

AGREEMENT

between

AIR CANADA

and

**IN-FLIGHT SERVICE
CREW RESOURCE UTILIZATION PERSONNEL**

as represented by the

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION &
GENERAL WORKERS UNION OF CANADA
(CAW-CANADA)**

and its Local 2002

Contract No. 6

Effective: May 23, 2011 to May 22, 2015

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ARTICLE 1 PURPOSE OF AGREEMENT AND DEFINITIONS

- 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, to the fullest extent possible, the safety of air transportation, the efficiency and economy of operation, and 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 the employees to cooperate fully both individually and collectively for the advancement of that purpose.
- 1.02** The Company and the Union agree to abide by all the procedures provided by this Agreement and the Canada Labour Code for the purpose of peaceful settlement of disputes. This Code provides that employees may legally strike, and the Company may lockout, following completion of the bargaining and conciliation process at the termination of an Agreement.
- 1.03** In view of the orderly procedure established by this Agreement as required by the Code for the settling of disputes, the Union agrees that, during the life of this Agreement, there shall be no strike or stoppage of work, either complete or partial, nor picketing and the Company agrees that there shall be no lockout, either complete or partial.
- 1.04** **DEFINITIONS:** The following words, as used throughout the Agreement, shall convey the meaning appended to them.
- 1.04.01** **Agreement** - means the Agreement in effect, including amendments or interpretations thereto agreed upon and covered by letters or written amendments signed/confirmed by responsible Company and accredited Union Officers/Representatives.
- 1.04.02** **Bargaining Unit** - means all employees of the Crew Resource Utilization In-Flight Service of Air Canada, excluding the crew manning and allocations analysts, managers and their secretary(ies).
- 1.04.03** **Classification** - means a classification as defined in Article 4.
- 1.04.04** **Company** - means Air Canada as represented through Officers and Management at various levels or their delegated representatives.
- 1.04.05** **Employee** - means any person in the employ of the Company within the territorial limits of Canada who is in the bargaining unit covered by this Agreement.
- 1.04.06** **Furlough** - means the employee is laid off without recourse to bumping procedures.
- 1.04.07** **Language Requirement** - means French/English bilingual requirements.

- 1.04.08 Location** - means an office or place of business within a base where employees covered under this Agreement are employed.
- 1.04.09 Pay Period** - means a period of fourteen (14) consecutive calendar days applied continuously from period to period, without interruption.
- 1.04.10 Shift** - means a scheduled period of time within a day for which an employee is required to be present.
- 1.04.11 Status** - means Full-Time
- 1.04.12 Supervisory Personnel** - means any Company personnel whose duties include the administrative supervision of others, and who are not covered by the Agreement.
- 1.04.13 Union** - means National Automobile, Aerospace, Transportation & General Workers Union of Canada (CAW - Canada) and its Local 2002.
- 1.04.14 Work Schedule** - means a projection of all shifts at a location with regard to scheduled days on and days off, including shift starting and terminating times.
- NOTE 1: Vertical Lines** - means a revision effective with the current Agreement. A single vertical line denotes an editorial change. A double vertical line denotes a negotiated revision effective with the current Agreement.
- NOTE 2: Gender** - whenever the context permits such extension, the third person masculine gender shall be deemed to include both third person masculine and feminine genders.

ARTICLE 2 UNION RECOGNITION

- 2.01** The Company recognizes the Union as the sole bargaining agent for all employees covered by this Agreement, as defined in Article 1.04.
- 2.02** Hours of work, wages and other conditions of employment, as governed by this Agreement apply only to those employees within the territorial limits of Canada, and those classifications specifically mentioned hereinafter.
- 2.03** The Company will not permit any person not covered under this Agreement to do any tasks/duties covered under this Agreement, except in an emergency or unplanned situation. Management personnel shall be exempt from this provision as it applies to tasks/duties covered under this Agreement to the extent that they are performing such tasks/duties as of March 1, 1993.

ARTICLE 3 MANAGEMENT RIGHTS

- 3.01** The control and direction of the employee work force, including the right to hire, suspend or discharge for cause, terminate, to advance or step back in classification, to reassign, to transfer, to promote, to demote, or lay off because of lack of work or for other legitimate reasons, is vested solely in the Company.

- 3.02** Those enumerations shall not be deemed to exclude other prerogatives not enumerated. Any of the rights, powers or authority the Company had prior to the signing of the first Agreement, are retained by the Company, except those specifically abridged, delegated, granted or modified by this or any supplementary agreements that may be made in the future. It is understood that none of the foregoing shall detract from the right to lodge a grievance or appeal in the manner and to the extent herein provided.
- 3.03** It is expressly understood and agreed that management rights as set out in Articles 3.01 and 3.02 hereof are subject to the provisions of this Agreement, and shall not be exercised in a manner inconsistent herewith.

ARTICLE 4 CLASSIFICATIONS

- 4.01** All employees within the territorial limits of Canada and within the following defined classifications shall be covered by this Agreement.
- 4.01.01** **Lead Scheduler** - shall be responsible for directing the work of Schedulers and Assistant Schedulers while performing similar work. They shall have a general responsibility for work standards, instruction and direction of the employees for whom they are the lead, while on shift. It is understood that the need for such a position will vary and that the decision to introduce, maintain, or terminate such a position will rest with the Company.
- 4.01.02** **Scheduler** - will be responsible for the performance of In-Flight Service Crew Scheduling functions as may be assigned by the Company, including but not limited to crewing-by-load, reserve awarding, transfers, PBS administrative functions,, revisions, arranging and recording crew movements and monitoring crew movements and other duties related to the foregoing.
- NOTE: Work related to Jetz flying is included within the scope of this classification. However, a selection process may be established by the Company to ensure that employees selected for these positions have necessary qualifications. If two (2) or more employees are considered qualified, seniority will prevail.
- 4.01.03** **Assistant Scheduler** - will be responsible for the performance of In-Flight Service Crew Scheduling functions as may be assigned by the Company, including but not limited to auditing hotel invoices, processing pay claims, assisting in transfers, PBS administrative functions,, revisions, maintaining statistics, manually updating the computer system as required, overseeing the compliance of the CUPE collective agreement and MOT rules, and other duties related to the foregoing.
- 4.02** Employees may be required to perform work normally performed by those in another classification in order to balance out irregularities in workload which may arise during a shift.
- 4.03.01** The Company may reclassify employees, assign duties from one classification to another, or modify tasks within a classification. In the event that a new classification covered by this Agreement is

created by the Company, the Company will determine the rate of pay which shall be in line with the duties and responsibilities of the new classification, taking into consideration the duties and responsibilities and rate of pay for other classifications. The Company agrees to advise the Union accordingly. Should any disagreement arise out of discussion between the Company and Union with respect to such rate, the Union may file a grievance within thirty (30) days claiming that the rate of pay is not in line with the duties and responsibilities of the new classification, taking into account the duties and responsibilities and rate of pay for other classifications. In the event the grievance is not resolved, it may be processed to arbitration as per the terms of the Agreement.

ARTICLE 5 MINIMUM HOURLY RATES OF PAY, SHIFT PREMIUMS

- 5.01** Employees shall receive an hourly rate of pay for all time worked based on the length of employment under the scope of this Agreement and in accordance with the wage scales in Article 5.04.
- 5.02** The Company, at its discretion, may pay higher rates than the graduated scale, but not in excess of the maximum.
- 5.03** Scheduled advancement in pay within the salary scales established by this Agreement shall be upon the first day of the pay period following completion of service of each period as specified below. Scheduled advancement shall be retarded for absences without pay of greater than thirty (30) consecutive calendar days, excluding the first forty-one (41) weeks of Maternity or Child Care Leave, or for any period of layoff under Article 10.

5.04 RATES OF PAY

- 5.04.01 The following rates of pay will be applicable to Crew Schedulers for the duration of the collective agreement, retroactive from May 23rd 2011:

Crew Schedulers		
Step	Progression	Rate
1	52 weeks	\$16.45
2	52 weeks	\$17.52
3	52 weeks	\$18.66
4	52 weeks	\$19.87
5	52 weeks	\$21.16
6	52 weeks	\$22.54
7	52 weeks	\$24.00
8	52 weeks	\$25.56
9	52 weeks	\$27.22
10	52 weeks	\$28.98

5.04.02 The following rates of pay will be applicable to Assistant Schedulers for the duration of the collective agreement, retroactive from May 23rd 2011:

Assistant Schedulers		
Step	Progression	Rate
1	52 weeks	\$12.93
2	52 weeks	\$13.80
3	52 weeks	\$14.72
4	52 weeks	\$15.71
5	52 weeks	\$16.76
6	52 weeks	\$17.88
7	52 weeks	\$19.08
8	52 weeks	\$20.36
9	52 weeks	\$21.72
10	52 weeks	\$23.16

5.04.03 Employees that are granted a Lead Scheduler position will be compensated in accordance with the Crew Scheduler scale, continue their progression within that scale, if applicable, and will receive a ten percent (10%) premium on their wages.

- 5.05** When an employee changes classification, he shall receive the rate of pay which is closest to but not less than the rate of pay of his previous classification, regardless of his years of service under the Collective Agreement. For the purposes of this Article, the rate of pay of his previous classification shall be calculated as follows: based upon his last progression date, the number of months in the classification times one-twelfth (1/12) of the difference between his rate and the next level within his previous classification. In the event an employee goes to a lower classification (either through demotion, exercising his bumping privileges under Article 10 or voluntarily), the employee shall receive the rate of pay in his new classification which is closest to but not more than the rate of pay of his previous classification, regardless of his years of service.

ARTICLE 6 HOURS OF WORK, WORK SCHEDULES, MEAL AND REST PERIODS, SHIFT TRADES

6.01 HOURS OF WORK

- 6.01.01** The standard working week shall be forty (40) hours and the standard working day shall be eight (8) consecutive hours including meal and rest periods. Employees will receive a minimum of two (2) days off per week. Employees who work for six (6) consecutive days will then receive three (3) consecutive days off.
- 6.01.02** The work day shall be a twenty-four (24) hour calendar period beginning at 0001 hours. Only time worked in excess of the standard day, except in the rotation of shifts, shall be credited as overtime, subject to the provisions of Article 7. When an employee's scheduled or overtime shift overlaps two calendar days, his work day or overtime day shall be that which contains the majority of hours of his scheduled shift.

6.02 WORK SCHEDULES

- 6.02.01** It is the responsibility of the Company to establish work schedules which may vary by function and/or classification. In addition, the Company may schedule staggered starting/terminating times within a function and/or classification. However, when establishing work schedules, the minimum time off between scheduled shifts shall be eight (8) hours. The schedules shall be posted with the starting and terminating times for all shifts.
- 6.02.02** Employees shall be assigned a work schedule within their classification.
- 6.02.03** An additional sub-schedule(s) may be created to cover absences of employees due to annual vacation.
- 6.02.04** At least once a year or when it becomes necessary to revise or establish Work Schedules or Sub-Schedules, the Company shall meet with the Union at least four (4) weeks prior to October 15th, or prior to the implementation of the new schedule to discuss and explore all alternatives. The Company will provide the Union with information relative to its staff requirements, including bilingual requirements, vacation allotment and relief assignments. The schedule(s) will be

published and posted not later than two (2) weeks prior to implementation.

- 6.02.05** When/if an employee's work schedule and/or shift starting and terminating times are changed, the following shall apply:
- 6.02.05.01** When an employee's scheduled day(s) on/day(s) off is altered, the Company shall advise the employee in writing with a copy to the Union, at least seven (7) days in advance of the shift the employee would have worked or the shift the employee will now be working, whichever comes first. For employees scheduled to work vacation relief, this advance notice may be reduced to a minimum of forty-eight (48) hours to cover absences of employees as a result of sick leave, training, special assignment or time off for Union business.
- 6.02.05.02** When an employee's shift starting and terminating times are altered, the Company shall advise the employee in writing with a copy to the Union, at least forty-eight (48) hours in advance of the shift starting time the employee would have worked, or the shift starting time the employee will now be working, whichever comes first. In the event that forty-eight (48) hours notice is not given, the employee shall be required to work the revised shift. Any such time worked within the forty-eight (48) hour period shall be considered overtime under the provisions of Article 7.

6.03 MEAL PERIODS

- 6.03.01** Employees shall be entitled to a thirty (30) minute paid meal period which shall occur within one and one-half (1 1/2) hours on either side of the midpoint of the shift, unless otherwise mutually arranged locally. It is recognized that occasionally unusual circumstances may cause the lunch period to fall outside these limits.
- 6.03.02** In the event an employee is requested by a supervisor or designated individual to waive a meal period, the meal period shall be rescheduled if possible. If this is not possible, the employee will receive an overtime credit in lieu thereof, or with the concurrence of the Company, terminate the shift early by the amount of time equal to the scheduled meal period.

6.04 REST PERIODS

- 6.04.01** Employees shall be entitled to two (2) rest periods on Company time of fifteen (15) minutes each in each full scheduled day. Rest periods shall be scheduled in each half of the work day. No rest periods shall be scheduled in conjunction with the start or termination of a shift and they shall be scheduled in such a manner so as to provide the benefits for which they are intended.
- 6.04.02** In the event an employee is requested by a supervisor or designated individual to waive a rest period, the rest period shall be rescheduled if possible. If this is not possible, the employee will receive an overtime credit in lieu thereof, or with the concurrence of the Company, terminate the shift early by the amount of time equal to the schedule rest period(s).
- 6.04.03** Employees who are scheduled to work more than two (2) hours but less than four (4) hours

overtime in conjunction with their shift or on a recall will be granted a rest period of fifteen (15) minutes on Company time during that period. Employees who are scheduled to work more than four (4) hours but less than eight (8) hours overtime in conjunction with their shift or on a recall will be granted a rest period of thirty (30) minutes on Company time during that period. Employees who are scheduled to work eight (8) hours overtime in conjunction or on a recall with their shift will be granted normal meal and rest periods as defined in Articles 6.03 and 6.04.

- 6.04.04** If an employee does not have eight (8) hours free from duty between leaving work and reporting for duty for the next scheduled shift, the employee will either be relieved from reporting for duty until eight (8) hours have elapsed without any time debit or alternatively if the Company requires the employee to report for duty for the next scheduled shift the difference between the actual time he was free from duty and the eight (8) hours he should have been free from duty shall be paid at double time.
- 6.04.05** If an employee does not have eight (8) hours free from duty between leaving work and prior to the start of overtime preceding the next scheduled shift, then the difference between the actual time he was free from duty and the eight (8) hours he should have been free from work shall be paid at double time.
- 6.04.06** Articles 6.04.04 and 6.04.05 shall not apply where employees have agreed to trade shifts resulting in quick changes of eight (8) hours or less.

6.05 SHIFT TRADES

- 6.05.01** The Company and the Union recognize that an employee's ability to trade shifts with other employees is not intended to allow employees to be absent from the workplace for extended periods of time nor to take alternate employment.
- 6.05.02** Employees who have completed their probationary period may arrange for another employee within their classification to work their shift subject to that employee being fully qualified and subject to having received advance written permission from their Supervisors.
- 6.05.03** Employees may not be involved in shift trades during vacation, leaves of absence, training, sick leave, bereavement leave, child care leave, maternity leave, jury duty or disciplinary suspension.
- 6.05.04** Approval of a request to trade shifts shall be solely at the Company's discretion based on, but not limited to, employee skills, employee performance and the requirements of the job.
- 6.05.05** For the purpose of overtime distribution, employees working as a result of a shift trade, will be considered as normally scheduled to work that day. Employees scheduled to work but who are off as a result of a shift trade will not be eligible for overtime unless as a last resort when no other qualified employee is available.
- 6.05.06** All overtime credits will be credited to the employee who works overtime.

- 6.05.07** All time credits and shift premiums for the scheduled shift will be credited to the employee who was scheduled to work the shift as though he had worked the shift.
- 6.05.08** Company Sick Leave provisions will apply to the employee who agreed to work the shift and only to the amount provided for in such regulations. All time not worked, in excess of one (1) full shift during a work day, shall be deducted from the employee who agreed to work the shift.

ARTICLE 7 OVERTIME, RECALL, TIME CLEARANCE, TIME BANK, TIME RECORD

7.01 OVERTIME: No overtime shall be worked except on authorization of proper management personnel or the designated individual. All time worked on proper authority in excess of the scheduled shift shall be deemed to be overtime and shall be paid at time and one-half (1 1/2).

7.02 CONSECUTIVE OVERTIME

7.02.01 All time worked by an employee in accordance with Article 7.01 which is in conjunction with his scheduled shift will be considered as overtime. All overtime will be recorded and computed in keeping with the following:

OVERTIME
(N = regular shift)

HOURS WORKED	COMPUTED AT
N + overtime hours	1.5 X

7.02.02 Notwithstanding Article 7.02.01, when an employee works overtime which commences more than two (2) hours prior to the start of his scheduled shift, he shall be credited with a minimum of four (4) hours at time and one half (1.5X).

7.03 RECALL

7.03.01 All time worked by an employee which is not in conjunction with his regular shift will be considered as recall. The Company shall establish the time to be worked. In the event an employee is recalled on a scheduled day off, he shall be credited with the greater of four (4) hours at time and one-half (1.5x) or the hours worked at time and one-half (1.5x). This excludes situations where employees are recalled on scheduled days off for training. In the event an employee is recalled on a scheduled day on, he shall be credited with a minimum of four (4) hours at time and one half (1.5x). Otherwise, all time will be recorded and computed at time and one half (1.5X)

7.04 OVERTIME/RECALL AWARD

7.04.01 Overtime shall be awarded first by function within the classification, then by classification, subject to the employee having the necessary qualifications as determined by the Company, in order of seniority by time worked (time to be reset to zero each quarter).

7.04.02 The Company shall canvas employees for volunteers if overtime is required. If insufficient volunteers are available, the Company may require employees to work overtime if, in the opinion of the Company, the need exists. Any such forced overtime shall be by function within the

classification then by classification in inverse order of seniority from amongst employees already working and will be limited to a maximum of four (4) hours. In that event, the most junior employee contacted in inverse order of seniority in that function or classification, who is scheduled to work the shift following the overtime shift shall cover the remaining four (4) hours of the overtime shift if required by the Company.

7.04.03 Notwithstanding Articles 7.04.01 and 7.04.02, overtime which arises during an employee's shift which is specific to an employee's work assignment shall be covered by that employee if required by the Company.

7.04.04 If the company makes an error in awarding overtime causing an employee who was eligible for the overtime to be by-passed, the bypassed employee will be scheduled to work an equivalent amount of overtime at a mutually agreeable time, provided another employee is not by-passed for overtime as a result of this process.

7.05 TIME BANK

7.05.01 Employees shall have the ability to utilize a time bank for the purpose of recording time credits without immediately affecting their pay.

7.05.02 When electing to utilize the time bank the employee shall advise the Company, in writing, of the following options he will use:

Option A: Plus twenty-four (+24) hours.

Option B: Plus forty (+40) hours.

Option C: Plus one hundred (+100) hours.

7.05.03 Once having elected to utilize the time bank, the arrangement shall continue until such time as the employee subsequently advises the Company, in writing, that he wishes to opt out of the time bank or that he wishes to reselect the options available to him under Article 7.05.02. When such advice is given to the Company it shall become effective with the commencement of the next pay period following such advice.

7.05.04 Accrued time credits may be withdrawn from the time bank in the form of time off in lieu of pay at some later date subject to operational requirements as determined by the Company, or they may be withdrawn in the form of pay, at some later date and in accordance with Article 7.05.03. All credits/debits in excess of the options will be cleared in accordance with Article 7.06.

7.06 TIME CLEARANCE

7.06.01 All time credits/debits shall be cleared on the pay cheque for each pay period; alternatively, at the request of the employee, the credits/debits may be recorded in a time bank as provided for in Article 7.05.

ARTICLE 8 RELIEF, SPECIAL AND TEMPORARY ASSIGNMENTS**8.01 SPECIAL ASSIGNMENTS**

8.01.01 Selection for special assignments will be at the sole discretion of the Company. Advice of special assignments of more than seven (7) days duration shall be posted for at least four (4) days at the location. This requirement may be waived following mutual agreement between the Company and the Union.

8.01.02 An employee who accepts a special assignment to work in a position not covered by this Agreement shall be paid in accordance with wages offered for that assignment. The maximum duration for any such assignment shall be limited to twelve (12) months. Requests by the Company for an extension due to extenuating circumstances may be granted subject to mutual agreement between the Company and the Union at the local level. Agreement will not be unreasonably withheld by the Union.

8.01.03 An employee who accepts an in-scope special assignment which requires travel outside of his location will be reimbursed reasonable out-of-pocket expenses and travel time in accordance with Company regulations.

8.01.04 Upon completion of the special assignment, the employee shall be returned to his original classification and function.

8.01.05 Employees on special assignment in accordance with this Article shall not impact the number and/or selection of employees wishing to take their annual vacation.

8.02 RELIEF ASSIGNMENTS

8.02.01 The Company shall determine if relief assignments are required to cover absences of employees.

8.02.02 The Company shall select qualified individuals to fill relief assignments. In the event there are no volunteers who, in the opinion of the Company, are qualified, the Company may assign the most junior qualified employee(s) to fill the relief assignments.

8.02.03 Vacation Relief

8.02.03.01 The schedules for vacation relief shall be developed in conjunction with the vacation award. Such schedules also may include coverage of positions open for reasons other than vacation.

8.02.03.02 Subject to Article 6.02.03, all monthly vacation relief schedules shall be established and posted a minimum of fourteen (14) calendar days prior to the start of each month.

8.02.03.03 The Company may utilize employees assigned to vacation relief between classifications if it

determines that such employees are qualified. In the event an employee is used in a higher classification for more than four (4) consecutive hours, he shall receive compensation for the entire shift at the salary level of the new classification which is closest to, but not less than, his current salary.

- 8.02.04** The employee shall be provided with written details of the assignment, copied to the Union District Chairperson.
- 8.02.05** Upon completion of the relief assignment, the employee shall be returned to his original classification and function.

ARTICLE 9 PROBATION

- 9.01** A person being hired into a classification covered by this Agreement will be required to serve a probationary period which will be completed once he has actually worked one hundred and twenty (120) days commencing upon the completion of the basic classroom training.
- 9.02** A person entering into a classification covered by this Agreement will be required to serve only one probationary period as described in Article 9.01.
- 9.03** An employee changing classification will not be required to serve another probationary period except as provided for in Article 12.
- 9.04** The Company reserves the sole right to make decisions regarding the termination, retention or work assignment of an employee at any time during the probationary period.
- 9.05** In the event of a staff reduction, probationary employees will not have the right to bump another employee or to layoff and recall.

ARTICLE 10 SENIORITY, STAFF REDUCTIONS, RECALL FROM LAYOFF

- 10.01** **PURPOSE** - Seniority shall be established on a system basis within Canada and shall date from an employee's permanent entry into any classification covered by this Agreement, subject to the provisions of Article 9.01.
- 10.02** In cases where employees are hired on the same day, the sequence of seniority shall be determined by the application of the following in the order stated:
- 10.02.01** The most Company service.
- 10.02.02** In cases where the above factor will not determine the position on the seniority list, the position will be jointly determined by the Company and the Unit Chairperson of the Union at a drawing lot.
- 10.03** Date hired, as it relates to Article 10.02, means the first day that the employee commences continuous permanent employment. That is, the first day for which an employee is credited with time worked for pay purposes, and time spent in training shall be considered as time worked.
- 10.04** **SENIORITY LIST** - Shall be prepared, corrected, amended and published in the following manner:
- 10.04.01** Not later than March 1 of each year, the Company shall prepare and post at each location complete seniority lists for each classification described in Article 4.01.
- 10.04.02** The list shall be posted and kept open for requests for corrections up to and including March 30.

- 10.04.03** It shall be the sole responsibility of each individual employee to examine the list and make written request (two (2) copies) for any correction during the posting period.
- 10.04.04** One copy of this request for correction must be forwarded to In-Flight Service Headquarters and one copy to the District Chairperson of the Union by the employee concerned.
- 10.04.05** All requests for corrections shall be actioned and finalized by the Company, after consultation with the Union at the headquarters level, during the sixty (60) calendar days following March 30. The corrected list shall be posted not later than May 31 as amendments to the annual seniority list. The amended seniority list shall become effective on June 1.
- 10.04.06** The amended seniority list shall remain in full force and effect until the following year when a new list is published and posted in the above manner, subject to the provisions of Article 10.04.09.
- 10.04.07** As soon as possible following September 1, but not later than September 15 of each year, the Company will issue an addendum to the seniority list showing all those employees who were hired subsequent to the original posting.
- 10.04.08** Employees and personnel outside the scope of the Agreement who retain but do not accrue seniority will have their seniority date adjusted and position on the seniority list altered to account for time during which seniority was not accrued. Such adjustment and alteration will occur at the time the employee resumes the accrual of seniority, or prior to the Company taking action which would be affected had the adjustment or alteration already occurred, whichever is the earlier.
- 10.04.09** Any action taken on the basis of the seniority list to which there have been no requests for correction within the time limits specified in Article 10.04.02, or any action taken on the basis of the amended seniority list, shall stand as final.
- 10.05 SENIORITY SHALL BE RETAINED AND ACCRUED DURING:**
- 10.05.01** Absence due to layoff or Off-Duty Status.
- 10.05.02** Sickness or accident.
- 10.05.03** Authorized leave of absence subject to Article 11 or furlough without pay.
- 10.05.04** Suspension without pay.
- 10.05.05** Strike or lockout.
- 10.05.06** Special assignments.

10.06 RETENTION AND NON-ACCRUAL OF SENIORITY:

- 10.06.01** An employee who accepts a permanent position within the Company which is not covered by the Agreement shall retain but not accrue seniority for a period of six (6) months.
- 10.06.02** Authorized leave of absence subject to Article 11.

10.07 AN EMPLOYEE SHALL LOSE SENIORITY AND HIS NAME WILL BE REMOVED FROM THE SENIORITY LIST FOR ANY ONE OF THE FOLLOWING REASONS:

- 10.07.01** When resigning from the Company.
- 10.07.02** When terminated.
- 10.07.03** When discharged for cause.
- 10.07.04** When laid off for a period of more than sixty (60) consecutive months, or the number of consecutive months equivalent to the number of completed months of the employee's seniority as of the date of layoff, whichever is greater.
- 10.07.05** Absent without notice to or permission from the employer for three (3) consecutive calendar days (resignation without notice).
- 10.07.06** When retired with or without pension.
- 10.07.07** When more than twelve (12) months has passed since the employee received any insurance benefits.
- 10.07.08** When appointed to a permanent position within the Company which is not covered by the Agreement for a period of more than six (6) months.
- 10.08** Company personnel outside the scope of the Agreement retaining seniority and who are considered by the Company as unsuited to the assignment, or who, within the first six (6) months express their desire, in writing, to return to their previous classification, will be returned at the sole discretion of the Company.
- 10.09 STAFF REDUCTIONS**
- 10.09.01** Staff Reductions will be made within each classification and location by function in reverse order of seniority.

- 10.09.02** At locations within a base, staff adjustments between locations will be made in inverse order of seniority within the affected classification.
- 10.09.03** An employee subject to Article 10.09.02 shall be given fourteen (14) calendar days notice prior to the change coming into effect.
- 10.09.04** In the event an employee is declared surplus, he shall be given the following options:
- 10.09.04.01** Elect to fill any vacancy in the system in the same or a lower classification; or
- 10.09.04.02** Elect to displace the most junior employee in the same or lower classification in the system; or
- 10.09.04.03** Accept to displace the most junior employee in a lower classification at his base; or
- 10.09.04.04** Accept lay-off status, with right of recall; or
- 10.09.04.05** Elect termination of service with the Company with no right of recall.
- 10.09.05** Failure by the employee to respond within seven (7) days after the registered postmark date of the notice will result in the employee being considered to have accepted layoff.
- 10.09.06** Failure by the employee to report for duty on the date specified by the Company after having accepted another position under Article 10.09.04 will result in the employee being deemed to have resigned without notice.
- 10.10 RECALL FROM LAYOFF**
- 10.10.01** Recall will be in order of seniority first in the employee's classification then in the next lower classification followed by the lowest classification.
- 10.10.02** Employees, when laid off, must file their address with the Company and notify immediately of any subsequent change of address.
- 10.10.03** Recall shall be in order of system seniority by classification.
- 10.10.04** Failure by the employee to respond within seven (7) days after the registered postmark date of the recall notice will result in the employee being considered to have resigned without notice.
- 10.10.05** An employee who declines a recall to a lower classification at his base or the same or lower classification at another base will remain on layoff. Following a decline, the Company shall not be required to offer him a recall to a lower classification or base.
- 10.10.06** An employee who refuses recall to his classification at his base or, after having accepted a position under Article 10.10 and failing to report for duty on the date specified by the Company will result in the

employee's name being removed from the seniority list and the employee will be considered as having resigned from the service of the Company with consequent loss of all rights and privileges.

ARTICLE 11 LEAVE OF ABSENCE

11.01 LEAVE OF ABSENCE - GENERAL

- 11.01.01** An employee returning from a leave of absence shall return to the classification held immediately prior to the commencement of the leave subject to Article 10.
- 11.01.02** Unless otherwise specified, Company service and seniority shall continue to accrue.
- 11.01.03** An employee who engages in other employment on leave of absence shall be terminated unless the employee has received specific permission from the Company in writing. Requests for permission to engage in other employment while on leave of absence shall be made in writing to the Company.

11.02 LEAVE OF ABSENCE - PERSONAL

- 11.02.01** When the requirements of the Company permit, an employee, upon written request, may be granted a voluntary leave of absence without pay.
- 11.02.02** A personal leave of absence will fall into one of the following categories:
- Short-term** - from thirty (30) to ninety (90) calendar days.
- Long-term** - over ninety (90) calendar days.
- 11.02.03** Employees will make their requests, in writing, to their immediate supervisor at least fourteen (14) calendar days in advance of the commencement date of the requested leave.
- 11.02.04** Requests will be approved in order of receipt among those on hand at the time of granting. Approval shall be in writing stating the date the leave is to commence and terminate.
- 11.02.05** An employee's Company Service shall be retained but shall not accrue during any absence over thirty (30) calendar days and his service date shall be adjusted at the expiration of his leave.
- 11.02.06** An employee shall retain and accrue seniority while on a short-term leave of absence. An employee shall retain but not accrue seniority while on a long-term leave of absence.
- 11.02.07** Copies of all correspondence relating to Article 11.02 will be forwarded to the District Chair of the

Union.

11.02.08 Leaves of absence may be cancelled upon thirty (30) days notice.

11.02.09 If the employee wishes to return to work prior to the approved termination of the leave, the employee shall make the request to his immediate supervisor. The request shall be in writing at least fourteen (14) calendar days in advance of the requested termination date; in extenuating circumstances, the fourteen (14) day requirement may be waived. The Company may authorize a return to work on the date requested or another day mutually acceptable to both Company and employee, or the Company may deny the request.

11.03 LEAVE OF ABSENCE - MATERNITY

11.03.01 Maternity Leave of Absence Without Pay shall be granted to employees who have completed six (6) months of continuous service.

11.03.02 The employee must request her leave of absence in writing, accompanied by a medical certificate certifying pregnancy and specifying the estimated date of her confinement and an anticipated date of return to duty, four (4) weeks prior to the date she intends to commence such leave. Maternity leave shall consist of a period not exceeding one hundred and thirty-two (132) days unless otherwise provided herein.

- 11.03.03** Maternity leave shall commence not more than ninety (90) days prior to the expected date of termination of pregnancy except upon direction from the employee's doctor, supported by a medical certificate. Such exception shall be considered Maternity Leave but shall not be considered as part of the one hundred and thirty-two (132) days referred to herein.
- 11.03.04** If the date of termination of pregnancy is later than the date specified in the medical certificate, provided under Article 11.03.02, the number of days difference between the estimated date of termination of pregnancy and the actual date of termination of pregnancy shall be considered as Maternity Leave but shall not be considered as part of the aggregate of one hundred and thirty-two (132) calendar days upon direction from the employee's doctor supported by a medical certificate.
- 11.03.05** It is the responsibility of the employee to afford the Company notice of any change in the anticipated date of return to duty, provided under Article 11.03.02. If the new anticipated date falls within the aggregate of one hundred and thirty-two (132) days, the new date will be considered the date of return to duty, whether the new anticipated date of return to duty is on a day earlier or later than previously anticipated. Maternity leave will be extended beyond the aggregate of one hundred and thirty-two (132) days for a reasonable period of time when supported by a medical certificate.
- 11.03.06** Reference herein to a medical certificate shall mean a certificate signed by a qualified medical practitioner chosen by the employee.

11.04 CHILD CARE LEAVE

- 11.04.01** A leave of absence without pay for the purpose of child care shall be granted to employees who have completed six (6) months of continuous service in accordance with the following:
- 11.04.02** A leave of absence granted in accordance with Article 11.04 shall not exceed two hundred and fifty-nine (259) calendar days. If two (2) employees are involved, the aggregate amount of such leave that may be taken by the two (2) employees in respect to the care of any one (1) child shall not exceed a total of two hundred and fifty-nine (259) calendar days.
- 11.04.02.01** Notwithstanding the provisions of Article 11.04.02, in the case of adoption the maximum period of leave shall be two hundred and fifty-nine (259) calendar days or such greater amount as required in order to comply with the legal requirements of the province in which the employee(s) reside or the province in which the child is adopted.
- 11.04.03** Commencement of Child Care Leave shall be in accordance with the following and as the employee elects:

11.04.03.01 Female Employee

The leave shall be taken within the fifty-two (52) week period commencing on:

- a) the expiration of a leave of absence taken by her under the provisions of Article 11.03 or any

extension thereof under the provisions of Article 11.03.05, or

- b) the day the child is born, or
- c) the day the child comes into the employee's care and custody.

11.04.03.02 Male Employee

The leave shall be taken within the fifty-two (52) week period commencing on:

- a) the expiration of a leave of absence taken by a female employee under the provisions of Article 11.03 or any extension thereof under the provisions of Article 11.03.05, or
- b) the day the child is born, or
- c) the day the child comes into the employee's care and custody.

11.04.04 In the application of Article 11.04.03, in the case of adoption, the leave shall be taken within the fifty-two (52) week period commencing on the day the child comes into his or her actual care and custody.

11.04.05 It shall be the responsibility of each employee to provide as much notice as possible to the Company, in writing, indicating the approximate commencement and termination date of the leave.

11.05 REINSTATEMENT FOLLOWING MATERNITY/CHILD CARE LEAVE

11.05.01 On the expiration of a maternity leave, extension to maternity leave and/or child care leave an employee shall be reinstated in the function he held when the leave from employment commenced. If during the period of any such leave there is a staff reduction in the employee's classification, he shall exercise his rights in accordance with Article 10 during the leave.

11.06 LEAVE OF ABSENCE - COURT APPEARANCES

11.06.01 An employee shall be granted time off with pay due to Jury Duty, Coroner's Inquest, Court Witness - Civil or Criminal except when the employee is called as a witness by the party opposed to the Company in litigation related to labour matters or when the employee is personally involved as the opposing party in litigation with the Company, in which case the employee shall be granted time off without pay.

11.06.02 Should an employee be subpoenaed to appear as a court witness in relation to an accident which has occurred on Company property or which relates to Company property and attendance in court coincides with the employee's regular scheduled day(s) off, normal overtime premiums shall be applied up to a maximum of eight (8) hours per day to compensate for the loss of the scheduled day(s) off in the cases where the employee's working hours cannot be changed.

11.06.03 On receipt of payment from a court for such duties, the employee must provide the Company with a statement from the court, indicating payment received for each day or part day served (excluding monies allowed by the court specifically for meals, travel or other such expenses).

11.06.04 The employee's subsequent pay cheque will be reduced by an amount equal to that received from the court (excluding monies allowed by the court specifically for meals, travel and other such expenses).

11.06.05 Any out of pocket expenses are the responsibility of the individual required to serve.

11.07 LEAVE OF ABSENCE - BEREAVEMENT

11.07.01 When a death occurs in the immediate family of an employee, the employee shall be granted Bereavement Leave up to seven (7) calendar days, at the employee's option, of which not more than three (3) will be with pay. Such leave will normally commence with the first day following the death or advice of death.

11.07.02 Immediate family is defined as: spouse (including common-law spouse); children of employee and spouse, parents of employee and spouse, grand-parents of employee and spouse, grand-children of employee and spouse, brothers and sisters of employee and spouse, including other relatives residing with the employee.

11.08 SICK LEAVE

11.08.01 Employees will accrue paid sick leave at the rate of one (1) working day per month, to a maximum of six (6) working days (forty-eight [48] hours) per calendar year. Such days in equivalent hours will be used by the employee to offset loss of pay due to absence caused by illness/injury of the employee or when the employee is absent to family care.

11.08.02 Accrued sick leave credits will be reduced when an employee is absent until such time as the employee's unused accrued credits are exhausted, up to a maximum of six (6) days (maximum forty-eight [48] hours) per calendar year. Where the employee bridges from sick leave to Group Disability Income Insurance (GIDIP), paid sick leave will cover the balance of the fourteen (14) day waiting period for disability benefits subject to sick leave credits being in the employee's bank. Partial days will be deducted from the bank on an hour for hour basis. Sick days in excess of the foregoing will be unpaid.

11.08.03 Sick leave or Family Care leave are to be taken for the purposes intended. Employees who misuse sick leave/family care leave shall be subject to disciplinary action. Employees will be allowed Family Care for the care of their sick or injured spouse, parents (s) or dependent child.

11.09 LEAVE OF ABSENCE - UNION BUSINESS

11.09.01 Employees who have been elected or appointed to carry out business authorized by the Union on a full-time basis shall be granted a leave of absence for this purpose. The Union will advise the Company of the name(s) of the employee(s), the term of such leave, and the specific purpose. The Union shall repay the Company for the Company's costs incurred in Employee Benefit Plans and the employee(s) shall continue to pay their contributions directly to the Company. The Company shall provide such employees with free and reduced-rate transportation in accordance with Company regulations. Such employees shall continue to accrue seniority and service while on leave of absence.

ARTICLE 12 VACANCIES

- 12.01** The Company shall have the sole discretion to determine if and when any vacancy is to be filled.
- 12.02** **PERMANENT VACANCIES SHALL BE FILLED IN THE FOLLOWING SEQUENCE:**
- 12.02.01** The most senior employee in the system on the transfer list from the same or a higher classification.
- 12.02.02** The most senior employee who originally was in that classification but bumped to a lower classification in order to retain his employment in accordance with Article 10.
- 12.02.03** The most senior employee from that classification who is on laid-off status anywhere in the system.
- 12.03** Any remaining permanent vacancies shall be filled in the following manner:
- 12.03.01** All permanent vacancies shall be posted by way of a Company bulletin on the appropriate bulletin board at least two (2) weeks in advance indicating the classification, function and any other information concerning conditions of the position advertised.
- 12.03.02** All matters involving the filling of vacancies which have not been filled by Article 12.02 will be governed by performance, ability, qualification, language requirement and fitness. Interested candidates will be subject to testing in order to determine their suitability for the position.
- 12.03.02.01** Where qualifications are equal, the senior employee shall be selected.
- 12.04** The employee changing classification shall be allowed a period of up to twenty-six (26) weeks in which to qualify. Should the employee not qualify, or wishes to, he shall be returned to his previous classification and function. In such case, the resulting vacancy shall be filled in accordance with this Article.
- 12.05** **TEMPORARY VACANCIES**
- 12.05.01** In the event there is a temporary vacancy in a classification, the provisions of Articles 12.02 and 12.03 shall apply in selecting the employee to fill the temporary vacancy. In the event there are no volunteers, the Company may assign the junior qualified employee in the lower classification to fill the temporary vacancy. In the event the original or resulting vacancy is in the lowest classification, a person not covered by this Collective Agreement may fill the vacancy in accordance with the provisions of L.O.U. 4.

ARTICLE 13 STATUTORY HOLIDAYS

13.01 The following holidays, equivalent time off, or time credit will be granted to all employees:

New Year's Day	Thanksgiving Day
Good Friday	Christmas Day
Victoria Day	Boxing Day
Canada Day	Other *
Labour Day	

* Natal Day – Halifax

St. Jean Baptiste – Province of Quebec

August Civic Holiday – Other Provinces

13.01.01 Prior to December 31st of each year, the Company shall advise the calendar dates for the statutory holidays listed in Article 13.01.

13.02 Employees will be advised by posted bulletin listing each employee affected, at least twenty-one (21) calendar days in advance of the Statutory Holiday, if the employee is not required to work on any Statutory Holiday, or, which day is being assigned as the day off with pay in accordance with Article 13.01. Failing such notice, the employees will be entitled to work as scheduled.

13.03 EXCEPTIONS

13.03.01 An employee who does not work on a statutory holiday is not entitled to be paid for the statutory holiday if, during the thirty (30) days immediately preceding the statutory holiday, the employee is not entitled to wages for at least fifteen (15) days.

13.03.02 An employee who is scheduled to work and does not work on a statutory holiday shall not receive an extra credit for that holiday.

13.03.03 Notwithstanding Article 13.03.01, an employee is not entitled to pay for a statutory holiday that occurs in his first thirty (30) days of employment with the Company.

13.03.04 Notwithstanding the above, employees on leaves of absence, laid-off status, Workers' Compensation, or short-term or long-term disability, will not be entitled to a statutory holiday that occurs during such period.

13.04 In summary, on a statutory holiday, the following applies:
(N = scheduled shift)

HOURS WORKED	SCHEDULED TO WORK	NOT SCHEDULED TO WORK
0	Regular Pay	8 Hours Pay
8	Regular Pay + 1.5 X	8 Hours Pay + 1.5 X
Over 8	1.5 X	1.5 X

ARTICLE 14 VACATIONS

14.01 **GENERAL** - Vacation will be taken in consecutive days. Vacation leave is not cumulative and will be taken in the current year.

14.02 **ENTITLEMENT**

14.02.01 Employees shall be entitled to vacation with leave with pay. Such time away from work shall in calendar days, exclusive of holidays, as provided in Article 13, which may occur during the vacation period in accordance with:

Less than one (1) year of continuous service by December 31st of each year – one (1) day of vacation leave with pay for each full month of continuous service up to December 31st to a maximum of ten (10) days.

More than one (1) year of continuous service by December 31st of each year based on years of service in accordance with the following:

Years of Service	Entitlement
1 through 4 years	10 working days / 80 hours
5 through 14 years	15 working days / 120 hours
15 through 24 years	20 working days / 160 hours
25 years and over	25 working days / 200 hours

Note: When vacation is taken in a work schedule type not conforming to a 5/2 work schedule, the vacation increment will be taken in equivalent hours as provide for above.

14.02.03 For each holiday listed in Article 13 which falls within an employee's vacation, the employee will receive a credit of eight (8) hours for such day.

14.02.04 **Partial Year Entitlement** - the applicable vacation period entitlement shall be prorated for a part

year of employment or year interrupted by an absence without pay or layoff of thirty (30) or more consecutive calendar days in accordance with the chart below.

Level of Entitlement	Full Calendar Months Employed/ Worked in Part Year										
	1	2	3	4	5	6	7	8	9	10	11
	Entitlement in Working Days										
10 days or less	1	2	3	3	4	5	6	7	8	8	9
15 days	1	3	4	5	6	8	9	10	11	13	14
20 days	2	3	5	7	8	10	12	13	15	17	18
25 days	2	4	6	8	10	13	15	17	19	21	23
30 days	3	5	8	10	13	15	18	20	23	25	28

NOTE: If, for any reason, an employee works less than one full calendar month in a year ending on December 31st, he shall receive no vacation entitlement for that year.

14.02.05 Employees on a Maternity leave of Absence or on a Child Care Leave shall not have their vacation entitlement reduced for the following year providing such leave is in accordance with Articles 11.03 and 11.04. Any extension to Maternity Leave shall be subject to a prorated vacation entitlement in accordance with Article 14.02.04.

14.02.06 Employees who are returned from furlough or recall from layoff will have their vacation entitlement prorated for the calendar year following return or recall in accordance with Article 14.02.04.

14.03 SELECTION

14.03.01 Vacation dates will be allocated in order of seniority within each classification and/or function. In the event an employee changes classification and/or function, he may be required to reschedule his vacation according to the operational requirements of his new classification and/or function.

14.03.02 Prior to November 15 of each year, the Company will post a bulletin listing employees in order of seniority and showing each employee's total vacation entitlement.

14.03.03 On the bulletin, the Company shall indicate the amount of employees allowed to be on vacation at any given time throughout the following year, by classification and/or function.

14.04 VACATION AWARD PROCESS

14.04.01 The Company may combine two or more functions within a classification for the purpose of awarding vacation.

- 14.04.02** Subject to the requirements of the service and the approval of the Company, an employee may elect to split his vacation in multiples of five (5) working days. When vacations are split, the employee will be allocated his second and subsequent preferences in order of seniority within his classification and/or function only after all other employees have been allocated their choice in each round of preference (i.e. 1st choice, 2nd, etc.).
- 14.04.03** "First choice vacation" is vacation awarded the employee on the first round of preference. Once an employee's first choice vacation has been exhausted, no other periods may be designated as first choice vacation. The same principle applies for second and subsequent choices where applicable.
- 14.04.04** Employees will select vacation dates and splits by noting their preference on the posted bulletin no later than November 30. Employees who expect to be absent during the selection period may advise the Company, in advance and in writing, copy to the Union, as to their selection of vacation dates and splits.
- 14.04.05** Employees who fail to designate their selection of vacation dates and splits in due time will be required to select their preference of vacation period from those which have not been allocated.
- 14.04.06** No later than December 15, the Company will post a bulletin showing the allocation of vacation dates and splits for each employee.
- 14.04.07** When an employee's scheduled vacation falls while the employee is on sick leave, maternity leave, child care leave, or is receiving disability benefits, or is away due to Court appearance, the employee may elect to discontinue sick leave, maternity leave, child care leave, disability benefits or time off for Court appearance and take the vacation as scheduled. Alternatively, the employee may reschedule his vacation, or any part thereof which is displaced at the conclusion of sick leave, maternity leave, child care leave, disability or Court appearance and prior to return to work, although this may carry over into the next calendar year, or at an unallocated time. In the case of maternity leave or child care leave, the employee may reschedule the vacation, or any part thereof which is displaced, prior to the commencement of such leave(s) provided the Company is advised at least four (4) weeks prior to the commencement of the rescheduled vacation period. In such cases, the rescheduled vacation period will become part of the maternity or child care leave period for the purposes of scheduling relief.
- 14.04.08** The start of any vacation period(s) shall be allocated immediately following an employee's scheduled days off.
- 14.04.09** Notwithstanding Article 7.06, the utilisation of overtime bank credits and/or time off without pay will not be unreasonably withheld to employees requesting a maximum of one (1) consecutive working day to complete any scheduled vacation period(s). Subject to the availability of vacation relief, this maximum may be increased.

14.05 WAITING LIST

14.05.01 Vacation dates which become available after the allocation of vacation by the Company will be offered in order of seniority to employees who have placed their names on a waiting list.

14.06 NIGHT SHIFT DISTRIBUTION - The Company will ensure that night shifts shall be equitably distributed following the vacation award.

14.07 VACATION CLEARANCE - Employees who leave the service of the Company for any reason are entitled to receive pay for accrued vacation not taken. The date of separation will not be extended beyond the date of actual termination of service.

14.08 VACATION PAY - Employees with less than six (6) years of consecutive employment with the Company shall receive not less than four percent (4%) of their gross pay (salary, overtime, premiums) for the period during which the vacation is earned. Employees with six (6) or more years of consecutive employment with the Company shall receive not less than six percent (6%) of their gross pay (salary, overtime, premiums) for the period during which the vacation is earned.

14.09 VPP

14.09.01 The Company will offer all employees the opportunity to purchase one (1) additional week of vacation per year (Vacation Purchase Program – VPP). Should an employee choose not to participate in the VPP, unsubscribed week will not be made available to other employees, unless otherwise determined by the Company.

14.09.02 Temporary employees and inactive employees who do not have a scheduled return to work date by September 1st for the applicable VPP year will be excluded from participating in the VPP.

14.09.03 For the purpose of the VPP, one (1) week equates for forty (40) hours for Full- Time employees and twenty (20) hours for Part-Time employees.

14.09.04 The Company will determine the periods in the year where additional weeks purchased under the VPP will be made available and plan the number of vacation weeks under the VPP that will be taken during these periods.

14.09.05 Additional weeks purchased under the VPP will be bid, in seniority order, after the regular vacation award process conducted under Article 14.04.

14.09.06 The annual application period and other relevant timelines will be agreed to between the Company and the Union locally.

14.09.07 Notwithstanding the results of the vacation award process conducted in accordance with Article 14.04 and 14.09.05, employees electing to participate in the VPP will have their last week of vacation in a calendar identified as VPP. That week of purchased vacation will be financed through

the employee's time bank. If an employee's time bank is insufficient to cover the VPP hours, the employee's paycheck will be deducted accordingly.

- 14.09.08** In addition to the options in Article 7.05.02, employees participating in the VPP will have access to a time bank of minus twenty (-20) hours, if desired.

ARTICLE 15 GRIEVANCE PROCEDURE - GENERAL

- 15.01** It is the desire of the parties to this Agreement that complaints or grievances be settled as promptly as possible. This Article is to provide for the prompt handling of such matters as alleged misinterpretation or violation of the Agreement or other causes for complaint but excluding appeals from disciplinary action and discharge which are provided for in Article 16.

- 15.01.01** If an employee has a complaint, or if he believes he has the basis of a grievance, he will meet with local management with a view to resolving the matter as soon as possible after the incident or his knowledge of the incident.

- 15.01.02** If the employee fails to resolve the matter through the provisions of Article 15.01.01, or if he elects to bypass the provisions of Article 15.01.01, he may ask his District Chairperson or his designated representative to enter into informal discussions with management on his behalf with a view to resolving the matter prior to initiating a grievance. This shall be done as expeditiously as possible. The employee may elect to accompany the District Chairperson at all such meetings or he may elect to have the District Chairperson enter into such discussions in his absence.

15.02 GRIEVANCE PROCEDURES

- 15.02.01** Grievances initiated at the Step 1 level under this Article shall be initiated by a Union Representative and only after the required informal discussion(s) provided for in Article 15.01.02.

- 15.02.02** Throughout the grievance procedure the Union shall be given the full opportunity to present evidence and make representation.

15.03 STEP 1 - LOCAL LEVEL

- 15.03.01** Following the last informal discussion, the District Chairperson or his designated representative shall have fourteen (14) calendar days in which to lodge a formal appeal to Step 1 of the grievance procedure. The Company shall hold a hearing within seven (7) calendar days of receipt of a written grievance and reasonable notice of the hearing shall be given to the Union representative. The Company shall have fourteen (14) calendar days to render a decision in writing from the close of the hearing. Failing answer or satisfactory adjustment within the above time limits, the grievance may be submitted for appeal to the Step 2 level.

15.04 STEP 2 - CORPORATE LEVEL

- 15.04.01** An appeal from Step 1 must be lodged by the President of the Bargaining Committee or his designated representative within seven (7) calendar days of receipt of the Company's decision at Step 1.
- 15.04.02** The Company shall contact the Union within seven (7) calendar days from receipt of a written grievance for the purpose of scheduling a hearing, subject to Article 15.05, within thirty (30) calendar days of receipt of the grievance.
- 15.04.03** The Company shall have fourteen (14) calendar days to render a decision in writing from the close of the hearing.
- 15.04.04** The Union Headquarters may also initiate policy/group grievances at the Step 2 level. In such cases, the matter will first be discussed with a Company Headquarters representative(s) designated by the Company. The Company representative shall have seven (7) calendar days to address the matter. Failing answer or satisfactory adjustment within the above time limit, the grievance may be initiated.

15.05 UNRESOLVED GRIEVANCES

- 15.05.01** If a decision rendered at Step 2 level is not satisfactory, and the complaint deals with a case of alleged misinterpretation or violation of this Agreement, the matter may be taken to arbitration in accordance with the provisions of Article 17.

15.06 TIME LIMITS

- 15.06.01** If a grievance is not initiated within the prescribed time limits, it shall become null and void, and if a decision is not appealed within the prescribed time limits, it shall become final and binding.
- 15.06.02** When notice of intent to arbitrate is given to the Company, the notice shall be given to the Company within thirty (30) calendar days following receipt of the Step 2 decision.
- 15.06.03** All reference to calendar days hereinabove shall be exclusive of Saturday, Sunday and holidays and the time limits may be extended by mutual agreement.

15.07 WITNESSES

- 15.07.01** The Union/Company may have any witness(es) present who can give relevant evidence on the matter in question.
- 15.07.02** Employees who are Union witnesses shall be given time off without pay for a time sufficient to permit them to appear as witnesses, subject to manpower requirements. If a witness is denied such

time off, the testimony the employee would have given will be entered at the Step 2 level in the position of the Union.

15.08 CORRESPONDENCE

15.08.01 All correspondence under this Article shall be copied to the District Chairperson and the Union Headquarters.

15.08.02 Appeals being lodged in accordance with Article 15.03 shall be directed to the Manager designated by the Company, copied to the employee's supervisor. The Union District Chairperson shall be advised, in writing, of the Manager so designated and of any changes thereto. Appeals being lodged in accordance with Articles 15.04 and 15.05 shall be directed to the Vice President, Human Resources or his designated representative.

ARTICLE 16 DISCIPLINARY AND DISCHARGE ACTION AND APPEAL PROCEDURES

16.01 This Article is to provide for the procedures relating to disciplinary and discharge action and the prompt handling of appeals.

16.01.01 Investigation

16.01.01.01 Under circumstances where disciplinary or discharge action is contemplated as a result of an alleged misdemeanour, the Company may initiate an investigation in order to consider all factors involved. Such investigations may involve any of the employees, or others, as deemed necessary by the Company.

16.01.01.02 If it is considered undesirable that an employee should be allowed on Company premises and where there is doubt as to the appropriate charge/penalty, the employee may be held out of service with pay pending the outcome of the investigation for up to three (3) calendar days, exclusive of Saturday, Sunday and holidays.

16.01.01.03 Whenever the Company is going to interview an employee in the course of an investigation, they shall first advise the employee: of his right to have a Union representative as an observer during an interview; that an investigation is being held; and, the matter which is under investigation.

16.01.02 Disciplinary and Discharge Action

16.01.02.01 No employee shall be disciplined or discharged except for just cause.

16.01.02.02 Disciplinary or discharge action will not be initiated without prior discussion with the employee. At the commencement of the discussion, the employee will be advised of: his right to have a Union representative present; the alleged misdemeanour(s); and, that discipline or discharge action is being contemplated.

NOTE: The foregoing will not preclude the Company from initiating discharge action without such prior discussion in those instances where the employee is not reasonably available.

16.01.02.03 When disciplinary action is verbal, the employee shall be advised of the reason(s) and of his right to appeal the disciplinary action.

16.01.02.04 When disciplinary action such as a Disciplinary Letter or Suspension Without Pay is taken, the employee shall be advised in writing and the advice shall also inform the employee of the reason(s) for such action together with the employee's right to appeal the disciplinary action.

16.01.02.05 Implementation of a Suspension Without Pay shall be withheld until the appeal procedures requested in accordance with Article 16.02 have concluded.

16.01.02.06 When disciplinary action is in the form of discharge, the employee shall be advised in writing that he is Suspended Pending Discharge and the advice shall also inform the employee of the reason(s) for such action together with the employee's right to appeal the disciplinary action.

16.02 APPEAL PROCEDURES

16.02.01 If the employee feels he has been unjustly dealt with, he shall have the right to initiate an appeal or to request the Union to initiate an appeal on his behalf under this Article. Throughout the procedure, the employee shall have the right to be represented by the Union.

16.02.02 Throughout the appeal procedure, the employee and/or the Union shall be given full opportunity to present evidence and make representation.

16.03 STEP 1 - LOCAL LEVEL

16.03.01 Each appeal must be lodged, in writing, within seven (7) calendar days from receipt of the advice to discipline. The Company shall hold a hearing within seven (7) calendar days of receipt of a written appeal and reasonable notice of the hearing shall be provided to the Union. The Company shall have fourteen (14) calendar days to render a decision, in writing, from the close of the hearing. Failing a decision or a satisfactory settlement within the above time limits, the matter may be appealed to the Step 2 level.

16.04 STEP 2 - CORPORATE LEVEL

16.04.01 The procedures shall be in accordance with the dispositions of Articles 15.04.01, 15.04.02 and 15.04.03.

16.04.02 The Company's decision in the case of such appeals and hearings may uphold a previous Company decision, or fully exonerate and reinstate the employee with pay for all time lost, or render such intermediate decision as may be considered just and equitable.

16.05 UNRESOLVED APPEALS

16.05.01 If a decision rendered at the Step 2 level is not satisfactory to the employee, the matter may be taken to arbitration by the Union in accordance with the provisions of Article 17.

16.06 TIME LIMITS

16.06.01 If an appeal is not initiated within the prescribed time limits the Company's current decision shall be final and binding.

16.06.02 When notice of intent to arbitrate is given to the Company, the notice shall be given to the Company within thirty (30) calendar days following receipt of the Step 2 level decision.

16.06.03 All reference to calendar days hereinabove shall be exclusive of Saturdays, Sundays and holidays and the time limits may be extended by mutual agreement.

16.06.04 If an employee is to be disciplined in the form of Suspension Without Pay, the suspension shall be applied in consecutive work days. The Company will endeavour to commence the suspension within thirty (30) days following the expiration of the appeal periods as provided for in Articles 16.03.01 and 16.04.01, or within thirty (30) days following receipt of the Company's decision at the Step 2 level.

16.06.05 If an employee is to be disciplined in the form of discharge, the discharge will take effect on the day following the expiration of the appeal periods as provided for in Articles 16.03.01 and 16.04.01, or following receipt of the Company's decision at the Step 2 level.

16.07 WITNESSES

- 16.07.01** The Union/Company may have any witness(es) present who can give relevant evidence on the matter in question.
- 16.07.02** Employees who are Union witnesses shall be given time off without pay for a time sufficient to permit them to appear as witnesses, subject to manpower requirements. If a witness is denied such time off, the testimony the employee would have given will be entered in the position of the Union.

16.08 CORRESPONDENCE

- 16.08.01** All correspondence under this Article shall be copied to the employee concerned, the District Chairperson and the Union Headquarters.
- 16.08.02** All correspondence to an employee concerning discipline in the form of Suspension Without Pay shall remain on the employee's personal file for a period of three (3) years from the advice in writing as provided for in Article 16.01.02.04, subject to Article 16.08.05.
- 16.08.03** In the event the Suspension Without Pay is modified through either the appeal or arbitration procedures, the original advice will be amended by the addition of the final decision to the employee's personal file unless such decision is to exonerate the employee, in which case all correspondence will be removed.
- 16.08.04** Provided that no subsequent correspondence of a disciplinary nature is added to the employee's personal file in the three (3) year period, the correspondence referring to the Suspension Without Pay will be deleted from the employee's personal file.
- 16.08.05** In the event subsequent disciplinary correspondence is placed on the employee's personal file, the previous correspondence relative to Suspension Without Pay shall remain on the employee's personal file until the expiry date of the subsequent correspondence, or until such time as the three (3) year period has expired, whichever is the later.
- 16.08.06** When correspondence of a disciplinary nature is removed from the employee's personal file, the circumstances that led to the discipline shall not be referred to in relation to any subsequent disciplinary action.
- 16.08.07** Appeals being lodged in accordance with Article 16.03 and 16.04 shall be directed to the Manager(s) designated by the Company. The Union and the employees shall be advised, in writing, of the Manager so designated and of any changes thereto. Appeals being lodged in accordance with Article 16.05 shall be directed to the Vice-President, Human Resources or his representative.

ARTICLE 17 ARBITRATION

17.01 Any dispute not settled in Articles 15 or 16 may be submitted to arbitration and hearings shall be held and decisions rendered under the provisions herein set forth. The party requesting arbitration will serve notice of intent to arbitrate to the other party in accordance with the disposition of Article 15 or 16.

17.02 SINGLE ARBITRATOR

17.02.01 A panel of arbitrators will be mutually agreed to by the parties. The panel will not exceed five (5) arbitrators and shall be reviewed annually by the parties.

17.02.02 In the event that no mutually agreed arbitrator is empanelled, the party serving notice of intent to arbitrate may request the Minister of Labour to appoint one for each case.

17.02.03 An arbitrator shall be selected from the mutually agreed-to panel in the following manner. Each arbitrator will be called upon to act on a rotation basis. The arbitrator will be contacted to determine his availability within the applicable period of time as follows: with respect to a case where financial liability is expected to exceed thirty (30) days, during the forty-five (45) calendar days and, with respect to any other appeal case, during the ninety (90) calendar days following receipt of notice of intent to arbitrate. If that arbitrator is not available within the applicable period of time outlined above, but is available at a later date, the parties may agree to accept that later date or proceed to the next arbitrator in order of rotation in the same manner until a mutually acceptable date is agreed.

17.03 ARBITRATION BOARD

17.03.01 Notwithstanding the foregoing, either party may opt for an arbitration board consisting of three (3) persons. If the party requesting arbitration so opts, it shall advise the other party in the notice of intent to arbitrate. If the party receiving the notice so opts, it shall advise the other party within fourteen (14) calendar days of receipt of notice of intent to arbitrate. Such notice will include the name of the person chosen to act as its member at the arbitration board.

17.03.02 Within fourteen (14) calendar days of service or receipt of advice that an arbitration board is desired, the other party will name the person chosen to act as its member of the arbitration board.

17.03.03 Subject to Article 17.03.04, as soon as possible, but not more than ten (10) calendar days thereafter, the two representatives will endeavour to reach an agreement on the identity of the third person who shall act as Chairperson of the arbitration board.

17.03.04 Notwithstanding the foregoing, if for some unforeseen reason it is impossible for one of the party's representatives on the Board to contact the other party's representative for the purpose of selecting a Chairperson, the time limits may be extended provided there is a mutual agreement between the Company and the Union, at the Headquarters level.

- 17.03.05** Should the representatives fail to agree on a Chairperson within ten (10) calendar days or within any agreed-to extension, the Minister of Labour shall be requested by the two members, acting jointly, or by the parties acting separately, to appoint a person who shall act as Chairperson.
- 17.04** The arbitrator or arbitration board shall hold hearings at which the Company and the Union shall have the opportunity to present evidence, witnesses, argument and summation, and shall issue a written award within thirty (30) days from the date of the final hearing.
- 17.05** The arbitrator or arbitration board shall have the authority to render any decision that he considers just and equitable.
- 17.06** The arbitrator's decision or the majority decision of the board shall be final and binding on the Company, the Union and the employee(s) involved. In the event that the arbitration board does not reach a majority decision, the decision of the Chairperson will be considered as final and binding.
- 17.07** The Company and the Union shall share equally the costs of the arbitrator; however, in the case of a board, the party requesting the board shall bear the full cost of their own nominee and the Chairperson of the board.
- 17.08** The arbitrator or the arbitration board shall establish procedures consistent with the requirements of natural justice.
- 17.09** The arbitrator or the arbitration board shall not make any decision inconsistent with the provisions of this Agreement, nor shall he alter, modify or amend any part of the Agreement. A monetary award may be granted as determined by the arbitrator or arbitration board.

ARTICLE 18 UNION-MANAGEMENT COMMUNICATIONS

- 18.01** All communications to an employee involving any of the following shall be in writing and copied to the District Chair of the Union: alterations to scheduled shifts; scheduled shift starting times and scheduled days on/days off; assignments under Article 8.01.03; layoff; recall; furlough; change of classification and/or function; Off-Duty Status; promotion; demotion; and termination; additionally, all correspondence under Article 15 and Article 16 shall be copied to the District Chair and the Union at the Headquarters level.

18.02 LETTERS OF UNDERSTANDING

Any Letter of Understanding negotiated between the Company and the Union shall be deemed to form part of this Agreement as if it had been incorporated herein. A Letter of Understanding shall be identified by a heading and a number and must be signed by representatives of both parties at the Headquarters level.

18.03 UNION-MANAGEMENT COMMITTEES

- 18.03.01** It is recognized that meetings between the Company and the Union are essential to the maintenance of good employee-employer relations and the establishment of mutual confidence and trust.
- 18.03.02** Union-Management committees will be established to promote better communications, mutual respect and understanding between the Company and its employees and to provide advance discussion of significant changes affecting the work or working conditions of employees.
- 18.03.03** Meetings shall be held as required between the District Chair or his designated representative and the appropriate Company representative. The National Representatives will be permitted to attend.
- 18.03.04** At Union-Management Headquarters level, meetings will be held at least once every six (6) months between Union Headquarters representatives and representatives of the Corporate Management level. Such meetings shall generally be of one (1) day's duration.
- 18.03.05** The dates of such meetings will be established by mutual agreement and minutes of such meetings will be prepared and made available to all concerned following approval of both parties.
- 18.03.06** The meetings of Union-Management Committees shall not be considered as being in lieu of the Grievance procedures.
- 18.04 TIME OFF - UNION BUSINESS**
- 18.04.01** The Company recognizes the importance of prompt handling of Union business, such as the handling of grievances throughout the process, negotiating of amendments to Agreements, and the attendance of Union meetings at various levels. The Company further recognizes the importance of the role of the Union Officers in carrying out the functions of Union business. It is therefore agreed that Union representatives shall be granted reasonable time off and transportation in accordance with Company regulations to carry out such functions subject to operational requirements of the Company. This time will be allowed as promptly as possible. In order to facilitate this process, it will be the obligation of the Union representatives to afford as much notice as possible of such needs and to clear their activities both with their own supervisors and with the supervisors of the employees involved in any problem situation.
- 18.04.01.01** Where Union Headquarters requests time off for employees to attend pre-scheduled educational training, the Company shall, subject to operational requirements, grant those employees time off from duty. Union Headquarters shall request such time off from the Company at the Headquarters level and such requests to the Company shall afford as much notice as possible.
- 18.04.02** The Union shall be billed for the time off except in those cases where the Company has agreed to absorb certain costs. In either case, the employees involved in this activity are not debited or removed from the payroll. The time billed will be the actual scheduled time off and no account will be taken of the fact that in some cases the absent employee may not be replaced, or that he may be

replaced on an overtime or recall basis.

18.04.02.01 In the event the employee requesting time off is involved in shift trades requiring him to work more than one consecutive shift, it shall be his responsibility to ensure that his traded shift is covered.

18.04.03 Time off shall be charged to either the Union or the Company, depending on the activity, on the following basis:

Grievance Procedure General, Discipline and Discharge

Charge to Code number

Aggrieved Employee(s) 1
Union Representative 1 or 2

Union-Management Committee Meetings (Article 18.03)

Unit Level (ad hoc):

District Chair 1
Other Union Representative 1

Headquarters Level (semi-annual):

President - Bargaining Committee 2
Other Union Representative 1

District Chair: The Union District Chair or his alternate will be granted one (1) shift each month at a time mutually agreeable to the Company and the Union District Chair. This time off shall be charged to the Company (Code 1).

Employee Introduction: This includes addressing new employees within the bargaining unit at basic training sessions in order to cover the following: introduction to Union Officer(s) with whom the employee will be coming in contact; objectives of the Union's constitution; outline of the Union's structure and history; Rand Formula and check-off; application of the Collective Agreement; Government legislation applicable to Union operation; question and answer period. The presentation will be scheduled during the last thirty (30) minutes of any day within the training period with a forty-five (45) minute limitation.

District Chair 1

Negotiations

Two (2) Union designated members of the Union Bargaining Committee for time spent in direct negotiations with the Company including the one (1) day ratification process1

18.04.03.01 Time off required by members of the Union Bargaining Committee for activities other than Headquarters' level meetings will be cleared through their respective local management and charged to the Union or the Company on the following basis:

Time required for meetings with Company Representatives	2
All other time required.....	4

NOTE: Union Bargaining Committee members attending meetings with the Company outside a scheduled shift during the negotiations process may elect to be paid at straight time rates or granted equivalent time off at a time mutually acceptable to the Company and the Union Representative.

18.04.04 Time spent by a Union representative attending meetings with the Company outside the representative's scheduled shift will not attract compensation.

18.04.05 Except as provided for above, the Union will bear the cost of all time off for the Union members and officers while participating in recognized Union activities. This will include but is not limited to: Union conventions; executive meetings; meetings to discuss internal Union business; arbitration; conciliation. The Union will bear the cost of time off for other than those designated members of the Union Bargaining Committee for whom the Company accepts responsibility salary-wise for the time spent in negotiations.

District Chair	3
District Vice-Chair	3
Other Union Representatives	3
Bargaining Committee Members	4
President	4
Vice-President	4

18.04.06 Explanation of Codes

CODE 1 Time off for Union Chair, Vice-Chairs, representatives, and members to be absorbed by the Company.

CODE 2 Time off for Union Vice-President and Bargaining Committee Members to be absorbed by the Company.

CODE 3 Time off for Union Chair, Vice-Chairs, representatives, and members to be charged to

the Union.

CODE 4 Time off for Union Vice-President and Bargaining Committee Members to be charged to the Union.

CODE 5 Time off for Union Health and Welfare Trustees to be charged to Health and Welfare Trust.

18.05 BULLETIN BOARDS

18.05.01 The Union shall have the privilege of posting notices and related Union material on Company notice boards subject to prior Company approval. Such approval shall not be unreasonably withheld.

18.05.02 The Company agrees to provide a filing cabinet for the exclusive use of the Union Committee.

18.06 TECHNOLOGICAL CHANGES

18.06.01 The Company and the Union agree that in the event of technological change the Canada Labour Code provisions pertaining to technological change will apply.

18.07 EMPLOYEE STATISTICAL LISTS

18.07.01 The Company shall provide Union Headquarters with semi-annual computer printout lists showing the numbers of employees on the following basis:

- employees by years of service; and
- employees by year of birth; and
- employees by classification and function.

18.07.02 The aforementioned lists shall be as of June 30th and December 31st of each year.

18.08 HEALTH AND SAFETY

18.08.01 It is the responsibility of all Company personnel and employees to ensure and promote the continued health and safety of the employees. In addition, each employee as well as each Union representative has an obligation to bring any situation which in his opinion represents a hazard to the health and safety of the employees to the attention of the Company.

18.08.02 Health and Safety Committee

18.08.02.01 The Company shall establish a Health and Safety Committee. The members of each Committee shall be determined in accordance with the following:

Number of Employees

1 - 199	One (1) selected by the Union; One (1) selected by the Company.
Over 200	Two (2) selected by the Union; Maximum two (2) selected by the Company.

18.08.02.02 The Company shall post and keep posted the names of all the members of the Health and Safety Committee in a conspicuous place or places where they are likely to come to the attention of the employees.

18.08.02.03 The Company and the Union agree to comply with the Health and Safety Provisions contained in the Canada Labour Code.

ARTICLE 19 GENERAL PROVISIONS

19.01 HUMAN RIGHTS

19.01.01 No employee will be unlawfully interfered with, restrained, coerced or discriminated against by the Company or the Union, their officers or agents on the grounds of race, national or ethnic origin, colour, religion, age, sex, marital status, family status, disability and conviction for which a pardon has been granted. The Company further commits that no employee will be unlawfully interfered with, restrained, coerced or discriminated against by the Company, its officers or agents because of membership in, or lawful activity on behalf of the Union. The Union commits that no employee will be unlawfully interfered with, restrained, coerced or discriminated against by the Union because of lawful activity on behalf of the Company.

19.02 SAVINGS CLAUSES

19.02.01 Should any part or provision of this Agreement be rendered invalid by reason of legislation enacted by the Government of Canada, such invalidation of any part of the provisions of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.

19.02.02 Where the provisions of this Agreement are at variance with the Company regulations the former shall take precedence.

19.03 COPIES OF AGREEMENT

19.03.01 The Company and the Union desire that all employees and all levels of management affected by this Agreement be familiar with the provisions herein. For this reason, all employees and all levels of management concerned shall be given a copy of the Agreement and any subsequent changes to the Agreement including Letters of Understanding.

19.03.02 As soon as practical, the Company and the Union will agree to a final draft of the Collective Agreement prior to printing. The Company shall be responsible for the preparation and printing of both the French and English versions of the agreement. The cost of printing will be the responsibility of the Company.

19.03.03 The Agreement shall be published in both French and English, and both versions shall have equal application. In the event of conflicting translation or interpretation, the version in which a clause was negotiated and written shall govern.

19.04 GROUP LIFE INSURANCE

19.04.01 The Company will pay full cost of the Group Life Insurance Plan up to a maximum coverage of \$70,000.00. Coverage in excess of \$70,000.00 will continue to be shared on a 50/50 basis. The level of coverage will be two and one-half (2 1/2) times the basic annual salary up to a maximum of \$80,000.00. The maximum level of paid-up life insurance for retired employees will remain at one fourth (1/4) of coverage at time of retirement up to a maximum of \$10,000.00.

19.05 GROUP LIFE INSURANCE DISABILITY INCOME PLAN

19.05.01 Employees shall be in a plan established for CAW-Canada, Local 2002 participants on an employee-pay-all basis. The Company will provide payroll deduction facilities and remittances of appropriate deductions to the CAW-Canada, Local 2002, Health and Welfare Trust Plan Fund. There will be separate underwriting and funding of the revised program with separate policy or policies issued to the CAW-Canada, Local 2002, Health and Welfare Trust Plan Fund by the underwriter(s) of their choice. Air Canada will continue to assist in initial channelling and handling of claims material and providing other administrative cooperation to ensure the effective and smooth operation of the program. Air Canada shall have the right to name one observer to the Group Insurance Disability Income Plan. Participation in GIDIP under the CAW-Canada, Local 2002, Health and Welfare Trust Plan Fund sponsored plan shall remain a condition of employment for all employees.

19.05.02 The Company shall pay to the CAW-Health and Welfare Trust, an amount equal to forty dollars (\$40.00) for each full-time permanent employee as of December 31st each year. Such amounts shall be used by the Health and Welfare Trust to improve benefits.

19.06 SUPPLEMENTARY HEALTH INSURANCE

19.06.01 The Company will pay the full cost of Plan II. The maximum aggregate under the Supplementary Health Plan will be fifty thousand dollars (\$50,000.00), with an annual reinstatement of two thousand dollars (\$2,000.00).

The Company will extend coverage to include the cost of psychologists at a benefit level of fifty percent (50%) of the cost per visit to a maximum of seven hundred and fifty dollars (\$750.00) per

person per year and one thousand five hundred dollars (\$1,500.00) per family per year.

The Company will provide coverage for hearing aids and tests to a maximum of seven hundred and fifty dollars (\$750.00) per five (5) year period.

19.06.02 Expenses incurred for paramedical services of Chiropractors, Osteopaths, Naturopaths, and Podiatrists will be covered to a maximum of fifty dollars (\$50.00) per visit to a maximum of one thousand dollars (\$1,000.00) per person per year or two thousand dollars (\$2,000.00) per family per year, less any amount paid to the employee for such services under the employee's provincial medical plan.

19.07 DENTAL INSURANCE

19.07.01 The Company will pay the full cost of premiums for the Group Dental Insurance Plan. The Company shall be the sole policy holder and administrator of the above-mentioned Plan.

19.07.02 The maximum annual coverage will be of two thousand dollars (\$2,000.00) per employee and his dependant(s). The basic dental services coverage is payable at 90%. The orthodontic life time coverage will be of two thousand five hundred dollars (\$2,500) for each eligible child.

19.08 VISION CARE PLAN

19.08.01 The Company will pay the full cost of a Vision Care Plan.

19.08.02 The benefits for each employee and each eligible dependent to be not more than two hundred and twenty-five dollars (\$225.00) reimbursement for eyeglasses contact lenses or laser eye surgery in each period of twenty-four (24) consecutive calendar months, except that for contact lenses prescribed for severe corneal situations, as set out in ,the Air Canada Employee Benefits Program, available on the Aeronet. The maximum amount payable shall be three hundred and sixty dollars (\$360.00), payable once during the entire period the person is insured.

NOTE: Notwithstanding the above, a \$600 maximum will be payable for Laser eye surgery provided no further claims under the vision plan for a period of forty-eight (48) months

19.09 PENSION PLAN

19.09.01 The Company will, upon request, provide full information on actuarial evaluations, costs and funding for employees, in the existing Pension Plans. It is recognized that such information is normally only available to the Company annually and that the Company will not be required to undertake any special actuarial evaluation in order to provide such information. In addition, the Company will advise the Union of any changes to the existing Pension Plans as they pertain to employees covered by this agreement.

19.09.02 The Company agrees that changes to the Air Canada Pension Plans which affect CAW Canada participants (and those deriving an interest or an entitlement from such participants) will not be made except as agreed by the Union.

19.09.03 The pension rules applicable to CAW Canada participants (and those deriving an interest or an entitlement from such participants) are contained exclusively within the texts of the Air Canada Pension Plans as well as in article 19.09 and Appendix 3 (Memorandum of Agreement – Pension Plan Sustainability) of the present collective agreement.

19.10 Coordination of Benefits - Where an employee's spouse is also a Company employee, benefits will be coordinated.

19.11 LANGUAGE REQUIREMENTS

19.11.01 When required by the Company, language training in French and English will be provided at Company expense and, subject to operational requirements, on Company time on a voluntary basis to those employees who have been tested and possess the required basic knowledge and learning ability in the other official language.

19.12 EMPLOYEE ASSISTANCE PROGRAM

In our industry, people encounter a wide range of problems not necessarily associated with job functioning, but which can have a serious effect on family, friends, health and ultimately their ability to maintain good work performance.

Air Canada and the Canadian Auto Workers Local 2002 recognize that many human problems can be successfully treated provided they are identified in their early stages, and referral is made to an appropriate professional resource. This is true whether the problem is one of alcoholism, drug dependency or other medical/social problems.

The Employee Assistance Program has been developed to ensure a better understanding of policy and guidelines for assisting employees who are experiencing problems which may affect their health, their relationship with others, or their job performance.

All employees have the right to participate in the Employee Assistance Program without fear of job recrimination and regardless of their status.

The decision to accept or reject assistance is the responsibility of the individual and no employee will be compelled to participate.

It will be the responsibility of the System Committee to ensure that the needs of all coordinators are

met in the areas of program promotion and training. All newly appointed coordinators will be required to attend the "Effective Helping Workshop".

- 19.13** Corporate Reorganization: In the event that the Company changes ownership, mergers with another company or in any way changes its corporate identity, this Agreement will remain in full force and effect and the Union recognition now in effect and/or certificate issued by the Canada Industrial Relations Board then in existence shall not be affected in any way, except as otherwise governed or directed by the Board. The Company further agrees to enter into negotiations with the Union relative to the protection of employees' seniority and other conditions of this Agreement. Failing settlement, the provisions of the Canada Labour Code will apply.

ARTICLE 20 CHECK-OFF

- 20.01** The Company shall deduct on the payroll for each pay period, as per the Company's designated payroll periods, from wages due and payable to each employee such sum as may be uniformly assessed by the Union Constitution subject to the conditions set forth herein.
- 20.02** The amount to be deducted shall include the initiation fee and shall not be changed excepting to conform with a change in the Union's Constitution.
- 20.03** Membership in the Union will be available to any employee under the Constitution of the Union on payment of the initiation or reinstatement fees uniformly required of all other such applicants. Membership shall not be unreasonably denied.
- 20.04** Deductions shall commence on the payroll for the first applicable pay period of the calendar month following the first date of service in a classification covered by this Agreement.
- 20.05** If the wages of an employee payable for any pay period are insufficient to permit a full deduction, no such deduction shall be made from the wages of such employee by the Company on that payroll. The Company shall not, because the employee did not have sufficient wages payable on any payroll, carry forward and deduct from any subsequent wages the amount not deducted on an earlier payroll.
- 20.06** Only payroll deductions now or hereafter required by law, deductions of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from wages due and payable prior to any deductions under this Article.
- 20.07** The amount 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 thirty (30) calendar days following the pay period in which the deductions are made.
- 20.08** 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 pursuant to this Article 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 acted pursuant to the provisions of this Article, shall terminate at the time it remits the amounts payable to the Union.

20.09 The question of what, if any, compensation shall be paid the Company by the Union in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on fifteen (15) days' notice in writing.

20.10 In the event of any action at law against the parties hereto resulting from any deduction or deductions made from payrolls or to be made by the Company pursuant to the first paragraph of this Article, both parties shall cooperate fully in the defence of such action. Each party shall bear its own cost of such defence 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 the Company as a result of any such deduction or deductions from payrolls.

ARTICLE 21 DURATION OF AGREEMENT

21.01 This Agreement is effective May 23, 2011, except as otherwise provided herein, and shall continue in full force and effect until May 22, 2015 and may be varied by mutual agreement, in writing, between the parties hereto. It shall remain binding thereafter from year to year, unless notification, in writing to reopen the Agreement is served by either of the parties hereto not more than four (4) months prior to the expiry date or any continuation of expiry date, subject always to Article 21.03.

21.02 Where notice to bargain collectively has been given, the Union and the Company shall, without delay, commence to meet diligently to bargain in good faith and make every reasonable effort to enter into a Collective Agreement.

21.03 This Agreement shall remain in full force and effect until superseded by another Collective Agreement or until any statutory extension provided for by the Canada Labour Code has terminated and no renewal Collective Agreement has been made.

ARTICLE 22**22.01 Letters**

LOU 1	Blocking Function	Remains as LOU
LOU 2	Off-Duty Status, Industrial Disputes	Remains as LOU
LOU 3	Telephone Monitoring	Remains as LOU
LOU 4	Temporary Vacancies	Remains as LOU
LOU 5	Application of Article 4.01.01	Remains as LOU
LOU 6	Joint Harassment Investigation Process	Remains as LOU
LOU 7	Workplace Relocation	Remains as LOU
LOU 8	Interim Calgary Office Location	Deleted
LOU 9	Payroll Error	Remain as LOU
LOU 10	Annual Vacation Pay Adjustment	Remain as LOU
LOU 11	Bidding of Midnight Shifts	Remain as LOU
LOU 12	Vacation Waiting List Process	Remain as LOU
LOC 1	Location of Operations	Modified LOC

22.03	Memorandum of Settlement re: Ratification 1999 agreement	Deleted
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22.02 Appendices

Appendix A	Letter of Intent No. 1	Deleted
Appendix B	Letter of Intent No. 2	Deleted
Appendix C	Memorandum of Understanding Re: Canadian Airlines merger	Deleted
Appendix D	Memorandum of Understanding Re: CCAA 2003	Deleted
Appendix E	Letter of Intent Re: Duration of Agreement 2004	Deleted
Appendix F	Memorandum of Agreement Re: Extension of Agreement from 2004-2009	Deleted Deleted
Appendix G	Memorandum of Agreement Re: June 2009 contract negotiations	Deleted
Appendix 1	Memorandum of Agreement Re: Extension of Agreement	New Appendix
Appendix 2	Memorandum of Agreement Re: Relocation	New Appendix
Appendix 3	Memorandum of Agreement Re: Pension Plan Sustainability	New Appendix

**LETTER OF UNDERSTANDING NO. 1
BLOCKING FUNCTION**

The Company and the Union agree that the employees in the Scheduler classification working in the Planning section are responsible for the manual wide body initial block building process. This is to continue until such time as the entire blocking process is automated.

It is also agreed that management personnel will be responsible for the Supplementary block building process.

It is understood that the Company has the right to review the prepared blocks and to rework them in the event that the employee's prepared blocks do not meet the usual and reasonable expectation of block efficiency.

Once automated, the block building process will then be the sole responsibility of management. The Company commits that, as a result of the automation process, no staff reduction will be incurred within the Crew Resource Centre.

It is also understood that prior to the implementation of the automated wide body block building process, the Company will enter into discussion with the Union at the Local level to review the transition process.

Dated at Montreal, Quebec this 16th day of March 2000.

FOR: **AIR CANADA**

FOR: **CAW-CANADA AND ITS LOCAL 2213**

S. Beisswanger
Manager, Crew Scheduling &
Resource Allocation

S. Portelance
National Representative

M. Asselin
Manager, Labour Relations -
Customer Service

W. Dawe
President, Negotiating Committee

LETTER OF UNDERSTANDING NO. 2
OFF-DUTY STATUS, INDUSTRIAL DISPUTES

- L2.01** The purpose of this Letter is to set forth the terms and conditions that will apply to employees in the event of an industrial dispute involving any group of persons not covered by this Agreement which causes a reduction in the Company's services.
- L2.02** All provisions of the Collective Agreement not specifically modified or waived by this Letter will remain in effect. Any dispute arising from the terms and conditions of this Letter will be referred to the Headquarters level as soon as possible without prejudice to the Union's right to initiate a formal grievance.
- L2.03** Only those employees who are not required to work during the period the Company's services are affected shall be placed on Off-Duty Status hereafter referred to as O.D.S..
- L2.04** The Company shall provide notice of O.D.S., in writing, to only those employees who are not required to work. An employee placed on O.D.S. will be given a minimum of twenty-four (24) hours notice which may be verbal but which will be confirmed in writing not later than forty-eight (48) hours after commencement of O.D.S..
- L2.05** An employee whom the Company is unable to contact to advise of O.D.S. will be placed on O.D.S. and the written notice provided for in L2.04 will be sent to the employee's last known address.
- L2.06** An employee who is out of the base and, who, due to an inability to travel, the Company is unable to contact to advise of work assignment will not be disciplined. Such employee will be placed on O.D.S. but will be returned to work within twenty-four (24) hours of the Company having knowledge of his return to the base, provided his seniority is sufficient to retain a work assignment.
- L2.07** An employee's schedule may be altered to conform with major changes in the normal working hours or work requirements at a base. The Company will advise the employee at least twenty-four (24) hours in advance of any alteration to his shift. Such notice may be verbal but written notice will be provided as soon as possible.
- L2.08** An employee on vacation will continue on vacation and will be placed on O.D.S., if applicable under L2.04, upon the date of his scheduled return from vacation. An employee kept on duty or an employee placed on O.D.S. will commence vacation as scheduled.
- L2.09** Company sick leave benefits will not be granted to an employee on O.D.S..
- L2.10** An employee placed on O.D.S. will not lose service credits for pension purposes unless the employee is off the payroll for a full calendar month. Company service for all other purposes will continue to accrue for the first fourteen (14) calendar days of any O.D.S..
- L2.11** Notification of return to duty may be verbal, but must be later confirmed in writing, and will state the

effective date of the return to duty. Every effort will be made by the Company to return all employees at a location scheduled to work in the shift(s) in effect at the time the Company resumes its operations at that location. The Company will endeavour to return such employees to duty in order of seniority.

L2.12 Employees on O.D.S. must advise the Company of a current point of contact.

L2.13 Employees shall be contacted verbally at their last available point of contact and advised of their recall. If no contact can be made, notice by telegram will be sent.

L2.14 Employees are expected to be available to report for duty within twenty-four (24) hours. Employees who do not report for duty within twenty-four (24) hours from time of notification may be required to substantiate their late reporting.

L2.15 Employees on O.D.S. shall not receive any wages.

Dated at Montreal, Quebec this 16th day of March 2000.

FOR: **AIR CANADA**

FOR: **CAW-CANADA AND ITS LOCAL 2213**

S. Beisswanger
Manager, Crew Scheduling &
Resource Allocation

S. Portelance
National Representative

M. Asselin
Manager, Labour Relations -
Customer Service

W. Dawe
President, Negotiating Committee

**LETTER OF UNDERSTANDING NO. 3
TELEPHONE MONITORING**

It has been agreed that there will be a telephone monitoring system in the Crew Resource Centre on or after January 1, 1993. The purpose of the system is to provide a record of conversations held by employees covered under this Agreement in the course of performing their duties. It shall be referred to when incidents, such as those listed below, are brought to the Company's attention:

- grievances (from any bargaining unit);
- letters of complaint;
- incident reports (covering employees from other bargaining units);
- investigation of employees from other bargaining units who have cause to deal with the Crew Resource Centre.

The following parameters have been agreed upon between the two parties:

1. The recordings shall be referred to only when an incident is brought to the Company's attention.
2. The system shall not be used for routine monitoring of a performance nature.
3. If there is a requirement to review the recordings, a member of the Bargaining Committee will attend the review.
4. Un-monitored phone lines shall be made available for personal calls.

Dated at Montreal, Quebec this 16th day of March 2000.

FOR: **AIR CANADA**

FOR: **CAW-CANADA AND ITS LOCAL 2213**

S. Beisswanger
Manager, Crew Scheduling &
Resource Allocation

S. Portelance
National Representative

M. Asselin
Manager, Labour Relations -
Customer Service

W. Dawe
President, Negotiating Committee

**LETTER OF UNDERSTANDING NO. 4
TEMPORARY VACANCIES**

It is recognized that it is most desirable to staff the Company's operation with permanent employees whenever possible. Occasionally however, it may be necessary to employ personnel to fill vacancies of a temporary duration.

The Company may declare temporary vacancies for any of the following reasons:

- a. to replace employees absent on authorized leaves of absence under Article 11
- b. to replace employees on time off for Union business
- c. to replace employees released for training
- d. to replace employees on special assignment

The Company will advise the Union at the District Level in writing and in advance as to the reason and duration of the temporary vacancy and the name of the person filling the temporary vacancy.

Temporary vacancies shall be only for the duration of the absence of the affected employee. The duration may be extended only by mutual agreement between the Company and the Union at the District Level.

Employee reductions will not occur in a classification while a temporary vacancy is being filled in that classification.

Persons filling a temporary vacancy for more than fifty per cent (50%) of any given month will be required to pay Union dues. However, they shall not accrue any seniority under the terms of this Agreement. Persons who are not permanent employees of the Company shall receive rates of pay in accordance with Article 5; permanent employees will receive rates of pay according to Company regulations and/or their applicable collective agreement. Hours of work will conform to Article 6.

Dated at Montreal, Quebec this 16th day of March 2003.

FOR: **AIR CANADA**

FOR: **CAW-CANADA AND ITS LOCAL 2213**

S. Beisswanger
Manager, Crew Scheduling &
Resource Allocation

S. Portelance
National Representative

M. Asselin
Manager, Labour Relations -

W. Dawe
President, Negotiating Committee

**LETTER OF UNDERSTANDING NO. 5
APPLICATION OF ARTICLE 4.01.01**

Prior to the introduction of the Lead Scheduler's classification, the Company and the members of the Union Bargaining Committee shall meet no later than one (1) month in advance of posting the vacancy, to discuss its implementation, including but not limited to the filling of vacancies, staff reductions within the classification, the effects upon staff requirements in other classifications or any other matter related to the nature of the job or to the desires of the employee(s) filling the vacancy.

Notwithstanding the foregoing, the final decision with respect to the implementation of the Lead Scheduler's classification rests with the Company.

Dated at Montreal, Quebec this 16th day of March 2000.

FOR: AIR CANADA

FOR: CAW-CANADA AND ITS LOCAL 2213

S. Beisswanger
Manager, Crew Scheduling &
Resource Allocation

S. Portelance
National Representative

M. Asselin
Manager, Labour Relations -
Customer Service

W. Dawe
President, Negotiating Committee

**LETTER OF UNDERSTANDING NO. 6
JOINT HARASSMENT INVESTIGATION PROCESS**

The Company and Union recognize the right of employees to work in an environment free from harassment. All employees are to treat others with courtesy and respect and to discourage harassment. Violation of the terms of this LOU may be subject to discipline, up to and including dismissal.

This letter of understanding provides for a joint harassment investigation process that the parties will implement on a trial basis for the life of the collective agreement. During this trial, the parties agree to meet every six (6) months to review the effectiveness of the process (including whether this joint harassment investigation process should be broadened beyond the application currently outlined in the LOU).

L6.01 Under this LOU the term, harassment, refers to Discriminatory Harassment, which includes sexual harassment, as well as workplace harassment as defined by the Air Canada policy on workplace harassment. This reference to the Air Canada workplace harassment policy does not incorporate the policy into the collective agreement.

L6.02 This process applies to all complaints where the complainant and the respondent (alleged harasser) are both CAW employees. However, in instances where a CAW represented employee is a complainant or a respondent in an alleged harassment matter that involves an employee from another bargaining unit or management, a Union representative appointed by the Union can attend as an observer to the meetings.

L6.03 Complaint Process

L6.03.01 All harassment complaints will be addressed in a prompt, confidential and impartial manner. Breaches of confidentiality may be subject to discipline, up to and including discharge.

L6.03.02 Employees who believe they are the victim of harassment are encouraged to report the matter through the appropriate process outlined below. Complaints should be reported as promptly as possible and should not be reported more than ninety (90) days following the date of the alleged harassment.

Retaliation in any form against any party in a harassment investigation is unacceptable and may be subject to discipline, up to and including discharge.

L6.03.03 All information concerning the complaint will be kept confidential, and all reasonable steps will be taken by the company and the union to ensure this happens. However, any investigation report or summary may be subject to subpoena and become part of the public record. No information concerning the complaint will be placed on the file of any witness unless it is

confirmed that a witness has given false testimony or has acted in a vindictive manner.

L6.03.04 A complainant, respondent or witness is entitled to bring one support person of their choice from within their workplace (i.e. union representative or co-worker) to meetings or interviews. The support person cannot be party to the investigation, i.e. is a potential witness.

L6.03.05 The complainant must start the resolution process at Stage 1.

L6.04. Stage 1. Informal Conflict Resolution Process

An employee who believes they are a victim of harassment should make their objection known to the alleged harasser, directly or through a third party, and is encouraged to resolve the matter wherever possible on an informal basis. The employee may choose to ask for help from their local manager and/or Union representative to facilitate a meeting between the parties. The Union representative and local manager will meet the complainant together to review their concerns and subsequently meet the respondent. The Company and the Union will undertake to meet in order to resolve the matter quickly and appropriately in the spirit of establishing a better working relationship/environment.

At any point the Company or the Union may decide to discontinue the informal process and escalate the matter to Stage 2.

While the informal conflict resolution process will not make a determination on whether harassment occurred, the Company may need to address inappropriate behavior on the part of individuals involved in the dispute, and warn that future incidents of inappropriate behavior may result in discipline and the more formal investigation process of Stage 2.

Stage 1 resolutions should be completed within two (2) weeks from the date of the initial complaint.

When complaints are resolved at this stage, the Company and Union will keep a brief summary of the conflict and its resolution in a confidential conflict resolution file for a period of two (2) years from the date of the complaint, at which time the summary will be removed from both the Company and Union's conflict resolution file. The sole purpose of retaining the summary is to address situations of repeated behaviours during this period and to preserve records in the event that a complaint is filed before the Canadian Human Rights Commission.

L6.05 Stage 2. Formal Conflict Resolution Process

If the matter remains unresolved or the Union or Company has opted to bring the matter to Stage 2, the Complainant will file the complaint in writing with both the Company's Harassment Officer and the Union's Human Rights Coordinator. The complaint must be signed

and contain sufficient detail.

The Company's Harassment Officer will consult with Union's Human Rights Coordinator while establishing the admissibility of the Complaint.

When an investigation is required, the Union and the Company will each select an individual who will act as an investigator or will communicate the names of their designate. Alternatively, the Union and the Company may jointly select an external investigator with all costs shared equally.

The Union and Company designates will conduct a joint investigation to obtain and report the facts. At the beginning of the investigation the complainant's identity and the general nature of the complaint will be communicated to the respondent. The respondent will be given an appropriate amount of information regarding the complaint in order to make a detailed response.

At any time during the formal investigation process the Company can take measures to separate the employees in the workplace, if deemed necessary.

L6.05.01 At the completion of the investigation, a joint report will be prepared by the investigators. Where the preparation of a joint report is not possible, the investigators may submit separate reports in which case each will receive a copy of the other's report. Hearsay evidence, third party information and opinions must not be included in the report(s). The report(s) will include the facts of alleged harassment and will provide findings of the harassment complaint. A recommendation to resolve the complaint will be made by the Company investigator. The Union investigator may choose whether or not to submit recommendations.

The report(s) will be submitted to the Director Labour Relations and the President of the Local Union within 14 days of the filing of the complaint.

The Company and Union will each keep a copy of their report(s) in a confidential file for a period of three (3) years from the date of the complaint, at which time the summary will be removed from the Company and Union's conflict resolution file and applicable personnel record, provided that no subsequent conflict resolution process pursuant to this LOU is conducted with respect to the employee.

L6.05.02 Within ten (10) days of receiving the investigation report the Company will issue a final decision to resolve the complaint which summarizes the findings of the investigation and indicates whether harassment has been or has not been substantiated. This decision will be communicated in writing to the complainant, the respondent, the Union's Human Rights Coordinator, the Director Labour Relations and the President of the Local Union.

L6.06 Review Process

Where the complainant and/or respondent is not satisfied with the Company decision, a letter requesting a review of the decision will be sent to the Director Labour Relations within fourteen (14) days of receipt of the decision. The letter will contain sufficient information to detail the reasons why the employee is requesting a review.

The Director Labour Relations and the President of the Local will jointly review the decision.

Where the Union is not satisfied with the outcome of the joint review, the discipline imposed by the Company, or the measures that are implemented in the workplace as a result of the harassment complaint, the Union can file a grievance and refer the matter to expedited arbitration with a single arbitrator who shall be selected by mutual agreement between the Company and the Union. The arbitrator will be selected within fourteen (14) days of the receipt of the decision and will render a decision on the matter within two (2) months following the conclusion of the hearing.

Despite other language in this collective agreement regarding the imposition of discipline and the filing of a grievance, the appeal of discipline, excluding discharge, arising from harassment complaints that are initiated under this LOU and thus subject to a joint investigation process, will be resolved through this review process. Accordingly, this review process is not available in cases of harassment which fall beyond the current scope of this joint investigation process (harassment complaints involving members from other unions or management).

L6.06.01 In cases of Discriminatory Harassment where the complainant is not satisfied with the final outcome of the process s/he has the right to seek redress under the Canadian Human Rights Act.

L6.07 Time Lines

Time lines in the Formal conflict resolution process may be adjusted with the mutual consent of the President of the Local Union and the Director Labour Relations.

LETTER OF UNDERSTANDING No. 7
WORKPLACE RELOCATION

In the event the Company relocates its operation either partially or totally, and should such relocation result in permanent employees being declared surplus, the Company is committed to the following:

- a) Vacancies at the new location/workplace will be offered to employees at the affected location/workplace in order of seniority.
- b) Employees who decide to relocate, will have the right to transfer at Company expense and in accordance with Company regulations.
- c) In the event no vacancies exist in their current classification, surplus employees may elect to fill vacancies in a lower classification at either the existing or the new location/workplace in which case employees will have their rate of pay protected for a three (3) year period effective the date of transfer. During this three (3) year period, these employees will provide relief duties in the higher classification at their location/workplace.
- d) Surplus employees may elect voluntary severance in which case they will be provided with a termination award of two (2) weeks pay for each full year of Company service to a maximum of fifty - two (52) weeks of pay.
- e) In the event a surplus employee does not wish or is unable to transfer or does not desire the severance award option, then the provisions of Article 10.09.04.03, 10.09.04.04, and 10.10 will apply. In the event a surplus employee who has elected lay-off status is not recalled, then such employee may, at any time during the thirty-six (36) consecutive month period as set out in Article 10.07.04, elect voluntary severance in accordance with d) above.

- f) The Company shall advise the Union in writing as soon as possible in advance of the contemplated move (partial or total), but in any event, no less than ninety (90) days prior to the move.
- g) The parties shall meet immediately following the advice with a view to resolving all outstanding related problems.
- h) This Collective Agreement will apply and remain in full force and effect at the new location/workplace.

Dated at Montreal, Quebec this ____ day of _____, ____.

FOR: AIR CANADA

FOR: CAW-CANADA AND ITS LOCAL 2213

S. Beisswanger
Manager, Crew Scheduling &
Resource Allocation

S. Portelance
National Representative

M. Asselin
Manager, Labour Relations -
Customer Service

W. Dawe
President, Negotiating Committee

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**LETTER OF UNDERSTANDING No. 9
PAYROLL ERROR**

Underpayments on a pay cheque resulting from an error which are in excess of fifty dollars (\$50.00) will be reimbursed on a separate cheque within fourteen (14) days of the Company receiving notification and validation of such underpayment.

Signed on June 7, 2009 at 9:07pm

Harlan Clarke
Director Labour Relations

Carlo Levore
CAW National Representative

**LETTER OF UNDERSTANDING No. 10
ANNUAL VACATION PAY ADJUSTMENT**

The Parties agree to meet annually in February to review annual vacation pay adjustments. Payment of the annual vacation pay adjustments will be made prior to May 31 of each year.

LETTER OF UNDERSTANDING No. 11
BIDDING OF MIDNIGHT SHIFTS

The Company recognized the request of the Union to have midnight shifts bid by order of seniority, up to three (3) cycles of midnight shifts. The parties therefore agree that for the vacation bid of 2010, the parties will, on a trial basis implement the midnight shift bid by order of seniority, up to three (3) cycles of midnight shifts. Prior to the vacation bid of 2011, the parties will assess the success of this trial and determine the desirability of continuing the bidding of midnight in this manner.

**LETTER OF UNDERSTANDING No. 12
VACATION WAITING LIST PROCESS**

The Company and the Union agree to discuss by July 31, 2009 a process to ensure the effective implementation of the vacation waiting list specified under article 14.05 of the collective agreement.

LETTER OF UNDERSTANDING No. 13
EXPEDITED GRIEVANCE PROCESS

General dispositions

- L13.01** The parties agree that, unless modified hereinafter, the regular provisions of Articles 15, 16 and 17 of the current Collective Agreement will continue to apply.
- L13.02** The parties agree to jointly select a Chief Arbitrator. The mandate of the Chief Arbitrator shall be for the duration of the current Collective Agreement.

Expedited Grievance Process

- L13.03** Notwithstanding Articles 15 and 16 and with respect to grievances which will be pursued under the expedited process, the parties agree to complete the grievance procedure set out in Articles 15 and 16 within a 30 day period.

The Union will file its grievances in the following manner:

Level 1 grievances: individual grievances shall be sent to the Location/Base manager, or his/her designated representative.

Level 2 grievances: policy grievances and headquarter grievances shall be sent to the Director Labour Relations, or his/her designate representative.

The party who files the grievance agrees to provide the Chief Arbitrator with a copy of the grievance.

- L13.04** Notwithstanding Articles 15 and 16 and with respect to grievances which will be pursued under the expedited process, all grievances will be heard at only one level in the grievance process above.

Expedited arbitration process

- L13.05** Following the Level 1 or Level 2 decision rendered in accordance with L13.04, either party can request that the matter be referred to an expedited arbitration process or referred to a single arbitrator pursuant to Article 17 of the Collective Agreement.
- L13.06** The expedited arbitration process will be conducted in a manner consistent with a conventional arbitration process (i.e. opening statements, examination in chief, cross examination, reply and closing statements). However, testimonies may be replaced by

witness statements. A copy of the witness statements will be provided to the arbitrator and exchanged between the parties five (5) days prior to the hearing. Cross examination and reply will proceed as usual.

- L13.07** Five (5) days prior to the hearing, the parties will exchange briefs and provide the arbitrator with a brief which will concisely set out the facts and submissions in support of the parties' position.
- L13.08** The arbitrator will provide brief reasons for his decisions.
- L13.09** The parties will share equally the costs of pre-hearings, mediations and arbitrations. If the arbitrator hears more than one case in a day involving different unions, costs will be appropriated between the Unions.

LETTER OF UNDERSTANDING No. 14
RECIPROCAL CHANGE OF CLASSIFICATION/ FUNCTION

- L14.01** Once a year, as soon as possible following February 1st, the Company and Union at the Headquarters Level will meet to determine where vacancies or staff requirements will be declared for the purpose of actioning reciprocal requests for change of classification and/or function.
- L14.02** Reciprocal change of classification and/or function will be declared wherever there is a matching request between employees. The Union will not entertain any Article 12 grievances from other employees affected.
- L14.03** Offers will be considered conditional until such time as the reciprocating change of classification and/or function have been accepted by the employee(s) involved.
- L14.04** An employee changing classification and/or function under this LOU must remain in the new classification and/or function for a minimum of twenty-four (24) months.
- L14.05** The Company will not be responsible for any moving expenses incurred by an employee due to a reciprocal change of classification and/or function pursuant to this LOU.

LETTER OF COMMITMENT No. 1

Letter of Commitment 2011 - No. 1 – Special Assignment Premiums

- [1] The Company commits to maintain the premiums paid to current employees on special projects pursuant to Article 8;
- [2] For future special projects, the Company commits to discuss the premium that will be attached to each special project with the Union prior to posting the special project.

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Following ratification of this Collective Agreement, the Company will conduct a feasibility assessment of an online shift trade system that would replace the current paper shift trade system. The results of the feasibility assessment will be shared with the Union.

If the conclusion of the feasibility assessment is negative, discussions will take place at the local level to improve the current paper shift trade system.

The Company recognizes that changes in different communications media may occur, especially in the field of social media. When the parties have completed the assessment of the redistribution of work, duties and responsibilities of the Crew Scheduler and Assistant Schedulers assigned to the Crew Resource Planning Department, the parties commit to discuss the possible impact of social media on the work, duties and responsibilities currently performed by the employees in this department.

However, this does not preclude the Company from maintaining its current processes related to *Stratosphere*.

Appendix 1

MEMORANDUM OF AGREEMENT

BETWEEN

AIR CANADA

(The “Company”)

AND

IN-FLIGHT SERVICE CREW RESOURCE UTILIZATION PERSONNEL as represented by the NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW-CANADA) AND ITS LOCAL 2002

(The “Union”)

Whereas the parties’ collective agreement for the In-flight Service Crew Resource Utilization Personnel was effective from August 22, 2009 to May 22, 2011.

Whereas the Union provided the Company with a notice to bargain on May 18, 2011.

Whereas the parties met in order to renegotiate the terms and conditions of the Collective Agreement.

Whereas the Union requested the appointment of a conciliator to assist the parties conclude a collective agreement.

Whereas the parties understand the importance of securing and ensuring solvency funding for Air Canada’s Pension Plans with the CAW.

And whereas the parties recognize the importance of concluding a collective agreement without either party engaging in industrial action.

Therefore the Parties have agreed that the collective agreement will be renewed, subject to the changes set out in Appendices 1, 2, and 3 of this Memorandum and summarized below.

Accordingly, the parties agree as follows:

Term

- [1] The collective agreement is renewed for a term of 4 years effective May 23, 2011 until May 22, 2015. All modifications outlined in this Memorandum of Agreement and the Appendices will come into effect upon ratification by employees represented by the Union and upon approval by the Air Canada Board of Directors, unless otherwise specified.

Rates of Pay

- [2] Article 5.04 of the collective agreement will be replaced as follows:

- 5.04.01 *The following rates of pay will be applicable to Crew Schedulers for the duration of the collective agreement, retroactive from May 23rd 2011:*

Crew Schedulers		
Step	Progression	Rate
1	52 weeks	\$16.45
2	52 weeks	\$17.52
3	52 weeks	\$18.66
4	52 weeks	\$19.87
5	52 weeks	\$21.16
6	52 weeks	\$22.54
7	52 weeks	\$24.00
8	52 weeks	\$25.56
9	52 weeks	\$27.22
10	52 weeks	\$28.98

- 5.04.02 *The following rates of pay will be applicable to Assistant Schedulers for the duration of the collective agreement, retroactive from May 23rd 2011:*

Assistant Schedulers		
Step	Progression	Rate
1	52 weeks	\$12.93
2	52 weeks	\$13.80
3	52 weeks	\$14.72
4	52 weeks	\$15.71
5	52 weeks	\$16.76
6	52 weeks	\$17.88
7	52 weeks	\$19.08
8	52 weeks	\$20.36
9	52 weeks	\$21.72
10	52 weeks	\$23.16

5.04.03 *Employees that are granted a Lead Scheduler position will be compensated in accordance with the Crew Scheduler scale, continue their progression within that scale, if applicable, and will receive a ten percent (10%) premium on their wages.*

[3] Notwithstanding paragraph 2 above, current employees will be grandfathered in the following scales. If they are granted a Lead Scheduler position they will continue their progression within these scales, if applicable, and will receive a ten percent (10%) premium on their wages:

Former Montreal Based Crew Scheduler Grandfathered Hourly Rates Effective May 23rd 2011					
STEP	Progression	2011	2012	2013	2014
1	26 weeks	\$16.78	\$17.11	\$17.46	\$17.98
2	26 weeks	\$17.83	\$18.19	\$18.55	\$19.11
3	26 weeks	\$18.89	\$19.27	\$19.65	\$20.24
4	26 weeks	\$19.96	\$20.36	\$20.77	\$21.39
5	26 weeks	\$21.03	\$21.45	\$21.88	\$22.54
6	26 weeks	\$22.11	\$22.56	\$23.01	\$23.70
7	26 weeks	\$23.15	\$23.62	\$24.09	\$24.81
8	26 weeks	\$24.23	\$24.71	\$25.20	\$25.96
9	26 weeks	\$25.29	\$25.79	\$26.31	\$27.10
10	26 weeks	\$26.37	\$26.89	\$27.43	\$28.26
11	26 weeks	\$27.42	\$27.97	\$28.53	\$29.38
12	52 weeks	\$28.49	\$29.06	\$29.64	\$30.53
13	52 weeks	\$29.56	\$30.15	\$30.75	\$31.68

Former Montreal Based Assistant Scheduler Grandfathered Hourly Rates Effective May 23rd 2011					
STEP	Progression	2011	2012	2013	2014
1	26 weeks	\$13.19	\$13.45	\$13.72	\$14.13
2	26 weeks	\$14.05	\$14.33	\$14.61	\$15.05
3	26 weeks	\$14.89	\$15.19	\$15.49	\$15.96
4	26 weeks	\$15.73	\$16.04	\$16.36	\$16.85
5	26 weeks	\$16.59	\$16.92	\$17.26	\$17.77
6	26 weeks	\$17.44	\$17.79	\$18.15	\$18.69
7	26 weeks	\$18.28	\$18.64	\$19.02	\$19.59
8	26 weeks	\$19.14	\$19.52	\$19.91	\$20.51
9	26 weeks	\$19.99	\$20.39	\$20.80	\$21.42
10	26 weeks	\$20.83	\$21.24	\$21.67	\$22.32
11	26 weeks	\$21.66	\$22.10	\$22.54	\$23.22
12	52 weeks	\$22.50	\$22.95	\$23.41	\$24.11
13	52 weeks	\$23.37	\$23.84	\$24.31	\$25.04
14	52 weeks	\$23.62	\$24.10	\$24.58	\$25.31

Voluntary Separation Packages

[4] Air Canada will provide a total of five (5) Voluntary Separation Packages (VSPs) to be offered by seniority to all employees in the In-flight Service Crew Resource Utilization Personnel group. The application period for these VSPs will commence after ratification and end on March 31st 2012.

The VSPs will be equivalent to two (2) weeks per full year of service to a maximum of fifty-two (52) weeks.

Employees opting for this VSP must sever their employment no later than November 30th 2012.

Air Canada will pay the VSPs through equal payments over the twelve (12) months following the employee's date of severance. Any unsubscribed VSPs will expire.

Relocation to the Greater Toronto Area (GTA)

- [5] The Letter of Commitment which relates to the Location of Operations is expired and replaced by Appendix 2.

Benefits

- [6] Employees will now receive vision care coverage for laser eye surgery to a maximum of \$600.00 provided no further claims under the vision plan had been made in a forty-eight (48) month period.

Pension and Mandatory Retirement

- [7] The Pension Plan will be modified as per Appendix 3. Any modifications to the collective agreement that are required as a result of Appendix 3 will require the agreement of the Union.
- [8] All references to the normal age of retirement at age 65 (mandatory retirement at age 65) will be eliminated in the collective agreement. A description of benefits for employees over the age of 65 is also included in the Collective Agreement.

Scope and Classification

- [9] A reciprocal process has been established to allow existing employees within the Crew Resource Planning Department an opportunity to switch classifications and/or functions.
- [10] The Company has confirmed that the current bargaining unit is responsible to schedule flights operated by Air Canada flight attendants (excluding flights operated by Air Canada Jazz flight attendants) that are represented by the Canadian Union of Public Employees, Air Canada Component.
- 11] The premium attached to the special assignments in article 8.01 has been clarified.
- [12] Upon completion of the assessment of the redistribution of the work, duties and responsibilities of the Crew Schedulers and Assistant Schedulers assigned to the Crew Resource Planning Department, the parties commit to discuss the possible impact of social media on the work, tasks and responsibilities currently performed by the employees in the In-flight Service Crew Resource Utilization Personnel group.

Staffing and scheduling

- [13] In cases where the company makes an error in the awarding of overtime, a process has been established to allow employees to work an equivalent number of hours.

- [14] The available time bank options have been modified to allow for a time bank of one hundred (100) hours.
- [15] The rules regarding the scheduled days off for employees have been clarified.
- [16] A vacation purchase program (VPP) has been established to permit eligible employees to purchase one (1) additional week of vacation per year.
- [17] When an employee is recalled to work on a scheduled day-off, the employee will now be credited the greater of four (4) hours at time and one half (1.5x) or the hours worked at time and a half (1.5). However this does not apply to training.
- [18] The Company will conduct feasibility assessment of a new online shift trade system.

Human Rights

- [19] A joint harassment process to investigate harassment within the workplace will be implemented on a trial basis for the duration of the collective agreement.

Notice items

- [20] The Company provided notice that the Sharing Our Success (SOS) program will be discontinued at a date to be determined.
- [21] The Company provided notice that Service Charges for travel privileges will be reinstated.

Miscellaneous items

- [22] The Company agrees to prepare and print English and French versions of the collective agreement within six (6) months of ratification. However, for this collective agreement, the timelines for the publication of the French version will be waived to allow for additional time.
- [23] The Parties agreed to an expedited grievance and arbitration process.

Editorial items

- [24] All collective agreement provisions will be reviewed to ensure gender neutrality.
- [25] All article references will be adjusted to ensure accurate cross referencing of all articles in the collective agreement.
- [26] The parties agree to replace the word “unpaid” by “paid” in Article 6.03.01.

The Parties agree that this Memorandum provides for an overview of the items agreed upon by the Parties. If there are any discrepancies or inconsistencies between the language of this summary and the agreed upon language in the Appendices, which form an integral part of this Memorandum, then the language in the Appendices will prevail.

This Memorandum and Appendices herein attached have been unanimously recommended for acceptance by the Union Bargaining Committee and the Air Canada Bargaining Committee.

The Memorandum and Appendices come into force upon ratification by the employees represented by the Union and approval from the Air Canada Board of Directors.

Agreed to in Montreal, this _____ day of February, 2012.

For Air Canada

For the CAW Canada and its Local 2002

Kevin Pavelack

Leslie Dias

Etienne Cere

Darryl Draeger

Nick Attardo

Frank Spinelli

Francois Chiquette

Karine Drolet

Giuseppe Morello

Franco Santone

Ron Smith

Appendix 2**Air Canada (the “Company”)**

and

**In-flight Service Crew Resource Utilization Personnel
(CAW – Local 2002)
(the “Union”)**

WHEREAS on June 7, 2009 the Company and the Union signed the Letter of Commitment No. 1 which indicated that for the life of the collective agreement the In-flight Service Crew Resource Utilization Personnel (“IFS group”) would continue to be located in the Montreal office.

WHEREAS Letter of Commitment No. 1 expired on May 22, 2011.

WHEREAS on October 26th 2011 the Company announced that it would relocate the IFS group to a new Operational Control (“new OC”) facility that will be built in the Greater Toronto Area (“GTA”).

WHEREAS the new OC facility is scheduled to open in March 2014.

AND WHEREAS the parties have engaged in discussions to provide for the details of the relocation of a portion of the IFS group from the Montreal office to the new OC facility.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. GENERAL

- A. For the purpose of this appendix, the IFS group is comprised of two (2) distinct departments:
- i. **Crew Resource Planning Department** – This department is comprised of the reserve planning, long-term planning, records and hotel functions.
 - ii. **Day-of-Flight Department** – This department is comprised of the Day-of-Flight Crew Scheduler functions and the Day-of-Flight assistant Crew Scheduler functions.
- B. For the purpose of this appendix the new OC designates the Air Canada facility currently under construction in Brampton, within the GTA.
- C. For the purpose of this appendix, the transition period commences upon ratification of the tentative agreement and ends on March 31st 2016.

- D. All employees in the IFS group currently located in the Montreal office may continue to work in the Montreal office until the end of the transition period.
- E. Throughout the transition period, employees who are asked by the Company to provide “on the job” coaching to new or existing employees in either the Montreal office, the current SOC Center or the new OC, will receive a fifteen percent (15%) premium on all wages associated with the shift during which they provided coaching.

2. CREW RESOURCE PLANNING DEPARTMENT:

- A. The functions performed by the Crew Resource Planning Department will remain in the Montreal office and all future vacancies within this department will be declared in the Montreal office.
- B. The parties agree to discuss the redistribution of work, duties and responsibilities of the Crew Schedulers and Assistant Schedulers assigned to the Crew Resource Planning Department.

3. DAY-OF-FLIGHT DEPARTMENT:

- A. The parties agree that the Day-of-Flight department will be relocated to the new OC by the end of the transition period;
- B. Upon ratification, all vacancies within the Day-of-Flight department will be declared in the new OC.
- C. Throughout the transition period, the Company may assign employees working within the Day-of-Flight department of the Montreal office to perform Day-of-Flight scheduling functions in the current SOC Center or in the new OC. In such cases, the following will apply:
 - i. Selection and compensation of the assigned employees will be pursuant to the provisions of Article 8.01 (Relief, Special and Temporary Assignments) and to the Letter of Commitment 2011 #1.
 - ii. Employees selected and assigned under point 3 C) i. will receive a seventy dollar (\$70) *per diem* allowance.
 - iii. Employees selected and assigned under point 3 C) i. will be provided POS pass air transportation, ground transportation to and from their GTA work location and will be accommodated in Air Canada designated hotels for the duration of their assignment.

4. EMPLOYEE RELOCATION PROCESS

- A. Between March 15th 2013 and April 15th 2013, employees within each classification will have the opportunity to select amongst the voluntary relocation options below. If there are more volunteers than the total number of positions to be relocated in the new OC, the Company will accept the employees’ selection, in order of seniority, in the following sequence:

- i. **Relocation** to the new OC between March 1st 2014 and March 31st 2016 - The *Air Canada Employee Relocation Policy* will be applicable to these employees.
- ii. **Layoff status with recall rights** - Employees may opt to take layoff status as of March 31st 2016 with recall rights to a position within the Montreal office or the new OC for a period of sixty (60) consecutive months or for the number of completed months within the In-Flight Service Crew Resource Utilization Personnel group, whichever is greater. Notwithstanding Article 10.10.06, if an employee refuses a recall to one of the offices (Montreal office or New OC), the employee will maintain recall rights to the other office.
- iii. **Voluntary Severance Packages (“VSP”)** - These VSPs will provide employees with three (3) weeks of pay for each full year of Company service to a maximum of fifty-two (52) weeks of pay. Upon selection of this option, employees will indicate their preferred severance date(s) which must be between July 1st 2013 and March 31st 2016. Preferred severance dates will be granted in order of seniority contingent upon the Company’s operational requirements. VSPs will be paid through equal payments over the twenty-four (24) months following the employees’ severance date.

Employees who have completed twenty-five (25) years of continuous Company Service, factor 80 (age plus continuous or qualifying service) or age 65 with a minimum of ten (10) years of continuous company service as of their date of severance, will receive retiree travel privileges.

Employees who are not eligible for retiree travel privileges will receive an allotment of two (2) C3/Y10 passes per year of continuous service, to a lifetime maximum of forty (40) passes for each of the employee, spouse and eligible dependant(s). Passes can be used at any time (no yearly limit) and have no expiry date. However, once the former employee’s allotment of passes is fully used, the travel profile will be closed and all of the remaining passes (if any) for the spouse and eligible dependant become void. The same applies upon death of the former employee.

Alternative Employment within the Montreal Call Centre. Employees will be guaranteed a full-time position within the Montreal Call Centre. The wages of these employees will be red circled for three (3) years from their first training day in the Montreal Call Centre.

B. Between May 1st 2013 and June 1st 2013, employees within each of the classifications will be subject to the following options in reverse order of seniority to the extent necessary to complete the relocation of the Day-of-Flight department following the completion of the voluntary process above:

- i. **Relocation** to the new OC between March 2014 and March 31st 2016 - The *Air Canada Employee Relocation Policy* will be applicable to these employees.
- ii. **Layoff status with recall rights** - Employees may opt to take layoff status as of March 31st 2016 with recall rights to a position within the Montreal office or the new OC for a period of sixty (60) consecutive months or for the number of completed months within the In-Flight Service Crew Resource Utilization Personnel group, whichever is greater. Notwithstanding Article 10.10.06, if an employee refuses a recall to one of the offices (Montreal office or New OC), the employee will maintain recall rights to the other office.
- iii. **Voluntary Severance Packages (“VSP”)** - These VSPs will provide employees with three (3) weeks of pay for each full year of Company service to a maximum of fifty-two (52) weeks of pay. Upon selection of this option, employees will indicate their preferred severance date(s) which must be between July 1st 2013 and March 31st 2016. Preferred severance dates will be granted in order of seniority contingent upon the Company’s operational requirements. VSPs will be paid through equal payment over the twenty-four (24) months following the employees’ severance date.

Employees who have completed twenty-five (25) years of continuous Company Service, factor 80 (age plus continuous or qualifying service) or age 65 with a minimum of ten (10) years of continuous company service as of their date of severance, will receive retiree travel privileges.

Employees who are not eligible for retiree travel privileges will receive an allotment of two (2) C3/Y10 passes per year of continuous service, to a lifetime maximum of forty (40) passes for each of the employee, spouse and eligible dependant(s). Passes can be used at any time (no yearly limit) and have no expiry date. However, once the former employee’s allotment of passes is fully used, the travel profile will be closed and all of the remaining passes (if any) for the spouse and eligible dependants become void. The same applies upon death of the former employee.

- iv. **Alternative Employment within the Montreal Call Centre** - Employees will be guaranteed a full-time position within the Montreal Call Centre. The wages of these

employees will be red circled for three (3) years from their first training day in the Montreal Call Centre. These employees will be granted recall rights to the Crew Resource Planning Department within the Montreal office for a period of sixty (60) consecutive months or for the number of completed months within the In-Flight Service Crew Resource Utilization Personnel group, whichever is greater.

- v. **Six (6) month special training assignment** – Employees selecting this option will be granted POS pass air transportation, for work purposes, between Montreal and Toronto in order to provide additional training at the new OC for a period of six (6) months from March 31st 2016 until September 30th 2016. Three (3) months before the expiration of this six (6) month period, the employees will notify the Company of their intent in regard to the following options:

- a. To maintain their employment within the new OC.
- b. To accept alternative employment within the Montreal Call Centre with the red circling conditions as outlined in 4 B iv.

If the employees do not complete this six (6) month period, they will not be entitled to the options outlined in 4 B. v b).

- vi. **Displacing employees in the lower classification** - In addition to the options above, employees within the Scheduler classification can displace a junior Assistant Scheduler who is not subject to relocation.

The displaced junior Assistant Scheduler(s) will then be provided with options i. through v.

- C. The Company and the Union will meet with each individual employee no later than July 1, 2013, to discuss the effective date of their selected option. If required, the Company and the Union will meet to discuss and address any individual concerns.

5. ADDITIONAL MEASURES

- A. **Career Support** - The Company will provide employees who do not wish to relocate to Toronto with professional career support to assist these employees in finding employment either within or outside the Company.

The above career support will be provided for a maximum period of three (3) months from the date the employee first uses the career support services.

- B. **Preferential consideration for alternate employment** - The Company will give employees who do not wish to relocate to Toronto preferential consideration on any job openings (unionized or not unionized) provided that employees possess the necessary qualifications.

The above preferential consideration will be provided for a maximum period of three (3) months from the date the employee first uses the career support services.

6. FINAL PROVISIONS

- A. Three (3) months prior to the scheduled opening of the new OC, the parties will meet to review the transition details in order to explore the feasibility of transitioning some functions earlier than outlined in this appendix.
- B. For the duration of the transition period and notwithstanding Article 18.04.03, the District Chair will be granted two (2) shifts each month for union time off at a time mutually agreeable by the Company and the District Chair. Additional union time off for the District Chair that is required for issues related to the relocation will be subject to mutual agreement between the Company and the District Chair.
- C. The parties understand that this appendix governs the entire relocation to the new OC and is not subject to renegotiation.

Appendix 3**Air Canada (the “Company”)**

and

**In-flight Service Crew Resource Utilization Personnel
(CAW – Local 2002)
(the “Union”)****Memorandum of Agreement – Pension Plan Sustainability****Changes for Current Employees**

The Company and the Union agree to the following changes to help address the solvency funding of the Air Canada pension plans for CAW crew schedulers by replacing the rules to calculate early retirement pension by the following:

- a provision in the Air Canada Pension Plan stating that an unreduced pension is payable for CAW crew schedulers who retire on or after age 55, with 85 points and with the consent of Air Canada.
- a provision in the CAIL CAW Plan stating that an unreduced pension, in respect of Air-Canada-type service, is payable for CAW crew schedulers who retire on or after age 55 with 85 points and with the consent of Air Canada. However, the provision in the CAIL CAW Plan stating that an unreduced pension, in respect of CAIL-type service, is payable for CAW crew schedulers who retire either on or after age 55 with 25 years of service or on or after age 60 with 80 points and with the consent of Air Canada is maintained.
- provisions under both plans, whereby pensionable age shall be age 65; any CAW crew scheduler 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 CAW Collective Agreement stating that Air Canada will not deny consent for an unreduced pension payable for CAW crew schedulers retiring on or after age 55 with 85 points from the Air Canada Pension Plan.
- a provision in the CAW Collective Agreement stating that Air Canada will not deny consent for an unreduced pension payable for CAW crew schedulers retiring on or after age 55 with 85 points from the CAIL CAW Plan, in respect of Air Canada-type service.

- a provision in the CAW Collective Agreement stating that Air Canada will not deny consent for an unreduced pension payable for CAW crew schedulers retiring either on or after age 55 with 25 years of service or on or after age 60 with 80 points from the CAIL CAW Plan, in respect of CAIL-type service.
- A provision in the CAW Collective Agreement stating that CAW crew schedulers who are involuntarily terminated will receive consent for an unreduced pension from the date they would have reached the age of 55 with 85 points, without projection of service, or for CAIL-type service, age 55 with 25 years of service or age 60 with 80 points, as currently provided under the pension plan rules. 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.

The above changes will take effect January 1, 2013.

The CAW will support Air Canada's request for OSFI's approval for the above pension plan changes.

Changes for Employees Hired On or After the Date of Ratification

CAW crew schedulers hired on or after the date of ratification of this agreement will join the hybrid component of the Air Canada Pension Plan established for CAW customer service agents hired on or after June 27, 2011.

Amendments

By signing this MOA, the parties have agreed to the above changes. Air Canada shall draft amendments to amend the text of the Air Canada Pension Plan and the Pension Plan for Air Canada CAW Employees Formerly Employed by Canadian Airlines International Ltd., and draft any other documents required to implement this MOA for the CAW's review and confirmation that such amendments properly reflect the terms of the MOA.

Signed this _____ day of February 2012 in _____.

Kevin Pavelack

Leslie Dias

Etienne Cere

Frank Spinelli