Temporary Vacancies less than six (6) months**

9.18 When filling temporary vacancies with a known duration of less than six (6) months (and vacancies as provided in Clause 9.20) it will be done in the following order:

NOTE: This time limit may be extended by mutual agreement between the Union and the Company.

- (a) In order of seniority, recall from laid off status to former employees of the same status and classification at the base in which the vacancy exists. Notwithstanding the foregoing, laid off employees on active status will only be recalled if such recall results in an increase in pay of a minimum of fifty (\$50) dollars per month, unless the recall is to a former geographical work location.
- (b) as per Clause 9.17(b)
- (c) as per Clause 9.17 (c)
- (d) if the vacancy cannot be filled by (a), (b) or (c) above, the vacancy may be filled with a qualified applicant in the following order:
  - (i) outside hire

9.19 Except as noted in Clause 9.20 and unless agreement has been reached between the Company and the Union to extend a temporary position or assignment, when exceeding six (6) months it shall become a permanent position and shall be posted and filled in accordance with Clause 9.17.

9.20 Temporary vacancies to cover Child Care Leave as per the Canada Labour Code and any resulting backfilling will be awarded and/or extended for the duration of the said Child Care Leave of an employee, which may be in excess of six (6) months. Such vacancies will not be considered permanent positions.

### **Temporary Assistance**

9.21 An employee shall only be expected to carry out the duties of her classification within her department but this shall not be interpreted to mean that an employee shall refuse to render assistance of a temporary nature as required provided such assistance is not assigned on a regular basis.

Temporary assistance contemplates the fulfillment of the duties and responsibilities of a position irrespective of the presence of the regular employee. Assisting a higher rated employee due to a temporary increase in the volume of work does not constitute a temporary assignment. When temporary assistance is required for one (1) day or more she shall be paid at the higher rate for the duration of the temporary assistance.

### **Reclassifications / New Positions**

- 9.22 Variations in job requirements may create additional classifications or materially change a position that is within an existing classification. When such material change is proposed by the Union or the Company, the proposal will be jointly reviewed. It is also understood that should the parties have omitted a classification from the classification schedule, the Union and the Company shall establish an appropriate rate of pay. The Union, however, may process any differences in accordance with the procedures contained in Article 17 of this Agreement. It is understood that changes resulting from such variations will have no retroactive application.
- (a) When a new classification is created under the terms of this Agreement, it will be bulletined and filled in accordance with Clause 9.17(b).
  - (b) When an existing position is brought under this Agreement from outside the scope of the agreement and the position is occupied, the incumbent will be offered first right of refusal to the position.
  - (c) When an existing position is reclassified upwards, the position shall be filled in accordance with Clause 9.17.
  - (d) When an existing position is reclassified downwards, the incumbent will be given the option of being reclassified with the position or exercise her seniority rights in accordance with Article 14.

### **Special Circumstances**

- 9.23 Where special needs exist, permanent employees within the same classification may apply for a mutual exchange of positions subject to the agreement of the Company and the Local Union(s).

## **ARTICLE 10 - PROBATIONARY EMPLOYEES**

10.01 A new employee shall not be regarded as a permanent employee until completion of a probationary period of six (6) months consisting of a minimum of one hundred and twenty-six (126) days worked. The probationary period may be extended by mutual agreement between the Union and the Company.

10.02 In addition to the right of the Company to discharge a probationary employee for just cause the Company may discharge such employee at any time during the probationary period for failing to meet the standards set by the Company. An employee may be considered to have failed to meet such standards if the employee:

- (a) has been interviewed by the Supervisor/Manager and been told that the work performance is unsatisfactory, and
- (b) has been given notice in writing that within a specified and reasonable period of time work performance must show improvement, and
- (c) work performance continues to be unsatisfactory after such specified time.

A copy of the notice referred to in (b) above shall be given to the Union. A probationary employee who has been discharged for failing to meet the standards shall be advised in writing by the Department Supervisor or Manager, the reasons for such dismissal and the Union shall be copied.

10.03

- (a) A probationary employee shall not accrue seniority until the probationary period has been completed, at which time seniority shall be back dated to the commencement of the probationary period.
- (b) Notwithstanding the provisions of Clause 10.02, in the event a probationary employee has been displaced by a permanent employee exercising her bumping rights or in the event a probationary employee's position is declared redundant prior to such probationary employee establishing seniority pursuant to Clause 10.03(a) the probationary employee shall be terminated. In such event the provisions of Article 17 of this Agreement shall not be applicable to the termination of the probationary employee.

10.04 Except as provided in Clause 10.03(b) the provisions of Article 17 shall be applicable to an employee during her probationary period.

- 10.05 Employees will not be able to bid within the same classification during their six (6) month probationary period. Should an employee be awarded a vacancy in a different classification during this probationary period, she may carry a maximum of three (3) months service credit toward the probationary period in the new classification.
- 10.06 The Company and the Union agree that the preparation and discussion of written progress reports during an employee's probationary period is essential.
- 10.07 New employees will only become eligible for benefits upon the successful completion of their probationary period and after having completed six (6) complete months of service.

## **ARTICLE 11 - UNION MANAGEMENT CLERICAL COMMITTEE** **MEETINGS UMCCM**

11.01 It is recognized that meetings between the Company and the Union, at all levels, are essential to the maintenance of good employee relations and the establishment of mutual trust and respect.

11.02 The General Chairpersons of District Lodge 140 assigned to work with the Clerical Bargaining Unit and the Clerical Chief Shop Stewards will discuss with Company Headquarters Representatives, overall matters involving policy, interpretation, etc., affecting the whole system. The Committee will meet at least twice but no more than four times each year.

These meetings will also include, as required, matters of mutual concern relating to the Employee Assistance Program, Employment Equity and National Health and Safety Issues. District Lodge 140 Coordinators or Representatives relating to these programs, may be in attendance for the period of time when matters relating to their functions are addressed as an agenda item.

Union Management Clerical Committee Meetings (UMCCM's) referenced in this article shall not be considered as being in lieu of the established grievance procedure.

11.03 The National President and Directing General Chairperson, District Lodge 140, or designated representative, shall be the point of contact between the Union and representatives of the Company Headquarters. Where such contacts are through the medium of correspondence, the letters, in all cases, will be addressed to or signed by the above referenced Chairpersons with a copy to the other General Chairpersons.

11.04 Any matter initiated by the Company at Headquarters Level for discussion with the Union, shall be handled by the appropriate Company representatives with the General Chairpersons. Any matter of a local nature initiated by a Company representative at a level below that of Headquarters, shall be handled by her with the appropriate Chief Steward/General Chairperson or Shop Steward.

## **ARTICLE 12 - TEMPORARY EMPLOYEES**

12.01 There shall be no temporary employees employed while permanent employees are on laid off status at a base, unless such temporary position has first been declined by all qualified laid off employees at the base, who have registered for temporary work. Employees will be advised in the layoff letter that they may register for temporary work when laid off.

12.02

(a) (i) Temporary employees are persons employed to work a regular schedule not to exceed six (6) months at any one time unless extended by mutual agreement between the Union and the Company.

(ii) Temporary employees who cover a vacancy as a result of a Child Care Leave per the Canada Labour Code may exceed the six (6) month limitation specified in (i) above for the duration of that specific child care leave; and shall not be deemed to be a permanent employee as a result of exceeding the six (6) month period as specified in Clause 10.01.

(b) Except as otherwise expressly provided, temporary employees are covered under the terms of this Agreement.

12.03

(a) If a temporary employee subsequently fills a permanent vacancy she will be given full credit for temporary service towards the six (6) months probationary period providing that the permanent vacancy is in the same classification in which the employee was employed as a temporary employee.

(b) If a temporary employee subsequently fills a permanent vacancy in a classification other than the one in which the employee was working as a temporary employee, the maximum credit for temporary service towards the probationary period shall be three (3) months.

12.04 Union dues shall be deducted from temporary employees in accordance with Article 31.

- 12.05 Temporary employees who become permanent will be given a Bargaining Unit seniority date for continuous employment, which will be established by back-dating the permanent employment date by the number of scheduled hours of work converted into days and months. Employment will not be deemed continuous if the temporary employee, on a voluntary basis, is not employed for two (2) or more consecutive pay periods.
- 12.06 Except as provided in Clause 12.02(a), or as otherwise mutually agreed, a temporary employee filling a position for more than six (6) months will be deemed to be a permanent employee.



## **ARTICLE 13 - SENIORITY & COMPANY SERVICE**

13.01 Company Service - Company service shall be the date marking the beginning of continuous employment with the Company for permanent full-time employees and shall apply to the following items:

- Vacation entitlement;
- Scheduled advancement in salary;
- Insurance Benefits
- Company Pension
- Sick leave entitlement;
- And any other items that may be referenced in specific Clauses within the collective agreement.

The foregoing items may be affected by any absence in accordance with the specific Clauses contained in this agreement

Temporary employees who become permanent employees will be given their Company Service date for continuous employment, which will be established by back-dating the permanent employment date by the number of hours worked into days and months.

13.02 For positions that have been specified by the parties as having language requirements employees who do not have the necessary language proficiency cannot exercise their seniority rights respecting bumping privileges or filling a vacancy at such locations. They will be permitted to exercise seniority rights to another position not so restricted, subject to their qualifications.

If changes are made to language requirements for specific positions, or if new positions are established with specific language requirements the Company will discuss the need for the specific language requirements with the Union prior to posting the position(s).

13.03 Seniority shall begin to accrue from the date an employee is first placed on the payroll in a position covered by the terms of this Agreement. Subject to other provisions of the Agreement an employee's initial seniority date shall not be affected or altered as a result of a change of classification. Where two (2) or more persons are placed on the payroll in positions covered by this Agreement on the same date their names shall be placed on the seniority list as per Article 13.12.

13.04 Except as otherwise noted in this Agreement, bargaining unit seniority is based on scheduled hours of work in a position(s) covered by the scope of this agreement. Bargaining unit seniority shall apply for the following:

- (i ) Promotion or other advancement in rank
- (ii ) Layoffs due to reduction in force
- (iii ) Filling of vacancies
- (iv ) Transfers
- (v ) Bumping as a result of layoff
- (vi ) Recall from layoff
- (vii ) Bidding vacations
- (viii) Leaves of absence (preference or bidding)
- (ix ) Any other matter not specifically described above.

13.05

(a) When an employee accepts a temporary position in the Company that is outside the scope of this Agreement and not covered by another Agreement, or outside the Company providing she is on authorized leave of absence in accordance with Clause 19.03 (b), the employee shall continue to accrue seniority for six (6) calendar months. To continue to accrue seniority such employee must pay Union Dues on a monthly basis. If the employee does not return on or before the end of the six (6) month period she shall forfeit all accrued seniority credits. During this period the employee shall be able to exercise seniority in accordance with Clause 14.01.

- (i) Employees returning to positions within the scope of this Agreement shall return to their former position providing: such positions have not been declared redundant; or a senior employee has not exercised bumping rights.
- (ii) If upon return from above leave of absence an employee is unable to hold their former position as described above then the employee will be offered the provisions of Article 14.

(b) When an employee accepts a permanent position that is outside the scope of this agreement and is not covered by another labour agreement, she will continue to accrue bargaining unit seniority, for a period not to exceed six (6) calendar months, upon payment of her Union dues. Failure to submit payment of dues within that six (6) month period will result in loss of bargaining unit seniority.

Before the expiration of the six (6) month period, the employee may return to a position within the scope of the bargaining unit providing she is the successful applicant on a posted vacancy.

- (c) In respect of this Clause it is the Union's intent that temporary assignments to Management positions shall not exceed six (6) calendar months except to cover Leave of Absence for Child Care Responsibilities as provided by the Canada Labour Code, Part III.

13.06 When an employee accepts a position in the Company which is covered by another labour agreement, she shall continue to accrue bargaining unit seniority and retain all seniority rights for a period not to exceed six (6) calendar months. Before the expiration of the six (6) month period the employee may return to a position within the scope of the bargaining unit providing she is the successful applicant on a posted vacancy or returns to her former position from a temporary assignment.

13.07 Notwithstanding the provisions of Clauses 13.05 and 13.06, laid-off inactive employees will continue to accrue bargaining unit seniority for a period of seven (7) years or until such time as they decline recall estimated to last six (6) months or more to all classifications from which they were laid off-

Employees who have not been recalled after seven (7) years of layoff shall cease their employment with the Company.

13.08

(a) An employee shall accumulate bargaining unit seniority during her normal employment and this seniority shall be maintained and accumulated during:

- (i ) An absence due to an occupational injury while the employee is performing work for the Company.
- (ii ) A leave of absence under Article 16.
- (iii ) A leave of absence under Article 19.
- (iv ) An absence due to illness or injury for a continuous period of up to five (5) years.
- (v ) Layoff subject to the provisions of Clause 13.07 and Article 14.
- (vi ) A position accepted in accordance with Clause 13.05.
- (vii ) A transfer in accordance with Clause 13.06.

13.09 Employees shall lose their seniority and their names shall be removed from the appropriate seniority list(s) for any one of the following reasons:

- (a) Voluntary termination of employment with the Company;
- (b) If discharged and not reinstated under the terms of this Agreement;
- (c) If they do not accept recall in accordance with Clauses 14.07 or 14.08.
- (d) If a registered recall letter is returned as undeliverable.

13.10

(a) The Company shall prepare and furnish to the Union to post in accordance with Article 25 as at March 31 and September 30 each year, a seniority list as follows:

1. *Full-time employees listed by:*

- (i ) *Name*
- (ii ) *Base*
- (iii) *Seniority date*
- (iv ) *Company service date*
- (v ) *Classification*

(b) Proper notation shall be made on the seniority lists showing employees on leave of absence, laid off or any other status where they retain their seniority rights under the provisions of this Agreement.

13.11 Each employee will be permitted a period of thirty (30) calendar days after posting of the list in which to advise in writing the Union and the Company of any omission or incorrect posting affecting their seniority. Where an employee is on vacation, leave of absence or on sick leave at the time of posting of the initial list, she may protest within thirty (30) days after her return to duty.

13.12 In the event that more than one employee has the same bargaining unit seniority date, the employee with the longer Company service will be considered senior and in the event of equal Company service, employees will have their seniority placement determined by the following process:

- a) The last four (4) digits of the employee number, backwards, with the lowest number identifying the more senior employee (0000 being the lowest possible number).
- b) The last four (4) digits of the employee's Social Insurance Number, backwards, with the lowest number identifying the more senior employee (0000 being the lowest possible number).

## **ARTICLE 14 - LAYOFF AND RECALL**

14.01 In all cases of layoff or decrease in the workforce seniority shall govern.

14.02

(a) If there is a reduction in any classification in a department at a base, subject to qualifications being met, the junior permanent employee in that classification and status in the department:

(i) Must fill any existing permanent vacancy in the same classification and status at the base.

(ii) Must fill any existing temporary vacancy in the same classification and status at the base. Should a permanent vacancy (in the same classification and status at the base) occur while the employee is in the temporary assignment, she will be repositioned to the permanent vacancy. Otherwise, upon completion of the temporary assignment(s) the employee will be served with notice of layoff.

(iii) If a temporary assignment in the classification and status at the base from which the employee is being displaced is presently filled by a junior employee, she may assume such temporary assignment for its duration. Prior to the completion of the assignment she will be re-issued a bumping election form. The junior employee will revert to her former position and/or status as if she had completed the temporary assignment; or

She must bump the most junior permanent employee within her classification and status at the base. Should a permanent vacancy (in the same classification and status at the base) occur while the employee is in the temporary assignment, she will be repositioned to the permanent vacancy.

(iv) If the displaced employee cannot be accommodated as per above:

- she may displace the most junior permanent employee within her classification (irrespective of status) at any other base; or

- she may displace the most junior permanent employee in any classification (irrespective of status) at the base for which she is qualified; or
  - she may displace the most junior permanent employee in any classification (irrespective of status) at another base for which she is qualified.
- (v) Notwithstanding sub-clauses (iii) and (iv) above, an employee may at anytime forfeit her displacement rights as outlined above and accept layoff with recall rights in accordance with Clause 14.06 or receive severance pay in accordance with Clause 15.02 with no right to recall, in which case her employment record will be closed.

NOTE: For eligibility of layoff pay refer to Article 15.

- (b) No employee will be allowed to bump into another classification to which a higher salary scale applies unless:
- (i) such employee has previously held the higher paid classification on a permanent basis as a qualified employee;

NOTE: An increase of less than fifty dollars (\$50.00) per month shall not be deemed to be either a higher salary scale or salary range.

- (c) Should the employee elect to bump within the same base or to another base, she must indicate in writing to Labour Relations her intention within five (5) working days of notification of layoff. Failure to provide written notice will result in forfeiture of displacement rights, and the employee will be laid off.

14.03 During a period of layoff an employee shall continue to accrue seniority.

14.04 In the event of a layoff an employee affected shall be given as much notice as possible but in any case not less than fourteen (14) calendar days' notice, or pay in lieu of notice.

- 14.05 Whenever the Company intends to lay off a permanent employee(s), the Company shall, whenever practical, offer to all employees in the same classification in the department the opportunity to take a leave of absence without pay for three (3) or more consecutive months, so that the employee(s) who was to have been laid off may retain a position.
- 14.06 Employees shall be recalled in order of seniority within the classification and status at the base from which layoff occurred in accordance with Clause 9.19(a) and 9.20 (a).
- 14.07 Employees laid off due to staff reduction shall, when laid off, file their address and phone number with the Company and thereafter keep the Company and the Union informed of any changes. When recalling an employee to a position, the Company will contact that employee by telephone. Where the employee cannot be reached by phone, notice of recall will be sent by registered mail to the employee's address on record. Employees recalled to a position with an expected duration of six (6) months or more must respond to the Company no later than seven (7) calendar days from the date of recall, i.e., the date of the verbal offer or the date the written notice was mailed. Employees recalled to a position with an expected duration of less than six (6) months must respond within seventy-two (72) hours. In addition, employees accepting recall must report to work within fourteen (14) calendar days from the date of recall.

NOTE: The reporting date may be deferred for laid-off active employees and employees with bona fide leave entitlements, e.g., maternity/child care leave.

14.08

- (a) If an employee is recalled to a position in a former classification and status estimated to last six (6) months or more and declines such recall, or fails to comply with the provisions of Clause 14.07, the employee shall forfeit recall rights to that classification.
- (b) If an inactive employee is recalled to a position in a former classification and status estimated to last six (6) months or more and declines such recall, or fails to comply with the provisions of Clause 14.07, and does not hold recall rights to any other classification(s), she shall forfeit recall rights and her employment record will be closed.

- (c) Employees recalled to a position with an expected duration of less than six (6) months may decline such recall without forfeiting future recall rights to that classification.

NOTE: Clauses 14.08 (a) and (b) do not apply with respect to backfilling for maternity/child care leave.



## **ARTICLE 15 - LAY OFF/REDUNDANCY PAY**

15.01 A permanent employee covered by this Agreement who has completed one (1) year of continuous service under this Agreement immediately prior to being laid off through no fault or action of her own including layoff resulting from merger or geographical relocation, shall receive layoff pay as provided in Clause 15.02 subject to the limitations and conditions set forth herein, but she shall receive no layoff pay if any one or more of the following conditions exist:

- (a) She exercises her seniority in order to remain in the employ of the Company or accepts transfer.
- (b) She accepts any other employment with the Company or refuses to accept a job in her own or comparable work and pay classification at her base under this Agreement.
- (c) She fails to exercise her seniority at her base which would enable her to remain in the employ of the Company.
- (d) The layoff is caused by an act of God or a national war emergency.
- (e) The layoff is caused by a strike, lockout or picketing of the Company's premises.
- (f) She is on leave of absence on the effective date of layoff. In the case of an employee on leave of absence due to illness on the date of layoff for her seniority position, these layoff provisions will become effective on the date that she is able and reports for work following termination of such leave of absence.
- (g) Her service is terminated as a result of discipline, retirement, correctable medical reasons or resignation other than as a direct result of or during a layoff.

15.02 In accordance with Clause 15.01, layoff pay shall be in accordance with the provisions of the Canada Labour Code.

- 15.03 The employee eligible for layoff pay shall receive such pay starting at the beginning of the regular pay period one (1) year from the time of layoff. Payments for the amount due shall be at regular pay periods and continue until all layoff pay credit is used, except that in no event shall any such pay be due after the effective date of recall by the Company.
- 15.04 Any employee who has been given layoff notice may elect to terminate her employment with the Company rather than exercise her seniority bumping privileges or accepting layoff at the base. In the event that an employee shall be terminated under this provision, she shall receive one (1) week's wages at her regular rate of pay for her regular hours of work in respect of each completed year of continuous employment. In no case shall an employee receive less than two (2) weeks' severance pay to a maximum of twenty (20) weeks' severance pay.
- 15.05 In the event of a base closure, employees will be given the following options:
- (a) Exercise her displacement rights in order to remain in the employ of the Company.
  - (b) Accept layoff at the base with layoff pay as per Clause 15.02 and maintain recall rights.
  - (c) Sever her employment with the Company and receive severance pay of two (2) weeks' salary for each year of continuous service with the Company to a maximum of twenty-six (26) weeks' pay.

## **ARTICLE 16 - EMPLOYEES' REPRESENTATIVES**

- 16.01 The Union will select and designate from the employees such representative(s) as may be necessary for the purpose of representing the employees under the terms of the Agreement.
- 16.02 The Union shall notify the Company in writing of the names of its accredited representatives and the General Chairpersons, and of any changes in the personnel thereof. The Company shall inform the Union in writing of the supervisor's position with whom said accredited representatives and the General Chairpersons shall deal and of any changes in the personnel thereof.
- 16.03 The Company will not discriminate against any employees, stewards or other Union representatives who from time to time represent other employees.
- 16.04 A Steward or any member of the executive is a representative of the Union when dealing with the Company unless she specifically states that she is unable to act as such in a particular situation.
- 16.05 The Company agrees to provide the Secretary Treasurer of the District, every three (3) months, with a list of employees covered by this Agreement showing name, base and classification.
- 16.06 The Company shall provide a list of names of all new hires by status to all Chief Shop Stewards once each month.
- 16.07 The Company will continue to pay the monthly normal straight time salaries of three (3) designated members of the IAM&AW Negotiating Committee while engaged in direct negotiations with the Company. Further membership on the committee will require agreement between the parties and will be at the full cost of the Union.
- 16.08
- (a) The Company recognizes the importance of prompt handling of Union business such as the handling of grievances throughout the process, negotiations of agreements, and the attendance at Union meetings at various locations. The Company further recognizes the importance of the role of Union representatives in carrying out the functions of the Union.

- (b) It is therefore agreed that Union representatives will be granted reasonable time off for the purpose of carrying out such functions. This time will be allowed as promptly as possible consistent with service pressures. In order to facilitate this process, it shall be the responsibility of the Union to afford as much notice as possible of such needs to the respective supervisors.
- (c) The Company agrees to provide transportation for Union representatives for Company and/or Union business in accordance with Company policy.

16.09 No employee shall suffer any loss of pay as a result of attendance at meetings with management personnel as contemplated by the terms of this Agreement.

16.10 When the Union appoints or elects employees covered by this Agreement to attend conventions or conferences such employees may be granted leave of absence without pay by the Company, consistent with service pressures. Such leave shall not be unreasonably withheld. The procedure under this Clause shall be:

- (a) The Company shall continue to pay the employee as though working, and
- (b) The Union shall reimburse the Company for those hours not actually worked upon receipt of a proper account.

16.11 On request from the Union, leave of absence for a maximum of four (4) years for full-time Union work shall be granted without pay. Upon completion of the Union work within the four (4) year limit, the employee shall be returned to the former position held or one of equal status or pay. Employees granted leave of absence under this provision shall accrue seniority during their absence. This leave as described herein shall be renewable every four (4) years.

16.12 Upon request from the Union, the Local Union President or her designate, providing they are covered by this collective agreement, shall be granted a leave of absence for Union business.

All such leave will be taken at a mutually agreeable time, limited to four (4) hours or less per week and shall be without loss of pay or cost to the Union.

16.13 The Union District Safety Representative if elected from this bargaining unit will be allowed one (1) hour per day to attend to safety matters at a time mutually agreeable to the supervisor, and as much time as required to assist a Company Safety Official in accident investigation.

16.14 Chief Shop Stewards in Montreal, Toronto and Vancouver shall be provided with eight (8) hours per week to attend to Union matters.

Should the membership increase above 250 at these stations the parties shall meet to review the time clearance requirements.

Such time off will be arranged with local management. Office space shall be provided by the Company in Vancouver, Montreal and Toronto.

16.15 The Company agrees to consider specific requests for special shift arrangements for Union Representatives subject to operational requirements.

16.16 An employee granted leave under Clause 16.12 will be continued on the Company benefits package as per past practice, with the Union paying the premiums.

## **ARTICLE 17 - DISCIPLINE/GRIEVANCE / ARBITRATION** **PROCEDURE AND HEARING**

The parties recognize that in the best interests of the Union, the Employees and the Company the emphasis in this Article should be placed on resolving complaints at the lowest possible level and in an expedited manner.

### **17.01 INDIVIDUAL/GROUP AND POLICY GRIEVANCES**

Individual or group grievances arise when an employee or employees, believe her or their rights as set out in the Collective Agreement have been violated.

Any matters affecting the Union, or matters of interpretation, or any subject in which the Union or Company may have an interest, could be the subject of a policy grievance. Such matters shall be initiated at step two of the grievance procedure.

#### **Step One**

A meeting to resolve the issue will be held between the shop steward, employee(s), and the Company within ten (10) working days after the occurrence or awareness of the situation causing the complaint. If the parties are unable to resolve the complaint, a grievance will be filed.

#### **Step Two**

Within ten (10) working days of receipt, the Chief Shop Steward will meet with Local Management for potential resolution.

If resolved by all parties, the grievance shall be concluded in writing at that meeting.

If the parties are unable to resolve the grievance, it will be forwarded immediately to District Lodge 140 and Labour Relations along with all relevant documentation.

### Step Three

Within ten (10) working days of receipt of the grievance, District Lodge 140 will meet with Labour Relations. Within ten (10) working days following the meeting, District Lodge 140 will advise Labour Relations whether the grievance is to be discontinued or will proceed to arbitration.

## **GENERAL**

- 17.02 All time limits mentioned in this Article will be full calendar days and exclude Saturday, Sunday and General Holidays.
- 17.03 The parties may waive any step in this procedure and/or extend the time limits by written agreement. If an extension is requested, the time limits will be frozen until such time as a written response is received. Should either party exceed the time limits set out in this Article, the other party may initiate proceedings to the next level.
- 17.04 A grievance/arbitration will normally be processed at the base where the affected employee is stationed or in the case of a policy grievance, at the base where the grievance was initiated, unless such arrangements would unduly affect the schedules of the representatives involved in the grievance/arbitration process, or, unless both parties agree that costs involved in processing such grievance/arbitration at that location would be prohibitive.
- 17.05 All meetings between Company representatives and representatives of the Union will be held by appointment during regular working hours without loss of time to representatives of the Union. If the Union representatives call such meetings, overtime will not be paid.
- When investigations are held and employees are required to make statements on matters affecting the Agreement, a Union representative may be present.
- 17.06 Intentionally left blank
- 17.07 Following the lodging of a grievance the parties agree that no material information related to the resolution of the matter grieved will be withheld from the other party throughout the grievance / arbitration procedure.

- 17.08 If it is agreed at any stage of Article 17, except Arbitration that:
- (a) If an employee has been disciplined, suspended or discharged without just cause, the Company shall reinstate the employee without loss of pay and seniority and the employee shall have all references to the matter removed from all files. A reinstated employee shall be paid all wages due less amounts earned during the time lost; or
  - (b) If there is just cause, the discipline, suspension or discharge may be upheld or an alternate disciplinary action deemed more appropriate to the offense may be substituted.
- 17.09 All stages of this discipline and discharge appeal procedure shall be carried out on the Company's property unless otherwise mutually agreed.
- 17.10 If Company employees are requested to attend any meetings or hearings as witnesses, on behalf of the Company, as referred to in Clauses 17.16 or 17.07, they shall be granted time off with pay for a time sufficient to permit them to appear. Transportation over the lines of the Company shall be provided in accordance with Company Policy. The number of witnesses shall not be greater than the number which can be spared from the operation without interfering with the service of the Company.
- 17.11 A copy of all correspondence relating to discharge or discipline shall be sent to the designated Union representative and Labour Relations.
- 17.12 In the event that a letter of discipline has expired, it will be removed from the employee's personal file.
- 17.13 All hearings shall be scheduled to commence between the hours of 0900-1600 on weekdays (i.e., Monday to Friday inclusive) and every reasonable effort will be made to schedule such hearings during the employee's scheduled working hours. Exceptions to the above will be made when the employee is unavailable due to assignment, sickness, vacation, etc.
- 17.14 It is agreed that employees covered by this Agreement will not be required or allowed to impose disciplinary action upon other employees covered by this Agreement. However, this provision is not intended to prevent an employee from giving relevant evidence at hearings and investigations.



17.15 If the parties cannot reach agreement on a resolution of the dispute at the final step of the grievance, the case will be referred to arbitration per the following:

- (a) Agreement between the parties to submit the dispute to a single Arbitrator, or
- (b) Agreement between the parties to submit the dispute to an Expedited Arbitration process as follows:
  - (1) Location of hearings will be agreed to by the parties and in most cases will be held at the nearest major base to where the grievance arose.
  - (2) Grievances shall be presented by a designated representative of the Union and a designated representative of the Company (i.e., not outside representatives such as lawyers).
  - (3) All presentations are to be short and concise with:
    - (i) Comprehensive opening statement dealing with the facts and provisions of the collective agreement upon which reliance is placed.
    - (ii) Limited use of precedential authorities.
    - (iii) Parties endeavoring to conclude cases within one working day.

Nothing in the foregoing limits either party from introducing all the evidence they believe relevant to this case.

- (4) Decisions will be:
  - (i) Rendered verbally to parties within three (3) working days of hearing.
  - (ii) Confirmed in writing within two (2) calendar weeks of hearing.
  - (iii) The written decision shall set forth a brief explanation of the facts and the terms of the Agreement and/or law, relied upon for the decision.
  - (iv) Without precedent or prejudice to future proceedings unless otherwise agreed by the parties.
  - (v) Binding on both parties.
  - (vi) Consistent with the terms of the Agreement.
- (5) Fees and expenses of the Arbitrators shall be shared equally by the parties.

It is understood that changes to this procedure may be made at any time by agreement between the parties. Additionally, the hearings will be governed by the following guidelines which can be amended by agreement between the parties at any time.

- (1) A brief of pertinent documents will be jointly presented to the Arbitrator.
- (2) If possible a statement of agreed to facts will be jointly presented to the Arbitrator.
- (3) Responses to opening statements will cover any facts which are in dispute and any additional facts available.
- (4) The hearing will be conducted in an informal manner with limited objections by the parties and without concern for procedural irregularities.
- (5) Hearsay evidence and extrinsic evidence will be allowed to be entered without objection from the opposing party and given the appropriate weight by the Arbitrator.
- (6) Witnesses will only be used to enter evidence relative to facts in dispute or for expert explanations and their testimony will be guided to the issues of fact.
- (7) Arguments will be presented only to points in issue.
- (8) Case authorities will be limited to the airline industry whenever possible and will go only to points at issue.
- (9) Mediation of the issue by the Arbitrator will be permitted if the parties both agree, but the parties must have authority to settle the issue at the table.

#### **17.16 DISCIPLINE AND DISCHARGE**

- (a) When disciplinary action is considered necessary; the employee will be advised in writing. Such letters will be progressive in nature and will represent various levels of severity depending upon the offense, and/or, the employee's previous disciplinary record and any other relevant factor (aggravating and mitigating circumstances). Depending on the nature and severity of an offense, disciplinary action may be initiated at any of the steps provided for in the steps below:
  - Verbal reprimand

- Written reprimand  
Written reprimands will remain on the employee's file for a period of six (6) months. In case of additional subsequent misconduct, the company may, at its discretion either extends the duration of the written reprimand by an additional period of six (6) months or progress to the next step in the disciplinary process.
- Step I Letter of Discipline  
Will remain on the employee's file for a period of twelve (12) months. In case of additional subsequent misconduct, the company may, at its discretion either extend the duration of the written reprimand by an additional period of six (6) months or progress to the next step in the disciplinary process.
- Step II Letter of discipline  
Will remain on the employee's file for a period of twenty-four (24) months. Such letters of discipline also allow for the imposition of up to one (1) day of suspension without pay. In case of additional subsequent misconduct, the company may, at its discretion either extend the duration of the written reprimand by an additional period of twelve (12) months and issue an additional suspension without pay of up to two (2) days or progress to the next step in the disciplinary process.
- Letter of suspension pending discharge  
Issued when the Company decides to discharge an employee for just cause. In exceptional circumstances, the Company may decide to substitute the discharge with a letter of last chance to retain employment. Such letters will remain on the employee's file for a period of thirty (30) months and allow for the imposition of up to five (5) days of suspension without pay.

- (b) Disciplinary suspensions will normally be served in conjunction with regular days off (either before or after regular days off).
- (c) The Company agrees that it will not exercise its rights, set out in this article, in a manner that is arbitrary, discriminatory or in bad faith.
- (d) Before proceeding with the hearing, the employee shall be advised of her right to have a Representative of the Union present. The employee will be entitled to be accompanied by a Union representative at any disciplinary hearing unless the employee waives her right to have a Union representative present. If there is no Union representative available to attend the meeting,

the employee may have a colleague attend the hearing as a witness. If no Union representative or colleague is available, the hearing may be postponed depending on the severity of the infraction.

- (e) Union representatives present during disciplinary hearing will act as observers. Union representatives may ask questions they believe to be relevant following the hearing. However, they will not respond on behalf of the employee or impede the investigation or the hearing.
- (f) When a disciplinary meeting is held, the employee will be advised of the reason(s) for the meeting at the onset. The employee will be expected to cooperate in the investigation and will be granted an opportunity to make representations.
- (g) Letters of discipline will be presented to the employee within fifteen (15) calendar days (when practicable) of the company's knowledge of the incident leading to discipline and shall contain an explanation of the infraction and the future corrective action to be expected, when applicable. Letters of discipline will include copies to Labour Relations, the department director or his designate, People services and the local Chief Steward. In the case of letters of suspension pending discharge, the appropriate General Chairperson will also be copied. Failure to meet this requirement will not negate the action taken.
- (h) A probationary employee may be disciplined, up to and including discharge at any time during the probationary period; the probationary employee will not have recourse to the grievance and arbitration procedure unless the disciplinary decision was taken contrary to article 17.16 (c).
- (i) Under circumstances where, as a result of an alleged misbehaviour, it is considered undesirable that an employee should be allowed on the Company premises and where there is doubt as to the appropriate charge and/or penalty, the employee may be held out of service pending investigation for a period not to exceed five (5) clear calendar days, exclusive of Saturdays, Sundays and Statutory Holidays. This investigation period will not incur loss of pay unless the misbehaviour results in discharge.

## **Appeals**

### **First level**

- (j) When an employee has been notified of disciplinary action up to and including Step I Letters of discipline, she may lodge an appeal to her immediate supervisor. Such appeals must be made in writing within ten (10) calendar days of the imposition of the disciplinary measure, exclusive of Saturdays,

Sundays and Statutory Holidays. A response to the appeal will be provided in writing by the immediate supervisor within ten (10) calendar days of receipt of appeal, exclusive of Saturdays, Sundays and Statutory Holidays. If a response is not provided or not provided within the timelines prescribed, the matter will be referred to the second level.

Step II Letters of discipline, Letters of Suspension pending discharge and Letters of last chance to retain employment will be appealed directly to Labour Relations within ten (10) calendar days of the imposition of the disciplinary measure, exclusive of Saturdays, Sundays and Statutory Holidays. The employee will also copy IAMAW District 140 on her appeal.

Note: if an employee does not lodge an appeal within the timeline prescribed above, the discipline imposed will become final and effective the day following the appeal period specified above and the employee will serve any suspension without pay, if applicable. This note is also applicable to discharge cases.

#### Second level

(k) If the matter is not resolved at first level, within five (5) calendar days (exclusive of Saturdays, Sundays and Statutory Holidays) of the receipt of the first level response, the employee may appeal to the Director of the department or his designate. A second level response will be provided within ten (10) calendar days of receipt of the appeal (exclusive of Saturdays, Sundays and Statutory Holidays).

#### Third level:

(l) Any matter not resolved at first or second level will be referred by the local Union or the employee to Labour Relations and IAMAW District 140 for resolution within ten (10) calendar days of receipt of the second level response (exclusive of Saturdays, Sundays and Statutory Holidays). Any matter not resolved at third level may be referred to arbitration by either party. Appeals to discharge decisions will be handled as promptly as possible.

Note: the employee may, throughout the first, second or third level, handle the matter on her own behalf if she so desires, including arbitration. The employee will be required to provide written notice of her decision to represent herself to Labour relations and IAMAW District 140. The Union will continue to be deemed the employee's authorized representative until such notice is provided. Any decision, undertaking or agreement taken by the Union before such notice is received by both Labour Relations and District 140 will be binding upon the employee.

- (m) Nothing in this Agreement shall be construed as preventing the Company from holding an employee out of service pending an investigation and hearing or appeal. The Company's decision in the case of such hearings or appeals may either uphold a previous Company decision, fully exonerate and reinstate the employee with pay for all time lost, or render such intermediate decision as may be considered just and equitable.
- (n) Appeals and communications to Labour relations may be directed by fax at 1 (866) 484-6869 or by email at [Coordinator-LR-TechnicalSrvcs@aircanada.ca](mailto:Coordinator-LR-TechnicalSrvcs@aircanada.ca) and send a copy to IAMAW District 140.

Eastern Region

3900, Côte Vertu blvd, Suite 202  
St.Laurent, QC H4R 1V4  
Fax: 514-336-3039

Central Region

2580 Drew Road, Suite 203  
Mississauga ON L4T 3M5  
Fax: 905-671-2114

West Region

7980, River Road  
Richmond, BC V6X 1X7  
Fax: 604-448-0710

## **17.17 ARBITRATION PROCEDURE AND HEARING**

- (a) Disputes other than specific employee grievances or disciplinary or discharge appeals, may be submitted to arbitration by either the Company or District Lodge 140 provided the issue in question concerns the interpretation or alleged violation of any provision of this Agreement. The question as to whether or not any such issue is arbitrable may also be submitted to arbitration.
- (b) Should the Company and District Lodge 140 fail to reach an agreement upon a specific employee grievance dealt with under Article 17 and provided the grievance involves the interpretation or the alleged violation of any provision of this Agreement, or should District Lodge 140 be dissatisfied with the final decision of the Company rendered under Article 17, District Lodge 140 shall be entitled to submit the case to arbitration. The question as to whether or not any such issue is arbitrable may also be submitted to arbitration.

No dispute involving a specific employee grievance or disciplinary appeal shall be submitted to arbitration until it shall first have been handled through the preceding steps of the appropriate appeal procedure unless agreed to by the Company and the Union.

- (c) District Lodge 140 or the Company, whatever party contemplates arbitration shall notify the other party in writing within sixty (60) clear calendar days from the date of the Company's final grievance or discipline appeal decision of their intent to arbitrate, including a selection of single arbitrators for review by the other party, or advice that the matter is being withdrawn from arbitration.
- (d) Any decision not submitted to arbitration within the time limits referenced in Article 17.17 (c), shall be final and binding upon the Company, the employee and the Union.
- (e) Within fifteen (15) days, the other party will confirm their agreement with one of the single arbitrators identified in the correspondence referenced in Article 17.17 (c) or notify the other party, in writing, of their non-acceptance and provide an alternative selection of single arbitrators.

- (f) Following receipt of the advice regarding the selection of single arbitrator referenced in 17.17 (c) and should the parties fail within thirty (30) clear calendar days, to agree on a single arbitrator, the Minister of Labour for Canada may be requested by the parties, acting jointly, or by either party acting separately, to appoint an arbitrator.
- (g) The arbitrator shall convene a meeting of the parties, take relevant evidence and make every effort to complete the hearing of the case within thirty (30) days of his appointment and to issue a written decision to the parties, within fifteen (15) days of the hearing.
- (h) The decision of the arbitrator shall be final and binding upon the Company, the employees and the Union.
- (i) Intentionally left blank
- (j) The arbitrator shall not, in the case of a grievance appeal, make any decision inconsistent with the provisions of this Agreement, nor shall he alter, modify, or amend any part of this Agreement, but he shall have the authority to determine, except as limited by the Agreement, the compensation to which an aggrieved party may be entitled.
- (k) In the case of disciplinary or discharge appeals, the arbitrator may either uphold the Company's final decision, fully exonerate and reinstate the employee with pay for all time lost, or render such intermediate decision as he considers just and equitable.



**ARTICLE 18 - INTENTIONALLY LEFT BLANK**

## **ARTICLE 19 - LEAVE OF ABSENCE**

19.01 An employee who is entitled to less than ten (10) working days combined annual vacation and paid leave of absence under the provisions of Clause 4.04 to 4.15 and Clause 4.17 respectively in any calendar year will be granted leave of absence without pay at her request to the extent necessary to give her ten (10) working days free of duty in that year. Such leave may only be taken at a time and in a manner consistent with the regular vacation schedule. This provision will not apply to any employee prior to completion of her probationary period as defined in Clause 10.01 nor to any employee not on the payroll prior to April 1 of the year in question.

NOTE: The ten (10) working days referred to above will be adjusted accordingly in the case of any employee working under the provisions of Clause 3.08.

### **19.02 Personal Leave**

- (a) Employees may be granted leave of absence up to ninety (90) days by the Company without loss of seniority rights. This leave may be extended up to a maximum of one (1) year by local agreement between the Company and the Union.
- (b) An employee absent on leave who engages in other employment will lose her seniority unless special permission has been first obtained from the proper officials of the Company and with the consent of the Union. The terms of the permission must be in writing.
- (c) In the event an employee is granted a personal leave of absence such employee will pay Union dues on a monthly basis directly to the Union.
- (d) An employee may be granted an unpaid leave of absence up to five (5) days by approval of a supervisor in the employee's work area. Requests for such leave must be submitted in writing with reasonable advance notice and will be considered in order of receipt.
- (e) For education purposes only, the Company and the Union may, upon written request from an employee, consent to a leave of absence of up to

one (1) year without loss of seniority rights. This leave may be renewed by mutual consent of the Company and the Union.

- (f) All leave of absence requests shall be in writing. All requests for extensions shall be submitted not less than two (2) weeks prior to expiry date of original leave.
- (g) Employees returning after personal leave of absence shall return to:
  - (i) Their former position, if the position was not backfilled or if it was backfilled on a temporary basis;
  - (ii) If the position was filled on a permanent basis, the junior position in their status and classification at their base.
  - (iii) If upon return from any Leave of Absence an employee is unable to hold a position as described in (i) and (ii) above, then the employee will be offered the provisions of Article 14 Lay-Off.

19.03 Leave of absence shall not be granted for the purpose of engaging in work outside of Company service, except in cases of sickness or other exceptional circumstances when made the subject of mutual agreement between the proper Officials of the Company and the General Chairperson.

19.04 In the event of a national emergency if an employee is granted leave of absence for the purpose of serving in the Canadian Armed Forces or for the purpose of engaging in essential war work with the government or other employer she shall be governed by the provisions of the Reinstatement in Civil Employment Regulations as amended or other applicable law. Such employee shall retain and continue to accrue seniority and classification service for pay purposes during such absence.

#### 19.05 **Compassionate and Special Leave**

Employees will be granted a leave of absence with pay on compassionate grounds under the following circumstances:

- (a) Three (3) days with pay when there is a serious illness, serious injury or death of a member of the immediate family.
- (b) One (1) additional day with pay shall be allowed for out of town travel in excess of one hundred and sixty (160) kilometers or two (2) additional days with pay where travel is required outside of North America.

- (c) Any other situation which the supervisor considers to be legitimate compassionate grounds. Any such leave over three (3) days necessitated by distance of travel or granted for any other reason considered by the department head to be valid, shall either be without pay, or vacation credits may be used at the employee's request.
- (d) In addition an employee will be granted a leave of absence with pay for the wedding day of the employee or a member of the immediate family.
- (e) For the purposes of this Article, immediate family means husband, wife, common-law spouse, parents, children, sisters, brothers, person in loco parentis, grandparents, grandchildren, parent-in-law or legal guardian of the employee.

#### **19.06 Maternity and Child Care Leave**

Every employee who has six (6) months' service with the Company is entitled to and shall be granted a leave of absence and the following rules shall apply for maternity, parental, adoption and child care leave.

- (a) The Company shall not dismiss, suspend, layoff, demote, discipline, nor deny promotion or training because the employee has applied for leave under these Clauses.
- (b) No employee can be laid off while on leave under Clauses 19.07, 19.08 and 19.09. However, this shall not prevent the Company from laying off active employees who are senior to her during her leave of absence under this Clause.
- (c) Every employee who intends to take a leave of absence under Clauses 19.07, 19.08 and 19.09 shall:
  - (i) Give at least four (4) weeks notice in writing to the Company unless there is a valid reason why such notice cannot be given.
  - (ii) Inform the Company in writing of the length of leave intended to be taken.

NOTE: Nothing in the foregoing shall prohibit the employee from returning to work prior to the expiration of the leave of absence as long as a minimum of three (3) weeks' notice is given.

- (d) The Company must inform in writing, every employee who takes leave under Clauses 19.07, 19.08 and 19.09 of every employment bid, promotion or training opportunity for which the employee is qualified. The employee must request this in writing.
- (e) Every employee who takes leave under Clauses 19.07, 19.08 and 19.09 is entitled to be reinstated in the position that the employee occupied when the leave commenced. If for a valid reason the Company cannot reinstate an employee in that position the Company shall reinstate the employee in a comparable position with not less than the same wages, benefits, and same location or awarded a position as per (d) above.
- (f) The pension, health and disability benefits and the seniority of any employee who takes or is required to take a leave of absence from employment under this Article shall accumulate during the entire period of the leave.
- (g) Where a monetary contribution is normally required of an employee for the employee to be entitled to a benefit referred to in (f) above, the employee is responsible for and must, within a reasonable time, pay that monetary contribution.
- (h) For the purposes of calculating the pension, health and disability benefits of an employee who fails to pay the monetary contribution required by (g) above, employment on the employee's return to work shall be deemed to be continuous with employment before her absence.
- (i) For the purposes of calculating benefits of an employee who takes or is required to take a leave of absence from employment under this Article, other than benefits referred to in (f) above, employment on the employee's return to work shall be deemed to be continuous with employment before her absence.

#### **19.07 Maternity Leave**

- (a) Where an employee is pregnant that employee is entitled to and shall be granted a leave of absence of up to nineteen (19) weeks which leave may commence not earlier than eleven (11) weeks prior to the estimated date of her delivery and end not later than nineteen (19) weeks following the actual day of her delivery.
- (b) An employee applying for leave under this Clause shall provide the Company with a medical certificate stating expected delivery date.

- (c) The Company shall not require an employee to take a leave of absence because the employee is pregnant. However if an employee is unable to perform an essential function of her job and no appropriate alternative job is available for that employee, that employee may be required by the Company to take the leave but the burden of proving this rests with the Company.
- (d) If an employee is unable to work because of a pregnancy related or unrelated illness she shall be allowed to use her sick leave under this Agreement. This shall not be construed to mean that she shall be allowed sick leave while on Maternity or Child Care Leave.

#### **19.08 Child Care/Adoption Leave**

- (a) Every employee who has completed six (6) consecutive months of continuous service with the Company is entitled to and shall be granted a leave of absence from employment as follows:
  - (i) where an employee has or will have the actual care and custody of a new-born child, the employee is entitled to and shall be granted a leave of absence of up to twenty-four (24) weeks in the fifty-two (52) week period beginning on the day on which the child is born or the day on which the child comes into the employee's care; and
  - (ii) where an employee commences legal proceedings under the laws of a province to adopt a child or obtains an order under the laws of a province for the adoption of a child, the employee is entitled to and shall be granted a leave of absence of up to twenty-four (24) weeks in the fifty-two (52) week period beginning on the day on which the child comes into the employee's care.
- (b) Notwithstanding (a) (i) and (ii) above, the combined amount of leave of absence from employment that may be taken by two (2) employees of the Company under this Clause with respect to the birth or adoption of any one child shall not exceed twenty-four (24) weeks.

#### **19.09 Parental Leave**

An employee shall be paid at her regular rate of pay up to a maximum of two (2) working days for the following:

- (a) Adoption of her child.
- (b) In the case of a male employee, the birth of his child.

## **ARTICLE 20 - MATERNITY REASSIGNMENT**

- 20.01 A pregnant employee who provides the Company with written advice as to her concerns that her working conditions may be physically dangerous to her unborn child or to herself, by reason of her pregnancy, may request to be re-assigned either within her department or the base to other duties covered by the collective agreement.
- 20.02 When an employee requests re-assignment in accordance with Clause 20.01, the Company will endeavour to re-assign the employee, provided the employee has the necessary qualifications to perform the duties involved, and provided that no other employee is involuntarily affected by the re-assignment. The Company may also offer the employee re-assignment to a position outside the scope of the agreement in which case the employee will continue to accrue and retain seniority during the period of such re-assignment.
- 20.03 In the event re-assignment within the scope of the agreement is not possible or practical, or if re-assignment to a position outside the scope of the Agreement is not acceptable either to the Company or the employee, the employee may elect to take an extended maternity leave of absence until the termination of her pregnancy.
- 20.04 An employee who requests re-assignment in accordance with the provision of Clause 20.01 shall also provide the Company with the certificate of a qualified medical practitioner at the same time as she provides the written advice required under Clause 20.01.
- 20.05 For pay purposes, when a pregnant employee is re-assigned in accordance with Clause 20.02, the following rules shall apply:
- (a) If the re-assignment results in two (2) employees assuming each other's duties (i.e., "trading" jobs), and if the employee requesting the re-assignment occupies a higher-rated position than the employee with whom she will be trading jobs, then each employee will be paid at the step in the salary scale of the position assumed which corresponds with the step in the salary scale at which each were paid prior to such re-assignment.

- (b) If the re-assignment results in two (2) employees assuming each other's duties (i.e., "trading" jobs), and if the employee requesting the re-assignment occupies a lower-rated position than the employee with whom she will be trading jobs, then each employee will continue to be paid at the rate of pay which was applicable to the position which they occupied prior to such re-assignment.
- (c) If the requesting employee is re-assigned to a position outside the scope of the agreement, the employee shall be paid the salary applicable to the position.



## **ARTICLE 21 - ORDERS IN WRITING**

- 21.01 All orders to an employee involving a promotion, demotion, layoff, leave of absence, recall, and change in pay or classification shall be stated in writing with a copy to the Union and such employee shall be given as much advance notice as possible.
- 21.02 Career Opportunity postings and lists of bids in reply thereto shall be supplied to the Union after vacancies are awarded.

## **ARTICLE 22 - HEALTH AND SAFETY**

22.01 The Company shall maintain safe, sanitary and healthful conditions at all its operations pursuant to the Canada Occupational Safety and Health Regulations.

Employees shall comply with the duties and responsibilities specified in the regulations affecting Occupational Safety and Health in the workplace.

22.02 The Company will make provisions for the safety and health of the employees during working hours. No employee shall be required to use or work with faulty equipment which poses a safety hazard. An employee noting such faulty equipment shall immediately notify the Supervisor who shall in turn make the necessary correction. The employee may also advise the Union Health & Safety Officer.

22.03 An employee may refuse to perform work where she has reasonable grounds to believe and does believe that the particular work is dangerous to her health and safety or the health and safety of another employee. Where an employee invokes their right to refuse under the Canada Labour Code, the Company and the Union shall resolve the problem which initiated work refusal in accordance with the regulations and procedures specified in the Canada Labour Code. The Company shall not take disciplinary action against an employee(s) for refusal to work in accordance with the above.

22.04 Employees injured at work will not be required to make accident reports before they are given medical attention, but will make them as soon as practicable thereafter. Transportation as recommended by the First Aid Attendant will be provided by the Company to and from a doctor or hospital if medical care is required.

22.05 Each employee has an obligation to bring any situation which in her opinion represents a hazard to the safety and/or health of the employees to the attention of her Supervisor. The employee may also advise her Union Health and Safety Officer who will discuss it with the Supervisor.

Where the Union Health and Safety Officer is not satisfied that the Supervisor has effectively dealt with the situation the matter may be referred to the Joint Safety Committee.

22.06 The Company will not require employees represented by the Union to participate in searches of Company equipment, property or premises in the event of a bomb threat. This understanding does not preclude the voluntary participation by these employees in such searches. However, the Company shall inform the employees that a bomb threat has been reported before requesting the employees to search or service the Company's equipment, property or premises.

22.07

- (a) The Company shall provide First Aid coverage within the workplace as prescribed in the Canada Occupational Safety and Health Regulations.
- (b) All employees selected by the Company and holding a valid First Aid Certification shall be paid a premium of fifteen dollars (\$15.00) per month.
- (c) The Company shall provide First Aid training where necessary.
- (d) Additional training will be provided by the Company to maintain the validity of First Aid certificates.

22.08

- (a) Joint Occupational Safety and Health Committees shall be established and operated in the workplace pursuant to the Canada Labour Code and the Canada Occupational Safety and Health Regulations.
- (b) The Safety Committees will meet monthly to discuss health and safety matters and will be chaired alternately by Union and Company representatives.
- (c) It is agreed that no less frequently than twice annually the Committees will discuss ergonomic concerns and/or pending changes in the employees' workplace and will make recommendations for improvements and/or corrections to Senior Management.

22.09 The installation of equipment shall involve consultation with the employees' representatives directed towards assuring that all "ergonomic" factors are dealt with satisfactorily.

22.10 If a permanent employee develops a particular and adverse reaction to exposure at a worksite to certain hazardous substances and she provides a medical certificate supporting such condition, the employer shall follow the Canadian Occupational Health and Safety Regulations, Part 10 (ten), Division 1. If there is no other reasonable option which will allow the employee to continue working with such substance, she may elect one of the following options:

- (a) exchange of positions with another employee in the same classification on a voluntary basis;
- (b) mutual exchange of position with another employee in another classification for which both are qualified, on a voluntary basis;
- (c) transfer to any vacancy covered by the Collective Agreement for which she is qualified. She will be paid the rate of pay applicable to the new position;
- (d) leave of absence.

## **ARTICLE 23 - EMPLOYEE BENEFITS**

### **23.01 Pension Plan**

The CPAL Pension Plan is established as a continuing policy by Canadian Airlines International, the terms and conditions of which are set out in the Pension Plan Rules and shall not be amended except in accordance with those rules.

Changes to the structure of the plan and improvements to the plan as negotiated in this Agreement are outlined in Letter of Understanding No. 6 and Letter of Intent No. 3.

### 23.02 UNASSIGNED

### 23.03 UNASSIGNED

### **23.04 Dental Plan**

- (a) The Company will assume one hundred percent (100%) of the cost of a Group Dental Plan. It is understood by both parties that this participation by the Company will not be compounded by any compulsory Provincial or Federal Dental Plan, either in existence or introduced at a later date.
- (b) It is further understood by both parties that the Company is the contract holder of the Dental Plan and that the present benefit level will be maintained.
- (c) Dental Plan benefits will be paid in accordance with the Dental Association fee schedule of the Province or Territory of residence of the employee. For employees hired on a permanent or temporary basis, the Dental Plan benefits will be effective following (6) months of service as per article 10.07.
- (d) Payment by the Dental Plan described above for benefits listed under the Preventative Services will be one hundred percent (100%).
- (e) Payment by the Dental Plan described above for benefits listed under Basic Services, will be ninety percent (90%).

- (f) The maximum annual benefit per employee and per listed beneficiary under the Preventative Services, the Basic and the Major Services described above will be one thousand and five hundred dollars (\$1,500.00).
- (g) Payment by the Dental Plan described above for benefits listed under the Orthodontic Services will be fifty percent (50%). The life time maximum benefit per covered member will be \$2,000.00. Orthodontic services are for children under the age of 21 and are payable up to a lifetime maximum of \$2,000.

### **23.05 Supplementary Health Plan**

- (a) The Company will assume one hundred percent (100%) of the cost of a Supplementary Health Plan. It is understood by both parties that this participation by the Company will not be compounded by any compulsory Provincial or Federal Medical Plan, either in existence or introduced at a later date.
- (b) It is further understood by both parties that the Company is the contract holder of the Supplementary Health Plan and that the present benefit level will be maintained.
- (c) The Supplementary Health Plan will provide coverage for corrective lenses in accordance with the provisions of the vision care rider. The maximum amount claimable during any consecutive twenty-four (24) month period will be two hundred and twenty five dollars (\$225.00).

### **23.06 Group Life Insurance**

- (a) Group Life Insurance coverage for employees coming within the scope of the Agreement will be 30 times monthly basic salary up to a maximum of \$60,000. The Company will pay one hundred percent (100%) of the premiums up to a maximum of fifty thousand dollars (\$50,000.00). The cost of coverage in excess of fifty thousand dollars (\$50,000.00) will be shared 50/50 between the employee and the Company.
- (b) Employees may purchase supplementary life insurance up to \$200,000 in increments of \$10,000.

- (c) Employees may elect to change their previous election at any time. Any employee electing increased coverage or making a first election more than 31 days after their date of hire, must submit an Evidence of Insurability document. The Insurance Underwriter will have the power of decision regarding the applicant's insurability.

100% of the premiums will be paid by the employee so electing, however, the premiums will be variable on the basis of age related rates.

#### 23.07 a) **Group Disability Income Plan**

The Company will provide salary protection for employee's who become disabled (other than occupational).

Maximum monthly insurable earnings four thousand dollars (\$ 4 000.00).

Benefits to be calculated based on gross pay as follows:

- 70% 1<sup>st</sup> year
- 65% after

#### b) **Basic Accidental Death**

The Company will pay the full cost of the Accidental Death, Dismemberment and Loss of Use Insurance for the principal sum of \$25,000. The coverage will be in accordance with Company Policy.

#### 23.08 **Sick Leave**

- (a) A permanent employee absent from work due to illness or injury (other than illness or injury covered by Workers' Compensation) will be allowed sick leave with pay as outlined below.
- (b) Beginning with the fourth month of service with the Company, employees will be credited with one (1) day's sick leave for every two (2) months worked. Such leave will be credited at the end of the month.
- (c) In the first, second and third absences from work due to illness or injury not covered by Workers' Compensation in any calendar year, employees will be entitled to sick leave with pay to the extent of the sick leave credits accumulated by the employee in accordance with (b) above.

- (d) For fourth and subsequent absences from work due to illness or injury not covered by Workers' Compensation in any calendar year, employees will be entitled to sick leave with pay for only the second and subsequent days of such periods of absence, except as provided in (e) below.
- (e) Any employee who has accumulated sixty (60) days or more of sick leave credit at the time of the absence will be entitled to sick leave with pay on all absences due to illness or injury not covered by Workers' Compensation.
- (f) Employees who are suffering from a suitably verified illness which requires recurring treatment will be entitled to all absences related to that illness to the extent of the sick leave credits accumulated by the employee in accordance with (b) above.
- (g) Sick leave will be accumulated to a maximum of seventy-two (72) days.
- (h) The Company may require a doctor's certificate in support of any absence due to sickness or injury. In the event that the Company requires such a certificate it must so advise the employee in time to enable her to consult with a doctor during her illness and such certificates will be at Company expense upon presentation of a valid receipt.

23.09 For the purpose of automatic wage progression and vacation pay the following will apply:

- (a) Grace for duration of absence:
  - occupational injury
  - Union leave of absence
  - jury duty
  - maternity leave
  - child care leave
  - adoption leave

NOTE: Notwithstanding the above, the grace period as it affects automatic wage progression will be capped to nineteen (19) weeks for employees on either maternity leave or child care leave or any combination of the two. For the purposes of vacation pay, the seventy (70) calendar days grace period shall apply.

- (b) One hundred and five (105) calendar day grace period:
  - authorized sick leave
  - non occupational injury



- (c) No grace period:
- layoff
  - suspension
  - personal leave of absence

23.10 In the event that an employee is absent due to personal leave of absence, layoff, or suspension the employee may, at her option, continue coverage in all benefit plans except Short Term Disability and Long Term Disability at one hundred percent (100%) cost to the employee for a maximum of twelve (12) months..

In the event that an employee is absent due to maternity or child care leave the employee may, at her option, continue coverage in the Group Life Insurance plan at one hundred percent (100%) cost to the employee. The employee will also have the option to buy back this period of absence upon return from the leave. Notwithstanding the above all other benefits will be maintained with the current cost sharing arrangement between the Company and the employee.

When an employee is on jury duty the benefits will be maintained with the current cost sharing arrangement between the Company and the employee.

#### 23.11 UNASSIGNED

23.12 Except as provided elsewhere in this Article, an employee who files a WCB claim will be paid directly by the Provincial Worker's Compensation Board once it is accepted. In those cases where the employee has met her onus with respect to proper and timely submission of the correct forms, or cases where the adjudication of the claim is delayed due to the complexity of the claim or as a result of the Company not providing the necessary information in a timely manner, the employee will receive the WCB benefit directly from the Company for a maximum of sixty (60) days or until the employee's claim has been adjudicated, whichever comes first. This period may be extended by mutual agreement between the parties. In these cases, the employee will immediately reimburse the Company the amount owing.

## **ARTICLE 24 - MODIFIED WORK**

- 24.01 In the event an employee cannot carry out the duties of her position due to illness or injury (as assessed by a qualified medical practitioner), the Company and the Union will meet to explore work modifications or reassignments. For the purpose of this Article, accommodation refers to both “Modified Return to Work”, i.e., graduated return to full duties from a temporary disability, and “Permanent Accommodation”, i.e., accommodation of a permanent disability.
- 24.02 Forms of accommodation may include modification of hours of work, job, task, function or combination thereof that a disabled worker may safely perform without risk to herself or others.
- 24.03 Where modified work is available, it is recognized and agreed that provisions of this Agreement may be amended or waived to suit the employee’s limitations. The terms of the accommodation including any amendments or waivers of the Collective Agreement will be documented in a Letter of Agreement on an individual basis.

## **ARTICLE 25 - BULLETIN BOARDS**

25.01 The Company shall provide bulletin boards or space specifically for the posting of Union information at all locations where bargaining unit employees are employed.

Such notices are to bear the signature of one of the members of the Executive Board.

## **ARTICLE 26 - TRANSPORTATION**

- 26.01 When it becomes necessary for an employee to travel to another location in carrying out her duties the Company will supply suitable transportation to the point of assignment and return.
- 26.02 Where necessary the Company agrees to make every reasonable effort to provide transportation between the parking lot and the terminal work area for employees required to report directly to the terminal by utilizing available transport vehicles.

## **ARTICLE 27 - TECHNOLOGICAL CHANGE**

27.01 The Company and the Union agree that the appropriate Canada Labour Code provisions will apply to technological change.

27.02 Technological Change means:

- (a) The introduction by an employer into her work, undertaking or business of equipment or material of a different nature or kind than that previously utilized by her in the operation of the work, undertaking or business; and
- (b) a change in the manner in which the employer carries on the work, undertaking or business that is directly related to the introduction of that equipment or material.

27.03

- (a) Where the Company proposes to effect a technological change that is likely to affect the terms and conditions or security of employment of a significant number of bargaining unit employees within a department, the Company shall give notice to the Union not less than one hundred and twenty (120) days prior to the date on which the technological change is to be effected.
- (b) The notice referred to in (a) above shall be in writing and shall state:
  - (i) the nature of the technological change;
  - (ii) the date upon which the employer proposes to effect the technological change;
  - (iii) the approximate number and type of employees likely to be affected by the technological change;
  - (iv) the effect that the technological change is likely to have on the terms and conditions or security of employment of the employees affected;
  - (v) such other information as may be required by regulations.

- (c) A meeting shall be scheduled with the Union within fourteen (14) days after the notice referred to in Clause 27.03(b) has been issued for the purpose of discussing and negotiating such conditions which result from the proposed changes as may affect employees. If the parties are unable to reach an agreement as to the applicable conditions the matter shall, at the request of either party, be submitted to mediation/arbitration within ten (10) working days following the last meeting on the matter.

#### 27.04

- (a) Where technological change may require additional knowledge and skill on the part of permanent employees, such employees shall be given the appropriate training where practical, to qualify employees to retain their employment. A reasonable time will be afforded to employees in which to qualify. Any instruction or training shall be done at the employee's regular rate and during scheduled working hours.
- (b) If by reason of technological change the employee cannot be retrained in accordance with Clause 27.03(a), the employee shall:
  - (i) be given an opportunity to fill any vacancy for which she is qualified in accordance with Article 9 or
  - (ii) follow the procedure as outlined in Article 14.

Any vacancy created as a result of the above, shall then be filled in accordance with Article 9.

#### 27.05

- (a) A permanent employee laid off as a result of technological change who wishes to maintain her Company relationship in accordance with Article 14 will be entitled to the provisions of Article 15.
- (b) A permanent employee laid off as a result of technological change and who no longer desires to maintain employment with the Company will be paid severance pay equal to two (2) weeks' salary for each year of service to a maximum of twenty (20) weeks' salary.

## **ARTICLE 28 - STRIKES & PICKET LINES**

### 28.01 No Strike - No Lock Out

In view of the orderly procedure established herein for the disposition of the employees' complaints, disputes and grievances, the Company agrees that there shall be no lock-out and the Union agrees that there shall be no strike, slowdown or stoppage of work during the term of this agreement.

### 28.02 Neither the Company nor the Union will discriminate against employees who cross or refuse to cross a legal picket line assembled by another bargaining unit within the Company.

## **ARTICLE 29 - SAVINGS CLAUSE**

- 29.01 Should any part or provision of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation by the Government of Canada, such invalidation of any part or provision of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.
- 29.02 Any matter that is not specifically covered by this Agreement which may affect the employer/employee relationship can be discussed between the General Chairperson of the Union and the appropriate Vice President of the Company.
- 29.03 No provision of this Agreement shall be used to reduce an employee's current wage rate except as otherwise provided in this Agreement.



## **ARTICLE 30 - GENERAL PROVISIONS**

- 30.01 An employee leaving the service of the Company will, upon request, be furnished with a letter setting forth her record of employment.
- 30.02 Where the Company's business or a substantial part of the entire assets are sold, the purchaser shall be bound by this Agreement to the same extent as if it had been executed by her.
- 30.03 Any permanent employee based and working in an isolated post shall be entitled to receive northern base allowance.
- 30.04 It is the responsibility of employees to keep the Company informed of their current address.
- 30.05 The Canada Labour Code shall take precedence where there is any conflict between its provisions as amended from time to time and the Agreement or Company initiated rules or regulations.
- 30.06 Within six (6) months of notice of ratification the Company will be responsible for the translation of this Agreement into French, and such translation will be approved by the Union before the Agreement is printed in book form.

The Company will supply all employees covered by this Agreement with the employee's choice of an English or French Agreement at no cost to the employees. Costs associated with the printing of the Agreement shall be shared equally between the Company and the Union.

Such Agreements will be printed by the Company and will be made available within one hundred and twenty (120) days of final signing.

- 30.07 In the event that any employee is late or prevented from reporting for work due to extreme weather conditions or other related conditions (e.g., flood, forest fire), they shall not be discriminated against.

If detained from work on account of sickness or any other cause she must if reasonably practicable, advise her immediate supervisor.

- 30.08 If an employee who is required to report for duty or is released from duty outside of her regular scheduled hours of work and no public transportation is available or the employee does not have her own transportation available, then, if requested by the employee, the Company will provide suitable transportation either to where public transportation is available or to the employee's home whichever is closer.
- 30.09 The Company shall provide all employees with adequate free parking as close to the employees' working stations as practical at all airport terminal offices.

The parties recognize that this privilege is subject to any taxation legislation and that the Company is not liable or responsible for any subsequent revenue implications employees may be subjected to.

## **ARTICLE 31 - DEDUCTION OF DUES**

The Company shall deduct from the pay period which contains the twentieth (20th) day of the month, from wages due and payable to each employee coming within the scope of this Collective Agreement, an amount equivalent to the uniform monthly union dues of the Union, subject to the conditions and exceptions set forth hereunder.

- 31.01 The amount to be deducted shall be equivalent to the regular dues payment of the Union and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of the Agreement excepting to conform with a change in the amount of regular dues of the Union in accordance with its constitutional provisions.
- 31.02 Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of the initiation or reinstatement fee uniformly required of all other such applicants by the Local Lodge. Membership shall not be denied for reasons of race, national origin, color, religion, sex or marital status.
- 31.03 Deductions shall commence on the first pay period which contains the twentieth (20th) day of the month in the month employment last commences in a position covered by this Agreement or such other date as may be mutually agreed to by the Company and the Union, subject to the provisions of Clauses 31.04 and 31.05.
- 31.04 If the wages of an employee payable on the payroll for the last pay period of any month are insufficient to permit the deduction of the full amount of dues, no such deductions shall be made from the wages of such employee by the Company in such month. The Company shall not, because the employee did not have sufficient wages payable to her on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.
- 31.05 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions of provident funds shall be made from wages prior to the deduction of dues.

- 31.06 The amounts of dues so deducted from wages accompanied by a statement of deductions from individuals, shall be remitted by the Company to the Union as may be mutually agreed by the Union and the Company, not later than twenty-one (21) calendar days following the pay period in which the deductions are made.
- 31.07 The Company shall not be responsible financially or otherwise, either to the Union or to any employee for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages the Company shall adjust it directly with the employee. In the event of any mistake by the Company in the amount of its remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amounts payable to the Union.
- 31.08 The question of what, if any, compensation shall be paid the Company by the Union in recognition of services performed under this Agreement shall be left in abeyance subject to reconsideration at the request of either party on fifteen (15) days' notice in writing.
- 31.09 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to this Article of this Agreement, all parties shall cooperate fully in the defense of such action. Each party shall bear its own cost of such defense except that if at the request of the Union, counsel fees are incurred these shall be borne by the Union. Save as aforesaid, the Union shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

## **ARTICLE 32 - ATTENDING COURT**

32.01 Employees required by the Company to attend court or public investigation shall be paid their applicable rates for the time lost as a result of attending court or investigation and shall be reimbursed actual reasonable expenses when away from home. In such cases the witness fees shall go to the Company.

32.02 An employee required to perform jury duty, appear for jury selection, or appear as a subpoenaed witness will be paid at her straight time rate. She shall turn over to the Company all monies received from the court or serving party for such service, excluding payment for meals, lodging, transportation, and parking.

NOTE: It is understood that when subpoenaed as a witness the employee will take all steps reasonably necessary to claim payment of wages from the party requesting the subpoena.

## **ARTICLE 33 - EXPENSES**

- 33.01 Expenses payable to personnel for field work, regional relief and training assignments, away from home base, are specified herein for personnel covered by this agreement.
- 33.02 Hotel and applicable per diem, limousine or taxi fare may also be claimed on the basis of actual and reasonable cost involved, including arrival and departure at the point of assignment as well as at home base.
- 33.03 Hotel, plus personal expenses —Sixty-Five dollars (\$65.00) per day, all inclusive for personal expenses, which includes meals, gratuities, laundry, valet service, etc
- 33.04 Where overnight accommodation is not involved, employees will claim reasonable and necessary out-of-pocket expenses only.
- 33.05 Providing the nature of the assignment permits, an employee electing to reside with relatives or friends will be entitled to claim ten dollars (\$10.00) per calendar day in lieu of the cost of a hotel room.
- 33.06 The Company will provide travel insurance for the travel days only in the amount of one hundred thousand dollars (\$100,000.00) for the employees so assigned.
- 33.07 The per diem is primarily applicable within Canada and the Company will continue to establish an appropriate rate for outside Canada as required. In any event, the amount will not be less than the Canadian per diem. For field work, regional relief and training assignments in the United States the per diem specified in 33.03 will be claimed in US funds.
- 33.08 Single room accommodation, in hotels designated by the Company, will be made available for field work, regional relief and training assignments away from base. Where no accommodation can be found in designated hotels, the employee is confined to comparable rates in other hotels.
- 33.09 Where employees are on training assignments away from their base, for more than one week (1), they will allowed downtown hotel accommodations with Company provided transportation.

33.10 Daily transportation is not claimable unless special authorization is first obtained locally however, any transportation or allowance provided regularly for local employees, will be made available.

33.11 detailed expense accounts will be submitted.

## **ARTICLE 34 - EMPLOYEE ASSISTANCE PROGRAM**

34.01 The parties recognize that Clerical Bargaining Unit members are participants in the IAM District Lodge 140/Air Canada Employee Assistance Program.



## **ARTICLE 35 - WORK WEAR ALLOWANCE**

35.01 Assistant coordinators, coordinators assigned to the mail room and required to wear a uniform will be provided with an annual credit of 110.00\$ towards their uniform allotment, effective January 1<sup>st</sup>, 2013.

**ARTICLE 36 – INTENTIONNALLY LEFT BLANK**

**ARTICLE 37 – INTENTIONNALLY LEFT BLANK**

|

## **ARTICLE 38 - DUTY TO ACCOMMODATE**

- 38.01 The parties recognize their duty to accommodate employees as outlined in Canadian legislation.
- 38.02 Should there be a requirement for a permanent accommodation, Corporate Labour Relations and District Lodge 140 will meet for the purpose of reviewing any potential issues as a result of the accommodation process.

## **ARTICLE 39 - SEXUAL AND PERSONAL HARASSMENT**

39.01 Employees are entitled to work in an environment free of discrimination and harassment. Harassment is prohibited under the Canadian Human Rights Act and sexual harassment is prohibited under the Canada Labour Code. Discrimination and harassment deprive employees of dignity and respect, and are detrimental to a healthy work environment.

39.02 Discrimination and Harassment: any conduct, comment or gesture, either overt or subtle, that is likely to be offensive to an individual and can be related to any of the ten (10) grounds of discrimination prohibited by the Canadian Human Rights Act; race, religion, sex, national or ethnic origin, marital status, family status, color, age, disability, or a pardoned conviction.

Sexual Harassment: means any conduct, comment, gesture, contact of a sexual nature;

- a) that is likely to cause offense or humiliation to an employee; or
- b) that might, on reasonable grounds be perceived by that employee as placing a condition of a sexual nature on employment or on any opportunity for training or promotion.

39.03 Right of Employee

- a) Every employee is entitled to employment free of discrimination and harassment.
- b) No article in this collective agreement detracts from an employee's rights contained in the Canadian Human Rights Act, Canada Labour Code or the Employment Equity Act.

39.04 Responsibility of the Company

- a) The Company shall make every reasonable effort to ensure that no employee is subjected to discrimination and/or harassment.
- b) The Company will take appropriate disciplinary action in respect of an employee who subjects any other employee to discrimination and/or harassment.

39.05 Complaints of Harassment and Discrimination:

- a) Complaints of Harassment and Discrimination will be handled in accordance with the provisions of the Company's Workplace Harassment Policy. A copy of the policy is available on the Aeronet.
- b) Before submitting formal harassment complaints, employees who believe they have been harassed or discriminated against are encouraged to do the following:
  - Make their objection known to the alleged harasser(s)
  - Attempt to resolve the matter.
  - Contact their manager if the above steps don't correct the situation, or if the employee feels intimidated.

If the situation can't be resolved at the informal level and the complaint falls under the jurisdiction of the workplace harassment policy, the employee completes a formal complaint form and submits it to the Harassment Office. The formal procedure of the Workplace Harassment Policy will be followed.

- c) For complaints of sexual harassment, the Company will not disclose the name of a complainant or the circumstances related to the complaint to any person except where disclosure is necessary for the purposes of investigating the complaint or taking disciplinary measures in relation thereto.

## **ARTICLE 40 - ELECTRONIC SURVEILLANCE**

- 40.01 Employee identification cards and electronic surveillance equipment such as closed circuit television or camera equipment installed in areas where employees covered by this Agreement are working will not be used for surveillance of employees on scheduled duty in their assigned work areas, nor will such equipment be installed in employees' lunch rooms or rest areas. Prior to any of this equipment being installed to control access/egress or prior to the Company expanding the use of the employee identification card beyond that of its present use a full discussion will be undertaken between the Union and the Company. The Company will give reasonable consideration to any input from the Union.
- 40.02 Information gathered through any form of electronic surveillance, i.e., VTD, Workload Statistics, telephone systems record, shall not be used to measure productivity for disciplinary purposes against any member of the bargaining unit unless substantiated by other evidence.
- 40.03 Notwithstanding the above, where there are unforeseen circumstances related to a breach of security, the Company will enter into discussions with the Union prior to determining what if any special security measures should be activate.

**ARTICLE 41 – INTENTIONALLY LEFT BLANK**



## **ARTICLE 42 - RENEWAL AND TERMINATION**

42.01 This agreement shall become effective as of April 1<sup>st</sup>, 2011 and shall continue in full force and effect until March 31<sup>st</sup>, 2016, and shall renew itself without change each succeeding April 1<sup>st</sup> thereafter unless written notice of intended change is served by either party thereto within the period of four (4) months immediately preceding March 31<sup>st</sup>, 2016.

42.02 In the event of notice as provided in clause 42.01, this agreement shall remain in full force and effect while negotiations are being carried on for the arrangement of a further agreement.

42.03 There shall be no retroactive application of the terms of the agreement to employees not on the payroll as of March 31<sup>st</sup>, 2016 other than those retired, on leave of absence or on laid-off status.



8. Schedule Changes There will be no switching of scheduled days off without the approval of local management.
9. Unexpected Items Any items not outlined in the above Guidelines will be reviewed by the Company and the Union as they arise.

## **LETTER OF UNDERSTANDING NO. 2 - FLEXIBLE HOURS** **GUIDELINES**

Where operational requirements permit, flexible hours work arrangements may be established. Core hours, flexible time zones and staff levels will be determined at the local level between the affected employees and management.

1. **Scheduled Working Hours** 2 week pay period - 10 days = 80 hours.  
Each employee will be responsible for ensuring that eighty (80) hours of work is completed in each two-week pay period. Any shortages will be made up from the employee's time bank or, if there are insufficient hours in the time bank, will be deducted from her pay cheque.
2. **Vacation Entitlement** Based on a 40 hour calendar week.
3. **Regular Work Day** The basic work day including vacation, general holidays, floaters, paid LOA and sick leave will be eight (8) hours. Upon approval from the respective Supervisor, the employee may work up to nine and one-half (9,5) hours in one day at straight time wages.
4. **Overtime** Overtime will be paid for all hours worked in excess of eighty (80) hours per pay period. However, all time owed is paid back before overtime credits apply.
5. **Meal Periods** Meal periods will be flexible in order to provide time for personal appointments with prior authorization.

**LETTER OF UNDERSTANDING NO. 3 - HISTORICAL  
PRECEDENTS**

SUBJECT: Canadian/IAM&AW Agreement No. 3 (Clerical)  
Historical Precedents

It is agreed that upon ratification of Agreement No. 1 all Letters of Understanding, Intent or Agreement, collective bargaining notes, Arbitration awards and all other ancillary documents except those dealing with disciplinary matters, that pertain to any of the donor agreements, will be null and void and have no force and effect, and will not be used as a precedent in interpreting the language of Agreement No. 3.

## **LETTER OF UNDERSTANDING NO. 4 - CONTRACTING OUT**

- L4.01 It is recognized that it is mutually desirable that work normally performed by a classification in the bargaining unit not be sub-contracted. However, it is also recognized that it may be necessary to sub-contract a variety of such work for a variety of reasons, such as lack of facilities, lack of capital equipment, lack of Government approval or other expertise or lack of sufficient work to efficiently utilize full or part-time employees. In addition, it is recognized that the Company may, from time to time, have a need to sub-contract work on a temporary basis due to workload or the loss of a facility. In these events the Company will discuss the need with the Union on a local basis prior to proceeding with the contract.
- L4.02 Nevertheless, it is not the intention of the Company to sub-contract work currently performed by the bargaining unit for the purpose of evading the negotiated wages and/or benefits of employees currently working for the Company. Nor is it the intention of the Company to increase the practice of sub-contracting bargaining unit work on a regular basis. The Company will only contract out such work when there is a clear economic advantage to doing so.
- L4.03 Notwithstanding the above, the Company agrees that the introduction of a sub-contract will not result directly in the loss of employment of any permanent employees employed at the date of ratification of Agreement No. 2 in classifications affected by the sub-contracting, except when justified by special circumstances.
- L4.04 Should a dispute arise concerning the justifiable special circumstances, as outlined above, the parties agree to refer the matter to Mr. V. Ready on an expedited basis, for a final and binding resolution.

## **LETTER OF UNDERSTANDING NO. 5 – CONTRACTING IN**

- L5.01 It is hereby agreed that outside contracts are of increasing importance to the Company and its employees. It is also agreed that the provisions of this Agreement have been negotiated primarily for the purpose of governing working conditions applicable to the Company-owned operations and that it is mutually desirable to have employees doing the Company's business whenever it is economically practicable.
- L5.02 Therefore, it is agreed that, when there is an opportunity to bring in outside contract work, and/or to bring in work of the Company which is currently being sub-contracted, the parties will meet in an effort to make competitive arrangements to enable the IAM&AW to share in the growth of the Company. Such arrangements may include a waiver(s) of the provisions of any terms and conditions of the Collective Agreement.
- L5.03 A joint Union/Management committee may be convened to review manpower requirements and working conditions that will improve the Company's competitive position.
- L5.04 The joint committee will consist of one representative from District Lodge 140 and associated local lodges, a representative from Labour Relations and appropriate other Company representation.
- L5.05 Should the committee mutually agree that adjustments can be made to Articles within this Agreement, any such adjustments would only remain in effect during the term of the successfully solicited outside contracts.

**LETTER OF UNDERSTANDING NO. 6 - INTENTIONALLY LEFT  
BLANK**



## **LETTER OF UNDERSTANDING NO. 7 - VOLUNTARY SEPARATION**

Voluntary Separation Incentive Program (VSIP) for full-time employees who may wish to retire or otherwise voluntarily separate from employment with Air Canada in order to mitigate the layoff of surplus employees.

1. Initial Selection for acceptance for VSIP will be made from employees in the affected classification in the affected department where the surplus has been identified. If insufficient volunteers can be found within the affected classification in the affected department, the Company may consider volunteers in the same classification from other departments at the base.
2. Acceptance will be based on bargaining unit seniority within the classification in the affected department. The release date will be based on operational requirements.
3. Determination of acceptance of the applications for VSIP will be solely at the discretion of the Company.
4. Employees who voluntarily sever will mitigate a layoff (thus preserving employment for another employee) and will be eligible for Employment Insurance in accordance with Employment Insurance regulations.
5. The amount of VSIP will be calculated at one (1) week's pay for each completed year of service up to a maximum of twenty (20) weeks.
6. For purposes of VSIP calculation, completed year of service shall be defined as including occupational leave, union leave of absence, jury duty, maternity leave, child care leave and pre-natal leave. Time not worked due to non-occupational injury over seventy (70) calendar days, layoff, suspension, personal leave of absence, or strike, will not be included in calculation of years of service.

7. Employees who are participants in the IAM pension plan and who would reach a pension milestone may elect to participate in VSIP and remain on the payroll for payment of severance monies associated with the program until the milestone is reached. In these cases the bi-weekly payments would be subject to EIP contributions. Once the milestone is reached the remaining monies will be paid out in a lump sum.
8. Employees whose VSIP entitlement would enable them to reach a pension milestone or a twenty five (25) year retiree card may remain on payroll until the milestone is reached recognizing that payments would be subject to EIP contributions and once the milestone was reached, the remaining monies would be paid out in a lump sum.
9. Employees who elect to remain on the payroll to reach a milestone will be eligible for all benefits at 100% employee cost except for STD, LTD and WCB which are not available.
10. Employees who are within forty (40) weeks of normal retirement who are accepted for VSIP will be limited in lump sum payment to one-half the weeks left to retirement, e.g., if an employee has thirty (30) weeks to retirement, VSIP will be equivalent to fifteen (15) weeks' pay.
11. In the case of a base closure, the following provisions will apply:
  - Employees at the bases which are closing, who wish to sever will be given two (2) weeks' pay for each year of completed service as defined in provision (6) above, up to a maximum of twenty-six (26) weeks
  - Employees who are within fifty-two (52) weeks of normal retirement who are accepted for VSIP will be limited in lump sum payment to one-half the weeks left to retirement, e.g., if an employee has thirty (30) weeks to retirement, VSIP will be equivalent to fifteen (15) weeks' pay.

## **LETTER OF UNDERSTANDING NO. 8 - MITIGATION OF STAFF REDUCTIONS**

### Mitigation of Staff Reductions

During discussions for contract negotiations it was agreed that should a staff reduction become necessary during the life of this agreement the Company agrees to make the Deferred Payment Leave Plan (DPLP) (e.g., 80/20, 90/10 or other mutually satisfactory application) and the Long Term Leave of Absence Program in effect from previous staff reductions available to mitigate the layoff.

The Company also agrees to meet with the Union for the purpose of discussing Voluntary Severance Options, Work Share Programs or other means mutually agreeable to the parties in an effort to further mitigate the layoff.

**LETTER OF UNDERSTANDING NO. 9 - ADDITIONAL  
QUALIFICATIONS**

Following the 2012 round of collective bargaining negotiations, the parties agree to constitute a committee for the purpose of dealing with all outstanding items relating to specialized skills and/or abilities applicable to certain positions covered under the IAMAW certification.

The committee will be comprised of one (1) IAMAW District 140 General Chairperson and a maximum of three (3) local lodge representatives. The Company will delegate a maximum of two (2) representatives from Corporate Labour Relations and one (1) representative of the operation (subject matter expert).

The committee will retain the jurisdiction to review and sign-off on all outstanding items contemplated in the present Letter of Understanding.

Any item that cannot be resolved by the Committee will be submitted to expedited arbitration following 30 day written notice to the other party.

The committee will meet no later than 120 days following the ratification of the present collective agreement.

Signed this 27th day of September 2012

For Air Canada

For the IAMAW

Andrea Zaffaroni  
Manager, Labour Relations

Michel Richer  
IAMAW, General Chairperson

## **LETTER OF UNDERSTANDING NO. 10 – AMALGAMATION OF CLASSIFICATIONS**

Following the 2012 round of collective bargaining, the parties agreed to merge the Administrative Support and Operations Support job categories.

Therefore, It is further agreed that:

- Employees in either job category will be referred to going forward as Assistant Coordinator, Coordinator or Senior Coordinator.
- The scope duties of the resulting single category will be comprised of any duty or associated duty formerly part of the Administrative Support and Operations Support job categories. As an example, the scope duties of an employee in the Coordinator classification will consist of any duty formerly part of the Administrative Support Coordinator and Operations Support Coordinator classifications.
- Employees currently on laid-off status will be deemed to have recall rights to the corresponding merged classification. As an example, an employee on lay off status currently holding recall to Operations Support Coordinator will now hold recall to Coordinator.

Signed this 27th day of September 2012

For Air Canada

Andrea Zaffaroni  
Manager, Labour Relations

For the IAMAW

Michel Richer  
IAMAW, General Chairperson

## **LETTER OF INTENT NO. 1 - WORK SHARE PROGRAM**

During negotiations for this agreement, the parties discussed the feasibility of introducing a Work Share Program. Due to the complexity of this matter, the parties agree to meet to finalize discussions regarding the program prior to the expiry of this collective agreement.

Should the need to introduce this program become necessary sooner, as a means to mitigate loss of employment, Work Share will be discussed prior to the layoff of affected employees.

## **LETTER OF INTENT NO. 2 - CERTIFICATION AMENDMENT**

- L2.01 The Company agrees to consider proposals from the Union to bring specific positions that are presently outside the Union's certification into scope in those cases where the Union can demonstrate that the position responsibilities do not meet the exclusion criteria as defined by the Canada Labour Code and that the job functions are consistent with the criteria set out in the Union's certifications.
- L2.02 Where the Company is satisfied that the above requirements have been met, it will voluntarily recognize the Union as the certified bargaining agent for the positions in question, and those positions will be subject to Clause L2.04 below.
- L2.03 Should the Parties fail to reach consensus regarding the appropriateness of including a particular position under the Union's bargaining certificate, the Union will have the option of making application to the Canada Labour Relations Board for a ruling.
- L2.04 Where a new classification is established under the Union's certification, the Parties will meet and negotiate wages, benefits and working conditions which will not exceed any of the current provisions of Agreement No. 3, unless otherwise agreed.
- L2.05 If the parties are unable to reach agreement on such matters, the dispute will be referred to mediation/arbitration for final resolution.

**LETTER OF INTENT NO. 3 - BUY BACK OF PENSION BENEFITS**

July 11, 1990

Mr. W. Farrall  
IAM & AW

Dear Mr. Farrall,

SUBJECT: Buy Back of Pension Benefits

This will confirm our agreement to review the feasibility of establishing provisions in the Pension Plan for the purpose of employees buying back pension benefits (at no cost to the employer or the Plan) for periods of service on furlough or approved leave of absence.

Yours truly,

Bronach R. Cannell  
Labour Relations Manager



## APPENDIX A

### IAM CLERICAL RATES OF PAY (26 week intervals for all steps)

	New Hourly Rate for April 1st 2011 pay period begin date Lump sum	New Hourly Rate for April 1st 2012 pay period begin date Lump sum	New Hourly Rate for April 1st 2013 pay period begin date 2.00%	New Hourly Rate for April 1st 2014 pay period begin date 3.00%	New Hourly Rate for April 1st 2015 pay period begin date 3.00%
<b>Assistant Coordinator</b>	\$11.15	\$11.15	\$11.37	\$11.71	\$12.07
	\$12.25	\$12.25	\$12.50	\$12.87	\$13.26
	\$13.36	\$13.36	\$13.62	\$14.03	\$14.45
	\$14.46	\$14.46	\$14.75	\$15.19	\$15.65
	\$15.56	\$15.56	\$15.87	\$16.35	\$16.84
	\$16.67	\$16.67	\$17.00	\$17.51	\$18.04
	\$17.77	\$17.77	\$18.13	\$18.67	\$19.23
	\$18.87	\$18.87	\$19.25	\$19.83	\$20.42
<b>Coordinator</b>	\$11.42	\$11.42	\$11.65	\$12.00	\$12.36
	\$12.72	\$12.72	\$12.97	\$13.36	\$13.76
	\$14.01	\$14.01	\$14.29	\$14.72	\$15.16
	\$15.30	\$15.30	\$15.61	\$16.08	\$16.56
	\$16.59	\$16.59	\$16.93	\$17.43	\$17.96
	\$17.89	\$17.89	\$18.24	\$18.79	\$19.35
	\$19.18	\$19.18	\$19.56	\$20.15	\$20.75
	\$21.02	\$21.02	\$21.44	\$22.08	\$22.74
<b>Senior Coordinator</b>	\$14.14	\$14.14	\$14.43	\$14.86	\$15.31
	\$15.32	\$15.32	\$15.63	\$16.10	\$16.58
	\$16.50	\$16.50	\$16.83	\$17.33	\$17.85
	\$17.68	\$17.68	\$18.03	\$18.57	\$19.13
	\$18.85	\$18.85	\$19.23	\$19.81	\$20.40
	\$20.03	\$20.03	\$20.43	\$21.04	\$21.67
	\$21.21	\$21.21	\$21.63	\$22.28	\$22.95
	\$22.90	\$22.90	\$23.36	\$24.06	\$24.78

Note: A 2% lump sum payment was made for the years 2011 and 2012.

**IAM CLERICAL RATES OF PAY  
(26 week intervals for all steps)**

	<b>New Hourly Rate for April 1st 2011 pay period begin date Lump sum</b>	<b>New Hourly Rate for April 1st 2012 pay period begin date Lump sum</b>	<b>New Hourly Rate for April 1st 2013 pay period begin date</b>	<b>New Hourly Rate for April 1st 2014 pay period begin date</b>	<b>New Hourly Rate for April 1st 2015 pay period begin date</b>
<b>ACCOUNTING</b>			<b>2.00%</b>	<b>3.00%</b>	<b>3.00%</b>

**No Assistant Coordinator  
Position**

<b>Coordinator</b>	\$17.07	\$17.07	\$17.41	\$17.93	\$18.47
	\$17.87	\$17.87	\$18.22	\$18.77	\$19.33
	\$18.66	\$18.66	\$19.04	\$19.61	\$20.20
	\$19.46	\$19.46	\$19.85	\$20.45	\$21.06
	\$20.26	\$20.26	\$20.67	\$21.29	\$21.92
	\$21.06	\$21.06	\$21.48	\$22.13	\$22.79
	\$21.86	\$21.86	\$22.30	\$22.96	\$23.65
	\$22.69	\$22.69	\$23.14	\$23.84	\$24.55
<b>Senior Coordinator</b>	\$22.00	\$22.00	\$22.43	\$23.11	\$23.80
	\$22.39	\$22.39	\$22.84	\$23.53	\$24.23
	\$22.79	\$22.79	\$23.25	\$23.95	\$24.67
	\$23.19	\$23.19	\$23.66	\$24.37	\$25.10
	\$23.59	\$23.59	\$24.06	\$24.79	\$25.53
	\$23.99	\$23.99	\$24.47	\$25.21	\$25.96
	\$24.39	\$24.39	\$24.88	\$25.63	\$26.39
	\$24.82	\$24.82	\$25.32	\$26.08	\$26.86

Note: A 2% lump sum payment was made for the years 2011 and 2012.

## **APPENDIX B**

### **JOB CLASSIFICATION TASKS LIST**

#### **ASSISTANT COORDINATOR**

##### **BASIC FUNCTION:**

To provide general operational and administrative support such as mail distribution, filing, photocopying, preparing correspondence and maintaining records requiring initiative and judgment.

##### **A-TASKS / RESPONSIBILITIES:**

- Receive, deliver and pick up boxes, data, mail, parcels, etc. on a timely basis
- Process outgoing mail, packages, etc.
- Trace deliveries
- Arrange for pick-up and receive courier deliveries
- Verify and process invoices
- Prepare and maintain records of postage, registered mail, waybills, etc.
- Knowledge of postal regulations and Company mail handling procedures
- Work with minimal supervision
- Sort and distribute mail, correspondence and reports
- Retrieve/provide information for internal/external customers
- Answer telephones and greet customers
- Operate office equipment
- Process electronic mail
- Order and maintain office supply inventory
- Complete tasks in a timely and accurate manner
- Organize and prioritize workload to meet deadlines
- Maintain confidentiality at all times
- Perform multiple tasks simultaneously
- Prepare correspondence on the basis of verbal or written instructions
- Operate specific department/Company software applications or mainframe programs
- Update and input data
- Prepare, maintain, update and revise files, records, reports, documents, manuals, etc.
- Assist in receiving, indexing and revising manuals or data
- Arrange travel and appointments
- Arrange ground transportation for internal/external customers, e.g. taxis
- Comply with Government Regulations, Company Policies, Collective Agreements and procedures

- May be required to perform other related duties which do not affect the nature of the job

**EDUCATION:**

- High School graduation

**SKILLS / KNOWLEDGE:**

- Good interpersonal skills
- Good communication skills, both written and verbal
- Basic knowledge of Microsoft Office applications
- Proficiency in spelling, punctuation and grammar

**EXPERIENCE:**

- Minimum 1 year office experience

**SPECIFIC REQUIREMENTS:**

- Some positions may require lifting,
- Some positions require licenses, e.g. Driver's, MOT, AVOP, etc.
- Some positions may require shift work and/or work staggered starting and stopping times
- Some positions may be required to perform receptionist duties.
- Some positions may be exposed to weather conditions

## **COORDINATOR**

### **BASIC FUNCTION:**

Perform operational and/or administrative duties of a complex nature requiring initiative and judgment.

### **TASKS / RESPONSIBILITIES:**

- Create tables, graphs and prepare spreadsheets.
- Sort and merge documents, reports, etc.
- Research data and prepare reports
- Edit and proofread
- Work under pressure
- Prepare, maintain, validate, input, and update data/files, records, documents, manuals, etc.
- Receive, index and revise manuals or data
- Prepare correspondence
- Receive and direct all incoming calls
- Provide assistance for outgoing calls, e.g. directory assistance, calling card
- Refer external customers to appropriate areas, e.g. departments, employees
- Assist other employees in the department
- Arrange ground transportation for internal/external customers, e.g. taxis
- Arrange travel and appointments
- Liaise with internal/external customers
- Research, resolve, and respond to internal/external customer issues and queries, verbally and/or in writing
- Work with minimal or no supervision
- Design, compose, format and produce correspondence, reports and documents using a variety of software applications
- Prepare third party billings
- Handle cash/cheques and related documentation
- Verify and process invoices, claims and/or expenses
- Coordinate and make necessary arrangements for presentations, seminars, training sessions, interviews, etc.
- Build, update and maintain schedules and staff rosters
- Organize and prioritize workload to meet deadlines
- Comply with Government Regulations, Company Policies, Collective Agreement and procedures
- Administer Collective Agreements
- Control distribution and maintain Company and technical publications
- Maintain a high level of accuracy
- Operate specific department/Company software programs
- Develop and maintain schedules
- Maintain confidentiality at all times

- Maintain and develop accurate maintenance and/or technical records
- Audit records
- Monitor equalization of overtime
- May be required to perform other related duties which do not affect the nature of the job

In addition to the above, may be required to perform the Tasks / Responsibilities as outlined in Assistant Coordinator Level.

**EDUCATION:**

- High School graduation

**SKILLS / KNOWLEDGE:**

- Good interpersonal skills
- Good communication skills, both written and verbal
- Intermediate knowledge of Microsoft Office applications
- Proficiency in spelling, punctuation and grammar
- Knowledge of aircraft terminology
- Aptitude for math
- Aptitude for accuracy and detail

**EXPERIENCE:**

- Minimum 2 years office experience

**SPECIFIC REQUIREMENTS:**

- Some positions may require lifting and climbing
- Some positions require licenses, e.g. Driver's, MOT, AVOP etc.
- Some positions may require shift work and/or work staggered starting and stopping times
- Some positions may be exposed to weather conditions

## **SENIOR COORDINATOR**

### **BASIC FUNCTION:**

Performs operational and/or administrative duties of a complex nature, using a variety of software applications. These positions require a high level of accuracy due to consequence of error and fines/penalties to the Company and/or loss of revenue. This position requires initiative and judgment.

### **TASKS / RESPONSIBILITIES:**

- Analyze, design, format and produce creative high quality documents, reports, etc.
- Develop, prepare, and provide statistical reports
- Prepare comparative analysis
- Prepare monthly statistical summary of catering expenses
- Maintain monthly record of invoices paid or outstanding
- Prepare cost analysis and statistics
- Plan, coordinate, and execute road shows, where travel may be required
- Assist with product displays
- Recommend and assist in implementing improved methods and procedures
- Provide on-the-job training, direction, guidance and assistance to other employees in the department.
- Maintain confidentiality at all times
- Record and maintain operational records and/or endorsements
- Comply with Company Policies, Collective Agreements and/or Government Regulations
- Liaise with internal and external customers
- Organize and prioritize workload to meet deadlines
- Works with minimal or no supervision
- First level troubleshooter of hardware/software
- Assist with compilation of operating business plan
- Monitor reports, investigate discrepancies and calculate accruals
- Maintain ledgers
- Audit invoices
- Ensure flight crew meals and/or ground allowances are provided
- Process and calculate pay adjustments/expenses
- Compose, format and prepare correspondence
- Maintain computerized meal costing system
- Operate mainframe printers and related equipment
- Prepare and distribute reports to meet production printing deadlines
- Control and monitor printing system to maintain availability, serviceability and reliability
- Monitor printers for quality control
- Coordinate maintenance and up-keep of equipment problems

Task allocation may vary from one department to another

In addition to the above, may be required to perform the Tasks / Responsibilities as outlined in Assistant Coordinator and Coordinator Levels.

## **BASIC FUNCTION:**

### **Graphic designer position:**

Design and develop a variety of visual communication strategies and products for purposes of marketing, training or communications.

Graphic designer positions perform the following specific Tasks /Responsibilities:

- Create visual communication strategies using specialized software
- Execute those strategies through print, video or interactive mediums.
- Research, recommend and create marketing tools and collateral
- Concept, layout & design of public Annual Reports
- Prepare presentations for Senior Executives for external presentations
- Concept, design and execution for new products and/or Air Canada collateral.
- Manage Corporate Brand for all visual applications.
- Create brands for new products and produce accompanying brand management toolkits
- Design maps for AC internal and external publications, i.e. En Route
- Process invoices and chargebacks for projects.

### **Training:**

Would have completed recognized courses at a University or College level in Graphic Design, with demonstrated expertise in typography, the psychology of color, proving fluent visual literacy through the study of line, perspective, contrast, volume and shape. Should have solid experience in both Print and New Media. Must have extensive knowledge of graphics standards for print, web, and television. Must have strong brand creation and management experience

Software Required:            Adobe Photoshop  
   Adobe Illustrator  
   Adobe InDesign  
   Adobe Acrobat



**EDUCATION:**

- High School graduation

**SKILLS / KNOWLEDGE:**

- Good interpersonal skills
- Excellent communication skills both written and verbal, as well as formatting and proofreading skills
- Intermediate knowledge of Microsoft Office applications
- Proficiency in spelling, punctuation and grammar
- Aptitude for accuracy and detail
- Aptitude for math

**EXPERIENCE:**

- Minimum 3 years office experience

**SPECIFIC REQUIREMENTS:**

- Some positions require the ability to take minutes
- Some positions require Licenses, e.g. Driver's, MOT, AVOP etc.
- Some positions may require lifting and climbing.
- Some positions may require shift work and/or work staggered starting and stopping times
- Some positions may be exposed to weather conditions

## **ACCOUNTING SUPPORT - COORDINATOR**

### **BASIC FUNCTION:**

To maintain and process accurate records and accounts related to accounting systems.

### **TASKS / RESPONSIBILITIES:**

- Verify and process invoices
- Operate specific department/Company software programs
- Answer telephones
- Maintain a high level of accuracy
- Organize and prioritize workload
- Work under pressure
- Prepares accruals
- Audit, input and update data
- Reconcile accounts
- Prepare journal entries
- Prepare reports
- Prepare/compose letters
- Research, resolve and respond to internal/external customers' issues and queries
- Work with minimal or no supervision
- Maintain, calculate and input information
- Process internal/external payments
- Process internal/external payments
- Handle cash and cheques
- Calculate and process claims
- Prepare and distribute statements
- Verify, calculate and adjust pay claims as requested
- Comply with Collective Agreements, Company Policies and Government Regulations

In addition to the above, all positions may be required to perform the following Tasks / Responsibilities:

- Maintain confidentiality at all times
- May be required to perform other related duties which do not affect the nature of the job
- Data capture airmail documents
- Verify, rate and adjust air waybills/documents

Task allocation may vary from one department to another

**EDUCATION:**

- High School graduation
- Completion of CGA 101 or equivalent

**SKILLS / KNOWLEDGE:**

- Good interpersonal skills
- Good communication skills, both written and verbal
- Intermediate knowledge of Microsoft Office applications
- Familiarity with Collective Agreements, Company Policies and/or Government Regulations
- Aptitude for accuracy and detail

**EXPERIENCE:**

- Minimum 1 year office experience

**SPECIFIC REQUIREMENTS:**

- N/A

**SPECIFIC REQUIREMENTS:**

- Some positions may require shift work and/or work staggered starting and stopping times

## **ACCOUNTING SUPPORT – SENIOR COORDINATOR**

### **BASIC FUNCTION:**

To maintain and process accurate records and accounts related to accounting systems.

### **TASKS / RESPONSIBILITIES:**

- Perform account maintenance and follow-up functions in conjunction with the Accounting Services Agreement
- Maintain accounting systems tables
- Assist other departments with respect to accounting policies, procedures and systems
- Prepare reports to support the monthly financial statements
- Prepare and analyze data for ad hoc financial reports
- Provide leadership, direction and training to other employees within the department
- Analyze and verify documents
- Prepare audit working papers
- Prepare statistical/special reports
- Reconcile and deposit cheques and cash
- Organize and prioritize workload to meet deadlines
- Work under pressure
- May be required to perform other related duties which do not affect the nature of the job

In addition to the above, may be required to perform the Tasks / Responsibilities as outlined in the Coordinator Level.

### **EDUCATION:**

- High School graduation
- Completion of CGA 211 or equivalent

### **SKILLS / KNOWLEDGE:**

- Good interpersonal skills
- Effective communication skills, both written and verbal
- Intermediate knowledge of Microsoft Office applications
- Aptitude for accuracy and detail
- Familiarity with Collective Agreements, Company Policies and/or Government Regulations

**EXPERIENCE:**

- Minimum 2 years office experience

**SPECIFIC REQUIREMENTS:**

- Some positions may require shift work and/or work staggered starting and stopping times

## **LEAD POSITIONS**

### **BASIC FUNCTION:**

Responsible for the guidance, on the job training, motivation and assistance to all designated staff. Perform senior technical duties in the role of Lead. Must maintain strict confidentiality at all times. Works in a team environment.

### **TASKS / RESPONSIBILITIES:**

- Provide guidance, on the job training, motivation and assistance to all designated staff
- Organize and prioritize workloads to meet deadlines
- Perform senior technical duties in the role of Lead
- Maintain performance standards for quality and quantity of work produced
- Recognize needs and deficiencies within the group and request additional resources as applicable
- Act as first line of communication with internal/external customers in order to ensure that potential problems are recognized and dealt with immediately
- Liaise with all levels of staff
- May act as Supervisor in the absence of the incumbent
- Maintain strict confidentiality at all times

### **SKILLS / KNOWLEDGE:**

- Comprehensive knowledge of Company and Department Policies and procedures
- Excellent technical skills as required for the assignment
- Proven leadership and organizational skills
- Excellent interpersonal skills
- Effective communication skills, both written and verbal

### **EXPERIENCE:**

- Minimum 3 years experience with Air Canada

### **SPECIFIC REQUIREMENTS:**

- Some positions may require shift work or staggered starting and stopping times

**NOTE:** Lead positions are posted locally within the affected departments and will be awarded as per article 7.01.

## **APPENDIX C**

### **WITHOUT PREJUDICE OR PRECEDENT**

November 4, 1999

Dave Ritchie, General Vice-President in Canada (IAMAW)  
15 Gervais Drive, Suite 707  
North York, ON  
M3C 1Y8

Dear Mr. Ritchie,

In addition to the commitments outlined to you by Robert Milton on November 01, 1999 and subject to agreement by you and the IAMAW, Air Canada is prepared to table the following considerations and commitments.

- A) Voluntary recognition of the IAMAW as the sole bargaining agent for employees of the new low-cost airline employed in similar functions to those identified in the IAMAW Collective Agreement. The Union recognizes and acknowledges that the mandate of the new airlines is one of low-fare/low-cost and that this will be given due consideration in the development of the terms and conditions of a new collective agreement between the new Company and the IAMAW.
- B) Wage rates at Canadian Airlines be brought back to pre-1996 book rates effective with the first pay period in January of 2001.
- C) Effective January 1, 2001 wage rates for Canadian employees will move to 50% of the wage differential between similar active classifications and categories as outlined in the Air Canada Collective Agreement.

Note: Where wage scales and job classifications do not align, the parties will meet to agree on how best to achieve this alignment.

- D) Effective January 1, 2002 Canadian employees will move to full Air Canada wage rates involving similar active classifications and categories as outlined in the Air Canada Collective Agreement.

- E) The parties will sign a Letter of Intent agreeing to a contract extension of three (3) years effective June 23, 2002 with the following provisions:

Wage increases will be:

2.5% effective June 23, 2002

2.5% effective June 22, 2003

2.5% effective June 20, 2004

- F) In conjunction with the effective date of the annualized wage increases, wage increases will be subject to further negotiations if:

- i) Other bargaining agents (CAW, ALPA, ACPA or CUPE) have negotiated higher percentage wage uplifts.

And/or

- ii) The Consumer Price Index of the previous year exceeds the above wage increases by more than 1% for any of the three (3) calendar years referenced above.

- G) The parties further agree to incorporate any and all other mutually agreed-to items in this Letter of Intent.

- H) Any and all other issues not resolved by this letter of intent will form part of the normal bargaining agenda and process subject to the following:

- I) Any matters that are not resolved through direct collective bargaining will be referred to an agreed-to mediation process for resolution prior to either party applying for conciliation and/or exercising strike/lockout provisions of the Canada Labour Code. The right to strike with respect to wages is limited to the normal collective bargaining process that will occur at the termination of the current collective agreement (June 22, 2002) if either of the "triggers" identified in item F apply. Should the conditions of item F trigger additional discussions with respect to wages during 2003 and 2004, and given that there is a Collective Agreement in place, then the Union will not resort to strike action related to such further negotiations regarding wages.

- J) The Letter if Intent will have the full recommendation of the Union and is subject to ratification by Canadian Airlines employees.



K) All other terms and conditions of the Canadian Airlines agreement, with the exception of wage outlined in C and D, will remain in force and be extended until June 22, 2002 unless otherwise mutually agreed to.

In consideration of all the above, the IAMAW at Canadian Airlines agrees and undertakes to remain neutral in their preference to either the ONEX proposal or the Air Canada solution in this current industry restructuring.

As part of this agreement the IAMAW agrees and undertakes that they will neither initiate nor support a common employer or sale of business application against Air Canada should the Air Canada proposal for the industry restructuring prevail.

Your earliest response to these initiatives would be appreciated.

Yours truly,

P.J. Heinke  
Senior Director, Labour Relations

Cc: Robert A.Milton, President and Chief Executive Officer, Air Canada

## **APPENDIX D**

### **MEMORANDUM OF AGREEMENT**

**BETWEEN  
AIR CANADA  
("Air Canada")**

**AND**

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE  
WORKERS**

**CLERICAL COLLECTIVE AGREEMENT  
("The Union" or "IAMAW")**

**WHEREAS** a number of factors have created a financial crisis in the airline industry in general, which have resulted in Air Canada having to seek protection under the Companies' Creditor Arrangement Act (CCAA);

**AND WHEREAS** this Memorandum shall confirm the agreement by the parties to a full and complete resolution of all outstanding issues raised between the parties during this round of negotiations;

**AND WHEREAS** this Memorandum shall also be subject to ratification by the respective principals of the parties. Once ratified, the Collective Agreement shall be in effect until June 30<sup>th</sup>, 2006. It is further agreed to extend the modified collective agreement until July 01<sup>st</sup>, 2009 in accordance with the Letter of Intent dated May 29<sup>th</sup>, 2003;

**Accordingly**, the parties agree as follows:

1. Reduce all wage rates by 1.5% effective June 08, 2003 and cancel the 2.5% increases for June 22, 2003 and June 20<sup>th</sup> 2004. Introduce a Profit-Sharing Program for all employees covered by the Air Canada / IAMAW Clerical Collective Agreement.
2. The current Air Canada/IAMAW Collective Agreement will be amended to reflect all changes as specified in Appendix "A".
3. The parties agree that the current Air Canada Pension Plan as provided for employees covered by the Air Canada/IAMAW Collective Agreement will remain unchanged. The Unions agreed to cooperate with the Company in its

representation to OSFI respecting the amortization of the funding deficit over ten (10) years.

4. The proposed changes to the benefits programs involving premium sharing by employees, which will be applicable to all employees of the Company, are subject to Union approval.
5. Non-application of Group Termination notice: The parties agree that the layoff of employees represented by the IAM&AW resulting from the restructuring of the airline under the CCAA have been the subject of full discussions and negotiations between the parties and forms part of the agreement reached under this Memorandum of Understanding. As a consequence, the parties further agree that Sections 214 to 226 of the Canada Labour Code do not apply to those layoffs.
6. The Company and the Union agree and commit, subject to the requirements of the Canada Labour Code, that the attached Letter of Intent constitutes the renewal of the Collective Agreement between Air Canada and the IAMAW and shall continue as expressed in the Letter of Intent.

Signed this 29<sup>th</sup> day of May, 2003 at Toronto, Ontario.

FOR AIR CANADA

FOR the IAMAW

K.P. Smith

J. Coller

P. Hass

L. Ferguson Marsh

Lynda Barr

R. MacLachlan

## **APPENDIX E**

### **MEMORANDUM OF AGREEMENT BETWEEN**

### **AIR CANADA AND THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (CLERICAL)**

As a result of Air Canada entering CCAA on April 1<sup>st</sup>, 2003 the Company and the Union agreed to Memorandums of Agreement dated May 27<sup>th</sup> and May 29<sup>th</sup>, 2004 that provided for \$175.2 in savings for the Company that was part of an overall \$1.1B labour cost savings required in order to exit CCAA.

In March, 2004 the Company determined that it was \$200M short of the anticipated savings. The portion that was attributed to the IAMAW Clerical unit was calculated to be \$100,000.

Following discussions, the parties have agreed to the following, as credited by the attached term sheet (Attach 1), subject to ratification of the Agreement by the membership of Transportation District 140 – Clerical.

1. Amend Article 15 language to reflect layoff pay to be paid one (1) year after a final layoff date, and as per layoff pay under the Canada Labour Code.
2. This Agreement is subject to ratification of the membership of the IAMAW (Clerical), the process of which will be completed as soon as possible. All terms and conditions of this Agreement will take effect upon a common date of all certified bargaining units and non-union personnel as determined by the Monitor.
3. This agreement shall be effective upon Air Canada confirming to the undersigned and to Deutsche Bank that the non-union employees of Air Canada and Jazz have met the reduction targets as communicated and that all Air Canada and Jazz unions met their cost reduction targets as communicated in order to satisfy the May 15, 2004 conditions of the Stand-By Purchase Agreement. This condition shall be conclusively deemed to be satisfied upon Deutsche Bank and GE confirming their acceptance that the cost reduction and clean slate conditions have been satisfied.
4. The clean slate certificate is conditional upon completion of the Stand-By Purchase Agreement and the successful emergence of Air Canada from CCAA.

5. Air Canada through its Executive Vice-President Paul Brotto shall provide to the undersigned union a copy of each of the term sheets and MOA's for all Air Canada and Jazz union and non-union employee groups along with the estimated cost savings identified for each group as well as Mr. Brotto certifying, in his capacity as an officer of Air Canada and, without personal liability, that each group has met its target savings based on the underlying assumptions and methodologies employed. The above information material, documents and certifications are provided exclusively so that the undersigned union can satisfy itself as to whether each employee group has met its target savings and for no other purpose.
6. The Company agrees to pay, subject to the Monitor's approval, all fees and expenses for legal, actuarial and benefits advisors incurred by the IAMAW in connection with the CCAA restructuring process which commenced in April 1<sup>st</sup>, 2003.
7. This Agreement is subject to Air Canada concluding with all of its other Canadian Certificated bargaining agents and non-union personnel, agreements that each meet their respective share of the required cost reduction in the above-referenced purchase agreement.

Signed this 15<sup>th</sup> day of May, 2004.

For Air Canada

For the International Association  
Of Machinists & Aerospace  
Workers – Clerical

K.P.Smith

L. Ferguson March

P. Hass

L. Barr

R. MacLachlan

## **APPENDIX F**

Memorandum of Agreement  
Between  
Air Canada And the  
International Association of  
Machinists and Aerospace Workers

Subject: Vacation Purchase Plan (VPP)

The parties have discussed and agreed to the following;

The Company will make available a VPP for the calendar years 2013, 2014, 2015 and 2016 (inclusively).

The parties agree that, provided operational and organization requirements are met, eligible employees will be offered the opportunity to purchase an additional forty (40) hours of extra vacation. Each application is subject to approval by the Branch Head of the applicants work location.

Employees who wish to participate must apply, in writing, to their manager before October 31<sup>st</sup> of the year preceding their VPP request.

Applications will be reviewed and if approved, employees will be notified no later than December 10<sup>th</sup> of the year preceding their VPP request.

The overall cost of the purchase of forty (40) hours vacation is 2% of your annual basic pay in effect on December 1<sup>st</sup> of the year preceding. This amount will be deducted from your gross pay, starting with your first pay in January, in twenty-five (25) equal installments and one (1) payment of the remaining amount outstanding.

Should a statutory holiday fall during an employee's week of VPP, the statutory holiday will be taken as a day in lieu immediately following the VPP week unless otherwise mutually agreed to locally.

Should an employees status change due to layoff/termination this would result in a full re-imburement or refund on the employees final pay.

Should an employee's status or work location change during the year, if they have not yet taken their week of VPP it would be subject to approval from the supervisor of the new work location. If the week of VPP had already been taken the normal deductions would continue.

Should an employee be absent from work due to long term illness, injury or maternity leave, etc..., it will be discussed between the Union and the Company for resolution.

Participation in the VPP may be canceled by management due to operational requirements. The purchased VPP amounts will be reconciled with any VPP hours that may have been used.

Note 1: If there are multiple applicants within a department, approvals will be granted in seniority order.

Note 2: Approved vacation purchased through this program will be available to be used during open slots in the vacation roster within the same vacation year.

This agreement is made without precedent or prejudice to any other position the parties may take in the future.

Signed this day the 27<sup>th</sup> of September, 2012.

For Air Canada

For the IAMAW

Andrea Zaffaroni  
Manager, Labour Relations

Michel Richer  
General Chairperson D/L 140

## **APPENDIX G**

September 26, 2012

Mr. Michel Richer General Chairperson  
IAMAW Transportation District 140  
3860 Côte Vertu Blvd., Suite 214,  
Saint-Laurent, QC  
H4R 1 V4

Dear Mr. Richer,

This is relative to Company agenda item C6.I discussed during the 2012 round of bargaining.

This letter confirms that those former ATS employees that were grandfathered at their former benefit level, as per the arbitration award of February 2008 and as extended during the 2009 round of collective bargaining, will be migrated to the same benefit levels as provided for by the IAMAW Clerical bargaining unit.

This will become effective January 01, 2013.

Sincerely,

Andrea Zaffaroni  
Manager, Labour Relations



## **APPENDIX H**

### Pension Memorandum of Agreement

Between:

Air Canada

- and -

The International Association of Machinists  
and Aerospace Workers and its District Lodge 140 ("IAMAW")  
(Clerical Unit of Air Canada)

### TERMS OF AGREEMENT

#### New IAMAW Plan

1. Air Canada agreed with IAMAW – TMOS that effective January 1, 2013 or such other date agreed to by the parties, the Air Canada Pension Plan will be split for IAMAW represented employees, former employees and retirees (including their surviving spouses and other beneficiaries) and whose collective bargaining agent is or for retirees and former employees was, the IAMAW, and transfer the pro-rata share of the assets, equal to the transferring members' solvency liability multiplied by the Air Canada Pension Plan's solvency ratio, to the Pension Plan for Air Canada IAMAW Employees Formerly Employed by Canadian Airlines International Ltd (the "Plan") which will be renamed the Air Canada IAMAW Pension Plan ("the New Plan"). Air Canada will continue to be the Administrator of the New Plan. The applicable solvency ratio in the Air Canada Pension Plan shall be determined before any benefit changes, affecting members not represented by the IAMAW, become effective. Air Canada agrees that Finance employees represented by the IAMAW be also transferred to the New Plan as described above.

#### Benefit Changes

2. The benefit changes provided for in this agreement will take effect on January 1, 2014.

3. The Company and the Union agree to the following changes to help address the solvency funding of the Air Canada pension plans for IAMAW represented plan members by replacing the rules to calculate early retirement pension by the following:

- A provision in the plans stating that an unreduced pension is payable for plan members who retire on or after age 55, with 80 points and with the consent of Air Canada.
- Provisions in the plans, whereby pensionable age shall be age 65; any member who does not meet the above criteria shall have his pension actuarially reduced from pensionable age

The parties also agree to the following:

- A provision in the IAMAW Collective Agreement stating that Air Canada will not deny consent for an unreduced pension payable for IAMAW represented plan members retiring on or after age 55 with 80 points from the plans.
- A provision in the IAMAW Collective Agreement stating that IAMAW represented plan members who are involuntarily terminated will receive consent for an unreduced pension from the date they would have reached the age of 55 with 80 points without projection of service. For example, members who:
  - Die while in service before termination or retirement;
  - Terminate or retire on account of total and permanent disability;
  - Resign due to a terminal condition; or
  - Are terminated by the Company except for cause.

This section 3. (d) does not apply in case of plan termination.

4. Air Canada agrees during the current collective agreement to fund, on both a going concern and solvency basis, the unreduced early retirement of all members who satisfy the eligibility criteria set out in section 3. (a) of this Agreement. During the current collective agreement Air Canada agrees to fund on a going concern basis assuming that these consent benefits will continue after the expiry of the collective agreement.

5. The normal form of pension will cease to be a joint and survivor 50% (J&S50%) and will instead be a 10 year single annuity (G10). Single employees will also be offered a G5 on an actuarial equivalent basis.

Employees with a spouse will be offered a G10, J&S50% and J&S60%. The pension under the G10 form will be reduced by 3% to provide for a J&S50%. The pension under the J&S60% will be the actuarial equivalent of the J&S50% pension. The spouse entitled to the survivor pension will be the spouse at time of retirement.

If the Special Regulation contemplated in Appendix 1 of this Pension Memorandum of Agreement is enacted, this section 5 will be inoperative.

6. The benefit reductions (including the terms of the consent benefits) and the split of the Air Canada Pension Plan in this agreement are subject to the approval of OSFI. IAMAW will support Air Canada's request for OSFI's approval for the above pension plan changes.

7. Air Canada shall draft the new IAMAW Plan text and the amendments to the Air Canada Pension Plan and draft any other documents required to implement this MOA for the IAMAW's review and confirmation that such documents properly reflect the terms of the MOA.

#### Plan For New IAMAW Represented Employees

8. All new employees hired on or after the date of ratification of the new collective agreement and whose collective bargaining agent is the IAMAW will participate in the federal multi-employer pension plan that the IAMAW is establishing pursuant to the collective agreement with IAMAW TMOS (the "IAMAW MEPP"). .

If the IAMAW MEPP has not been established or does not qualify as a multi-employer pension plan and a negotiated contribution plan, all new employees will participate in an interim defined contribution pension plan pursuant to the collective agreement with IAMAW TMOS ("Interim DC").

All employees hired on or after the date of ratification and before the MEPP is implemented shall become members of the Interim DC. Employer and employee contributions shall commence when the Interim DC is implemented. If the Interim DC is implemented by the end of 2012, there will be a one-time contribution retroactive to the employee's date of hire with the corresponding employer contribution.

Air Canada will become a participating employer in the MEPP and/or the Interim DC when Air Canada is satisfied that the conditions agreed to with IAMAW TMOS have been met.

In the event that an IAMAW MEPP is implemented and Air Canada becomes a participating employer to an IAMAW MEPP, all assets in the Interim DC may be transferred to the IAMAW MEPP. Alternatively, the Interim DC may be amended to become the IAMAW MEPP.

9. Employer and employee contributions to the IAMAW MEPP will be equal to 6 percent of salary each, for a total contribution of 12 percent.

10 The IAMAW will communicate to its members eligible to participate in the IAMAW MEPP that (i) Air Canada's sole obligation with respect to that plan is limited to its section 9 above contribution obligation, and (ii) benefits under that plan can be reduced while the plan is ongoing or immediately prior to the termination of that plan.

#### Pension Funding Relief

11. Pension funding relief will be in accordance with the terms outlined in Appendix 1 of this Memorandum of Agreement.

This Pension MOA including Appendix 1 shall form part of the Company's collective agreement with the Union.

## Appendix 1 to the Pension Memorandum of Agreement

WHEREAS the Company administers ten defined benefit registered pension plans (the “Plans”);

WHEREAS the Union represents approximately 160 employees;

WHEREAS in 2009 the parties agreed, along with the other Canadian-based unions, to temporary solvency deficit funding relief, following which the Government of Canada adopted the Air Canada Pension Plan Funding Regulations, 2009, which will expire in 2014;

WHEREAS the Federal Government continued to request that Air Canada and its Canadian-based unions engage in discussions to address the long-term sustainability of the pension plans;

WHEREAS the parties are committed to the sustainability of the Air Canada pension plans over the long term;

WHEREAS the parties recognize that a reduction in the Company’s pension funding obligations is required;

NOW THEREFORE, the Company and the Union agree as follows:

1. The Company and the Union shall vigorously support regulations under the Pension Benefits Standards Act, 1985 (the “Special Regulation”) that provide for the funding relief set out below. The Company and the Union shall cooperate, act diligently, and take all actions required to implement this Appendix 1 of the Pension MOA and obtain enactment of the Special Regulation, including, without limitation, the making of representations to any governmental authority in support of implementation of this Appendix 1 of this MOA and enactment of the Special Regulations.

2. In each plan year for the period from January 1, 2014 to December 31, 2023, the aggregate past service contribution in respect of solvency deficits and going concern unfunded liabilities for all Plans combined shall equal the lesser of:

(a) \$150 million; and

(b) the maximum past service contribution permitted under the Income Tax Act.

3. The past service contribution described in section 2 of this Appendix 1 will be determined on a Plan-by-Plan basis, with the contribution to a particular Plan being the pro rata share of that Plan's solvency deficit to the aggregate solvency deficit for all the Plans in solvency deficit, all as determined as at January 1 of each year, where such solvency deficit:

(a) is determined as the solvency liabilities less the market value of the assets of the Plan, as determined by the Company's actuary; and

(b) shall not be less than zero for any Plan.

For further clarity, should a Plan have a solvency surplus, such Plan shall be excluded from the pro rata allocation of the past service contribution.

4. The past service contribution to be made to each Plan during a Plan year shall be paid in equal monthly installments, except that the past service contribution determined in a valuation will remain in effect until the next valuation is filed. When the next valuation is filed, there will be a retroactive adjustment made at the next scheduled remittance date.

5. Air Canada may elect to have past service contributions determined, for that plan year, in respect of all Air Canada pension plans collectively, in accordance with the Pension Benefits Standards Act, 1985, and any applicable regulations thereunder rather than the amounts provided under the Special Regulation.

6. It is a condition of this Appendix 1 of this Pension MOA, and the Special Regulation shall so provide, that there will be no outstanding deemed trust relating to the Plans, except:

(a) if and when any contribution required by the application of this Appendix 1 of this Pension MOA is not remitted to the Plan by the due date described herein; or

(b) in respect of amounts deducted by the Company from members' remuneration that are not remitted to the Plan when due.

7. Actuarial methods and assumptions to be employed shall be at the discretion of the actuary, within the standards of the Canadian Institute of Actuaries.

8. All dollar amounts expressed herein are expressed in Canadian dollars (CAD).