



Canadian

CAW  TCA
CANADA

AGREEMENT

between

AIR CANADA/CANADIAN AIRLINES
INTERNATIONAL LIMITED

and those employees

in the service of

CANADIAN AIRLINES INTERNATIONAL LIMITED

as represented by the

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

LOCAL 1990

Contract No. 4

Effective: June 3, 2000 - December 31, 2000
(Extended until March 27, 2004)

09069(05)

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LOCAL **1990**

Contract No. 4

Effective: June **3, 2000** - December **31, 2000**
(Extended until March **27, 2004**)

THIS COLLECTIVE AGREEMENT BOOKLET IS THE PROPERTY OF:

PLEASE PRINT

Surname _____

Given or first names _____

Address _____

City _____

Province _____ Postal Code _____

I am employed at: AIR CANADA

Address _____

City _____

Province _____ Postal Code _____

IF FOUND, PLEASE MAIL THIS BOOK TO EITHER OF THE ABOVE ADDRESSES.

Re: AC/C.A.W. Local 2213 Contract No. 29 as it applies to
CAIL/C.A.W. Local 1990 Contract No. 4:

NOTE #1

All references to Air Canada and C.A.W. - Local 2213 in this collective agreement, except as noted in the MOU between Air Canada, Canadian Airlines International Ltd. and C.A.W. Canada Local 1990, dated May 4, 2000, the LOI between Air Canada, Canadian Airlines International and CAW Local 1990, dated May 4, 2000 and Letter from Pat Heinke to Gary Fane dated May 4, 2000 in respect to Article 2.03 will apply and correspond respectfully to Air Canada/Canadian Airlines International Ltd. and C.A.W. - Local 1990.

MEMORANDUM OF UNDERSTANDING

AIR CANADA / CANADIAN AIRLINES INTERNATIONAL LTD.

- AND -

CAW - CANADA, LOCAL 1990

The management of Air Canada and Canadian Airlines have requested that the CAW - Canada Bargaining Committee from Local 1990, agrees to the application of the terms and conditions of the Air Canada Collective Agreement to all CAW members working at Canadian. The purpose of the Companies' request is to establish a long-term stable relationship based on mutual interests and to achieve synergies in the context of a fully integrated flight schedule.

Accordingly, the parties agree as follows:

1. Effective **June 3, 2000**, all provisions of the **Collective** Agreement No. 3 between Canadian Airlines and the **CAW-Canada, Local 1990** will be repealed with the exception of the following provisions:
 - Preamble and Article 1: Union recognition clause
 - Articles **8.20, 8.21** and **8.22: Seniority** Lists
 - And all other specifications set out in paragraph 3 below.
2. Effective **June 3, 2000**, all provisions of the **Collective Agreement between Air Canada and the CAW- Canada, Local 2213** (including any negotiated amendments) will apply to CAW members working at Canadian with the exception of the following provisions:
 - Article 2.01: Union recognition clause
 - **Article 10: Seniority** List
 - And all other specifications set out in **paragraph 3** below.
3. More particularly, the parties agree to the following transition measures to facilitate the application of the Air Canada **Collective Agreement** as stated above:
 - (a) Wages: Effective **June 3, 2000**, Canadian **Airline** employees will be placed at the applicable hourly pay rates as outlined in **Article 5** which is closest to but not less than the **employers current** hourly wage rate, and will be paid the weekly rate consistent with **Article 6.01, Hours of Work**. Scheduled **advancement in pay** will be as provided for in **Article 5.03**, based on the employee's date of progression into their current level on the scale. In addition, the **Wage** Reduction Program as described in LOU 29 of da **Canadian Airlines/CAW Collective** Agreement No. 3 will be discontinued consistent with the cost savings and **productivity**

improvements associated with the transition to the terms and conditions of the Air Canada/CAW Collective Agreement.

- (b) Employment Security: Air Canada and Canadian Airlines commit that no employee covered by this Memorandum will be subject to involuntary lay-off from their Base, or involuntary relocation from their Base, until March 27, 2004.
- (c) **Scope:** It is understood that upon advice of ratification of this Memorandum of Understanding the employees represented by Local 2213 will be exempt from the restrictions contained in the "Scope" provisions of the amended Local 1990 Collective Agreement in order to permit the utilization of the other carrier's employees to serve CAIL customers and support the operational requirements of the integrated flight schedule.

It is agreed to incorporate Canadian Airlines employees identified as JVCDC, PSR, CSA, Groups, into the Customer Sales and Service Agent Classification in accordance with Article 4.02. Employees in JVCDC, PSR, and Groups may remain in these functions/classifications subject to operational and/or information technology requirements. Remaining surplus employees will be redeployed within their current base.

Those Canadian Airlines employees in the functions/classifications of:

- Operations Agents (Turn Coordinators)
- Central cargo Loadplan
- Cargo Services
- Baggage Services

will remain in these functions/classifications until union jurisdictional issues are resolved. The Companies are encouraging the affected bargaining agents to resolve the related issues as soon as possible. If not resolved in a timely manner the issue will be referred to a third party for resolution.

- (d) **Work Schedules:** The development of work schedules, in accordance with Article 6.03, will begin immediately following advice of ratification of this Memorandum for those work schedules to be bid and implemented effective June 3, 2000.

Canadian Airlines employees in the Concierge function may bid the VIP function in accordance with the above at those bases where such operational requirements are identified by the Company.

Canadian Airlines employees in the Lead function who wish to remain in that function will be considered qualified to stand for election in accordance with LOU No. 22 of the Agreement.

Reduced time and retirement phase-in employees of Canadian Airlines who are working more than twenty (20) hours per week will have the ability to elect to reduce their hours to twenty (20) hours per week in accordance with the Air Canada/CAW Collective Agreement. Otherwise, and in recognition of the potential loss of income which would result from an immediate decrease in hours, employees will have their hours grandfathered at the average of the reduced time hours scheduled in the location over the previous year for the life of the Agreement. However, once an employee has elected to select less than the grandfathered hours, this option is no longer available.

- (e) **Vacations:** Bid vacations for the year 2000 will be taken as awarded. Vacations for the year 2001 will be bid separately in accordance with the provisions of Article 14.
- (f) **Sabbatical Leave:** Canadian Airlines employees who have commenced a Sabbatical Leave program in accordance with Article 16.11 of the Canadian Airlines/CAW Collective Agreement will have the option of terminating their participation in the Program or grandfathered until their leave has been taken. No new such leaves will be permitted.
- (g) **Grievances, Discipline and Arbitration:** Immediately following advice of ratification, the parties will convene at the Headquarters level to discuss a methodology in the resolution of all outstanding issues and the application of Articles 15, 16, and 17. Until agreement is reached on the outstanding items, the provisions of Articles 23 and 24 of the Canadian Airlines/CAW Collective Agreement will continue to apply to such grievances. Disciplinary correspondence on an employee's records as of the date of ratification of this Memorandum will be handled according to Article 22.10 of the CAW Local 1990/Canadian Airlines Collective Agreement No.3.
- (h) **Union Business:** Immediately following advice of ratification, the parties will convene at the Headquarters level to discuss the application of Article 18.
- (i) **Insurance Plans, Benefits and Pension Plan:** Immediately following advice of ratification, the parties will convene at the Headquarters level to discuss a methodology to provide for an orderly transition to the Air Canada Insurance, Benefit and Pension Plans. Canadian Airlines employees currently working on retirement phase-in will be grandfathered

at their current **terms**, conditions and benefits to the **extent** they exceed those for Air Canada **employees** on retirement phase-in.

With **respect** to the Air Canada Pension Plan, Canadian employees upon **membership** will participate for **future** service; however, their combined Canadian and Air Canada service will be **utilized** to determine service eligibility for retirement.

- (j) **Language:** Immediately following advice of ratification, the parties will **convene** at the Headquarters **level** to discuss a methodology for the application of the **Official** Languages Act and the application of LOU No. 6 with respect to route languages for Canadian Airlines employees.
 - (k) **Memorandum of Understanding No. 6 - Reservations/Acroplan Offices:** The **provisions** of this MOU will apply to the Canadian Airlines **Call Centre in Calgary**.
 - (l) **Crew Scheduling:** Canadian Airlines **employees** covered by the CAW Supplement Agreement Number 3 (Crew Schedulers and Assistant Crew Schedulers) will continue to be governed by Agreement No. 3 between the CAW and Canadian Airlines. **Every** effort will be made to **enter** into and **complete** discussions with the CAW **concerning their status** prior to the expiration of the current Agreement, **i.e.** before **December 31, 2000**.
 - (m) **Saving Clause:** Any other issues not **specifically covered** within this transition **document** will be **addressed as required** amongst the **parties** at the Headquarters level.
4. With respect to the Voluntary **Separation** Program, Canadian Airlines employees who participate in the Program and who **are** eligible for **pension benefits** in accordance with the Plan **rules upon** retirement will have their final average times **adjusted** at the **date** of retirement to maintain **1992** ratio of **earnings** to the YMPE. The Union agrees **that the necessary** funding will come **from** the CAW Pension Plan without **jeopardizing** the surplus of solvency **test** of the Plan. In no **event** will such ratio exceed **that** of an Air Canada employee in a comparable job.

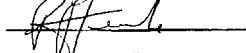
The Company and the Union at the Headquarters level will discuss the distribution of the Voluntary **Severance** Program (**VSP**). It is understood by the **parties** that **employees** applying for the Program **will** indicate their preference for **a last day at work and in some cases may wish an** expeditious **departure**. Every effort will be made by the Company to **honor** the employee's **requested** date, however, the Company **reserves the right, subject** to business and operational **requirements**, to determine the employee's **last** day of WORK.

The Companies and CAW-Canada, Local 1990 agree and commit, subject to the requirements of the Canada Labour Code, that the attached Letter of Intent will constitute the renewal of the Collective Agreement between Canadian Airlines and CAW-Canada, Local 1990 expiring on December 31, 2000. The new Collective Agreement shall become effective January 1, 2001 and shall continue as expressed in the Letter of Intent.

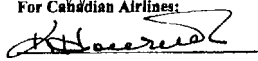
It is understood that this Memorandum of Understanding is subject to the ratification of the bargaining committee of CAW-Canada Local 1990, the process of which will be completed by May 31, 2000.

Dated in Montreal, this 4th day of May, 2000.

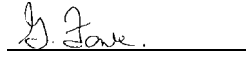
For Air Canada:



For Canadian Airlines:



For CAW-Canada, Local 1990:



LETTER OF INTENT

AIR CANADA / CANADIAN AIRLINES INTERNATIONAL LTD.
AND
CAW-CANADA, LOCAL 1990

Consistent with our mutual interest in a long stable relationship. the parties agree as follows:

1. The parties agree to extend the current Canadian Airlines Collective Agreement No. 3, as per the modifications set out in the attached Memorandum of Understanding, until March 27, 2004.
 2. For the period of the extension stated above, the wage increases under Article 5.03 will be:

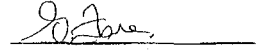
2.5% effective March 31, 2002
2.5% effective March 30, 2003
 3. In the event that another bargaining agent (IAMAW, ACPA, ALPA, CALDA, CUE or CAW-Local 2213) at Air Canada or Canadian Airlines negotiates a higher wage increase during the foregoing duration of the agreement, the higher wage increase will automatically apply under this Letter of Intent.
 4. In conjunction with the effective date of this annualized wage increase identified above wage increases will be subject to further negotiations if:
 - a) other bargaining agents (IAMAW, ACPA, ALPA, CALDA, CUPE or CAW-Local 2213) at Air Canada or Canadian Airlines have negotiated higher percentage wage uplifts, and / or:
 - b) the consumer price index of the previous year exceeds the above wage increase by more than one (1.0%) percent for any of the two (2) calendar years referenced above.
- Should the above conditions trigger additional discussions with respect to wages. and given the extended duration of the Collective Agreement, the Union will not resort to strike action over the issue of such wage negotiations.
5. It is understood that this Letter of Intent is subject to the ratification of the bargaining committee of CAW-Canada, Local 1990, the process of which will be completed by May 31, 2000.

Dated in Montreal, this 4th day of May 2000.

For the Air Canada:



For the CAW-Canada, Local 1990:



For Canadian Airlines:




May 4, 2000

Mr. Gary Fane
Director Transportation
CAW-Canada
Toronto, Ontario

In respect to the tentative agreement signed between Air Canada and CAW-Canada, Local 1990, the following should be noted.

It is agreed that the utilization of members (employees) of CAW-Canada, Local 2213 as outlined in Article 2.03 of the Air Canada CAW Collective Agreement will not be triggered until such time as a reciprocal agreement is negotiated with CAW-Canada, Local 2213

Yours truly,


G. J. Hinkle

Industry 2000 Voluntary Separation Program

I. Objective

In order to support the operational & organizational integration activities between Canadian Airlines and Air Canada, Canadian Airlines has committed to reduce the number of surplus employees through attrition and the implementation of a Voluntary Separation Program. The purpose of this is to provide incentive awards to eligible Canadian Airlines employees in receipt of wages from Canadian Airlines (on the active payroll) who voluntarily choose to sever their employment in accordance with the terms of this program. The objectives of the program are

- to reduce payroll costs associated with surplus operational and organizational positions resulting from this integration
- to allow eligible staff to participate in this program on a voluntary basis consistent with the ongoing operational and skill requirements of the Company
- to provide financial incentive for those eligible employees who volunteer and are accepted by the Company for program participation
- to ensure that the separation program supports the operational requirements of the business by helping to maintain a strong, competitive level of customer service and business efficiency.

II. Eligibility

Permanent, active employees who have completed a minimum of one (1) year of continuous company service are eligible to volunteer under this program if:

- they have been in receipt of wages from Canadian Airlines (not a wage replacement benefit) for ninety (90) days (excluding vacation leave) prior to -- ---- -, 2000 and are in a Company identified surplus operational or organizational position resulting from this integration.
- they are presently participating in a voluntary mitigation program agreed to between Canadian Airlines and CAW Canada, Local 1990.
- they are presently on an approved maternity or childcare leave of absence and have indicated their intention to return to work for Canadian Airlines.

II. Eligibility (continued)

In order to maintain the integrity of the airline's operations, the Company reserves the right to exclude those bases, positions or skills where there is no employee surplus and to limit the number of eligible participants who may wish to participate in this program

To determine their eligibility, employees should consult their local Personnel & Employee Relations representative.

III. Incentive Award

Up to a maximum of 54 weeks of basic salary based on the following voluntary separation schedule and completed years of continuous service as of the date of separation. Note: Employees within 54 weeks of normal retirement age will have their incentive award limited to the remaining number of weeks left to their normal retirement date.

Completed years of Continuous Company Service+	Incentive Weeks Per Year of Service	VSP Amount (Weeks)	Travel Benefits For Non-Retiree Participants *
1 year	3	3 weeks	+ 2 passes for 1 year
2 years	3	6 weeks	+ 2 passes for 2 years
3 "	3	9 weeks	+ 2 passes for 3 years
4 "	4	13 weeks	+ 2 passes for 4 years
5 "	4	17 weeks	+ 2 passes for 5 years
6 "	4	21 weeks	+ 2 passes for 6 years
7 "	4	25 weeks	+ 2 passes for 7 years
8 "	5	30 weeks	+ 2 passes for 8 years
9 "	5	35 weeks	+ 2 passes for 9 years
10 "	5	40 weeks	+ 2 passes for 10 years
11 "	6	46 weeks	+ 2 passes for 11 years
12 "	8	54 weeks	+ 2 passes for 12 years
More than 12 years	Program maximum	54 weeks	+ 2 passes for each completed year of service

+Since last date of hire

*Includes eligible dependents such as, spouse & eligible dependents under age 21

*Employees who are eligible to retire (pensionable) and will be in receipt of pension income, will receive normal retiree insurance and travel benefits.

IV. Payment Options

1. Lump sum payment

2. Time on the payroll at full salary to attain pension eligibility, not to exceed the number of incentive weeks (maximum 54 weeks)
3. Time on the payroll at half salary to attain pension eligibility, not to exceed the number of incentive weeks multiplied by 2 (maximum 108 weeks)
4. Age Make-up: If pensionable, convert (8) weeks of award, per year of age, for each year of age make-up under age 55 to reduce / eliminate pension reduction. Maximum of five (5) years.
5. Pension Bridge / Annuity Option: If pensionable, convert the award to a monthly pension bridge / annuity payable until age 65 or earlier. (age 60)
6. Any combination of the above except that options (2) and (3) in total may not exceed one hundred and four (108) weeks on the payroll or take an individual beyond their normal retirement age (age 65), whichever is earlier.

Additional provisions for employees not eligible to retire

Benefits: In accordance with Canadian Airlines precedence with respect to benefit continuance for employees not eligible to retire.

Travel Passes: In accordance with the incentive payment table, two (2) Canadian Airlines passes for the employee and eligible dependents for each year after separation for a period equal to the number of complete and continuous years of Canadian Airlines service as of the date of separation from the active payroll. Use of these passes shall continue to be governed by Company Regulations.

V. Voluntary Separation Date

While employees may indicate their preferred last day at work, the Company reserves the right, as business and operational requirements dictate, to determine which date can be confirmed. Every effort will be made to accommodate the employee's preference, consistent with the needs of the Company.

Note: Eligible retirees must specify their preferred last day of work to be the last day of a month.

VI. Application Procedure and Closing Date

Eligible employees volunteering to participate under the terms and conditions of this Program are to forward their applications to:

xxxxx

with a copy to xxxx

Applications must be received no later than 00:00 hours ET on (----, 2000.)

All applications will be reviewed for eligibility and acceptance in accordance with their ability to permanently reduce Company identified surplus positions, consistent with those criteria agreed with CAW – Canada, Local 1990. Confirmation of your acceptance in this program and the timing of your separation date will be advised to you in writing as soon as possible following this program's closing date.

In the event that your application can not be accepted, you will be advised accordingly

VII. Withdrawal

Once a Voluntary Separation payment and separation date has been confirmed by the Company, it is considered to be final and cannot be rescinded by the employee.

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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, 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 signed/confirmed by responsible Company and accredited Union Officers/Representatives.

- 1.04.02** Base means geographical area served by the Company where employees are employed. A base may contain more than one location.
- 1.04.03** Branch - means any one of the Branches of the Company as designated in the Company Regulations Manual.
- 1.04.04** Classification - means a classification as defined in Article 4.
- 1.04.05** Company - means Air Canada as represented through Officers and Management at various levels or their delegated representatives.
- 1.04.06** Employee - means any person in the employ of the Company who is in the bargaining unit covered by this Agreement.
- 1.04.07** Furlough means the employee is laid off without recourse to bumping procedures.
- 1.04.08** Holiday - means both paid general holidays, as provided for in the Canada Labour Code, and any additional negotiated paid holidays as listed in Article 13.01.
- 1.04.09** Language Requirement - for the purpose of this Agreement shall refer to French/English bilingual requirements.
- 1.04.10** Location - means an office or place of business within a base where employees are employed, i.e.,
- s o Sales Office(s)
 - RO Reservations Office(s)
 - A P O Airport Passenger Office(s)
 - AO - Aeroplan Office(s)
 - DCC Departure Control Centre

- 1.04.11 Requirements of the Service means a situation which calls for immediate action and which could not be predicted nor pre-planned for.
- 1.04.12 Shift -means a scheduled period of time within a day, as described in a Work Schedule or Sub-Schedule, for which an employee is required to be present.
- 1.04.12.01 A shift starting on or after 0700 hours but before 1200 hours is a day shift.
- 1.04.12.02 A shift starting on or after 1200 hours but before 2000 hours is an afternoon shift.
- 1.04.12.03 A shift starting on or after 2000 hours but before 0700 hours is a night shift.
- 1.04.12.04 A shift Starting outside the following hours is an irregular shift:
- 0700 to 1001 hours
1500 to 1701 hours
2300 to 0101 hours
- 1.04.13 Supervisory Personnel - means any Company personnel whose duties include the administrative supervision of others, and who are not covered by the Agreement.
- 1.04.14 Union - means National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW - Canada) and its Local 2213.
- 1.04.15 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.

- 1.04.16** Work Schedule - means a projection of all scheduled shifts at a location with regard to scheduled days on and days off, including shift starting and terminating times.

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, unless specifically provided for herein.

NOTE 1: Management Trainees at a location are exempt from this provision for a period not to exceed thirty (30) days, provided such Management Trainees are not assigned as a contingent part of the employee work force.

NOTE 2: Management personnel shall be exempt from this provision when the requirements of the service, as defined in Article 1.04.11, are such that customer delays or inconveniences could reasonably be expected to occur without their intervention.

- NOTE 3:** Management, Clerical, Coordinators and Analysts in Aeroplan locations shall be exempt from this provision as it applies to tasks/duties covered by the Agreement, to the extent they are performing such tasks/duties as of May 29, 1990. In addition to the foregoing, they shall be exempt from this provision when the requirements of the service, as defined in Article 1.04.11, are such that customer delays or inconveniences could reasonably be expected to occur without their intervention.
- NOTE 4:** With regard both to existing Company locations, or whenever a new location becomes operative, tasks or duties normally/regularly performed by employees will be performed by members of the Union. The Company further commits itself that Station Agents' II will not be employed at any locations other than those where they are presently employed.
- NOTE 5:** At locations where there are two (2) or less employees, a person in the Sales & Service Branch not covered by this Agreement may be required to perform any of the duties covered by this Agreement for a period of not more than fifteen percent (15%) of their work day.
- NOTE 6:** Travel Trade Students are exempt from this provision provided they are not assigned as a contingent part of the employee work force.

ARTICLE 3 RESERVATIONS OF MANAGEMENT

- 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 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 - SCOPE OF AGREEMENT

- 4.01** All Company personnel who are employees within the territorial limits of Canada and within the following defined classifications are covered by this Agreement.
- 4.02** Customer Sales and Service Agent Comprises all those employees who perform direct marketing sales and service functions and passenger sales and service functions including handling telephone contacts with the public, disseminating information, making reservations, processing reservations messages, assembling reservations data, issuing tickets, serving the public at Sales and Airport counters and gate locations, acting as Ground Hosts and Hostesses, and performing other related duties to any of the foregoing.
- 4.03** The Company may reclassify employees or create new or different classifications covering tasks related to or performed under this Agreement. If such classification comes within the recognition or certification of the Union, it is agreed that the Union may open the Agreement and negotiate the wages for such classification, unless the change occurs within ninety (90) days prior to the termination of the Agreement, in which case the new rate will become part of the normal bargaining process.

ARTICLE 5 RATES OF PAY, SHIFT PREMIUMS, LONGEVITY
PAY

- 5.01 Rates of pay as enumerated are on a weekly basis and are established on the basis of a working week as provided for in Article 6.01.
- 5.02 The Company, at its discretion, may pay higher rates than the graduated scale, but not in excess of the maximum.
- 5.03 A training period of not more than four (4) weeks at the first twenty-six (26) week rate may be required before the first twenty-six (26) week pay period begins to run out. 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 of twenty-six (26) weeks.

5.04 RATES OF PAY

Effective: March 21, 1999			
<u>Period</u>	<u>Hourly Equivalent</u>	<u>Weekly Rate</u>	<u>Monthly Equivalent</u>
1st 26 week period	\$9.78	\$391.15	\$1,700.80
2nd 26 week period	\$11.26	\$450.49	\$1,958.82
3rd 26 week period	\$12.72	\$508.89	\$2,212.76
4th 26 week period	\$13.65	\$545.83	\$2,373.38
5th 26 week period	\$14.66	\$586.29	\$2,549.31
6th 26 week period	\$15.73	\$629.34	\$2,736.50
7th 26 week period	\$16.89	\$675.47	\$2,937.08
8th 26 week period	\$18.13	\$725.22	\$3,153.40
9th 26 week period	\$19.46	\$778.51	\$3,385.12
10th 26 week period	\$21.41	\$856.35	\$3,723.58

Effective: March 19, 2000			
<u>Period</u>	<u>Hourly Equivalent</u>	<u>Weekly Rate</u>	<u>Monthly Equivalent</u>
1st 26 week period	\$10.17	\$406.79	\$1,768.80
2nd 26 week period	\$11.71	\$468.51	\$2,037.18
3rd 26 week period	\$13.23	\$529.25	\$2,301.28
4th 26 week period	\$14.19	\$567.66	\$2,468.30
5th 26 week period	\$15.24	\$609.74	\$2,651.27
6th 26 week period	\$16.36	\$654.51	\$2,845.94
7th 26 week period	\$17.56	\$702.49	\$3,054.57
8th 26 week period	\$18.86	\$754.23	\$3,279.54
9th 26 week period	\$20.24	\$809.65	\$3,520.52
10th 26 week period	\$22.27	\$890.60	\$3,872.51

Effective: April 1, 2001			
<u>Period</u>	<u>Hourly Equivalent</u>	<u>Weekly Rate</u>	<u>Monthly Equivalent</u>
1st 26 week period	\$10.47	\$418.99	\$1,821.85
2nd 26 week period	\$12.06	\$482.57	\$2,098.31
3rd 26 week period	\$13.63	\$545.13	\$2,370.33
4th 26 week period	\$14.62	\$584.70	\$2,542.39
5th 26 week period	\$15.70	\$628.03	\$2,730.80
6th 26 week period	\$16.85	\$674.15	\$2,931.34
7th 26 week period	\$18.09	\$723.56	\$3,146.18
8th 26 week period	\$19.42	\$776.86	\$3,377.94
9th 26 week period	\$20.85	\$833.94	\$3,626.14
10th 26 week period	\$22.93	\$917.32	\$3,988.69

5.05 SHIFT PREMIUMS - shall be paid as follows:

- 5.05.01** Afternoon Shift - Forty-four cents (44¢) per hour
 Night Shift - Fifty-three cents (53¢) per hour
 Irregular Shift - Six cents (6¢) per hour

NOTE: The irregular shift premium will be paid in addition to any other shift premium.

5.06 The shift premium applicable to overtime/recall shall be based on the start of the shift worked or the start of the overtime/recall, whichever is the greater premium.

5.07 Shift premium shall be recorded to the nearest minute for all hours on which it applies, whether these are scheduled shift hours or overtime/recall hours. Shift premium shall be paid on the pay cheque for each pay period.

5.08 LONGEVITY PAY

5.08.01 Employees will receive longevity pay as follows:

After completion of ten (10) years of service: ten cents (10¢) per hour

After completion of fifteen (15) years of service: fifteen cents (15¢) per hour

After completion of twenty (20) years of service: twenty cents (20¢) per hour

The longevity pay will become effective with the beginning of the pay period following completion of ten (10), fifteen (15) or twenty (20) years of service, as applicable, in all classifications.

5.09 All (hours not worked will be recorded and the applicable time debits will be made on an hourly basis by the amount of the applicable hourly rate, and the number of hours so deducted, as well as the number of hours credited as overtime/recall, shall be shown on a pay statement accompanying such pay cheque.

ARTICLE 6 - HOURS OF WORK, WORK SCHEDULES AND
SUB-SCHEDULES, TRANSFERS WITHIN A
LOCATION, MEAL AND REST PERIODS, SHIFT
TRADES

6.01 HOURS OF WORK

6.01.01 The standard working week shall be forty (40) hours. The standard working day shall be eight (8) consecutive hours, including meal and rest periods. Where the standard working day is not practicable, the employee may be scheduled for more than eight (8) hours but not in excess of nine (9) consecutive hours, inclusive of meal and rest periods. Where it is not practical to relieve employees two (2) days in seven (7), the number of days off in a complete shift cycle shall not be less than two-sevenths (2/7) of the total number of days in the cycle.

NOTE 1: The provision of allowing a shift to extend up to nine (9) hours is to achieve the equivalent of the forty (40) hour working week at locations where the 6 days on, 3 days off Work Schedule is in effect.

NOTE 2: Where a location has a requirement for half-day coverage, scheduled days off may be granted as two (2) half-days, provided the majority of employees affected, in conjunction with the Union District Chair, agree to such special arrangement. The provisions of Article 6.04 will apply to the two (2) half-days worked. Such special arrangement will not be valid for more than twenty-six (26) weeks from the day of institution unless approved by the majority of employees concerned.

6.02 WORK SCHEDULES AND SUE-SCHEDULES

- 6.02.01** In the event it becomes necessary to revise or establish Work Schedules or Sub-Schedules, the Company shall initiate meetings with the Union at the District Level for the purpose of reviewing the levels of staff requirements and developing such Work Schedules or Sub-Schedules. These meetings will commence not later than four (4) weeks prior to the implementation of the Schedule(s). The Schedule(s) developed at these meetings will be published and posted not later than two (2) weeks prior to implementation.
- 6.02.01.01** Work Schedules may contain Sub-Schedules related to specific groups of employees by location and/or function(s); however, no more than two (2) Sub-Schedules may be put into effect for employees performing the same function in Reservations locations. Sub-Schedules developed for Part-Time employees and/or to implement a reduced work week are considered separately and are over and above this limitation. Additionally, relief is a function for which Sub-Schedules may be developed.
- 6.02.02** In dealing with the question of Work Schedules or Sub-Schedules, it is the responsibility of the Company to establish the staff requirements at various periods. In order to determine the required distribution of staff, the Company shall, at the first meeting, present the levels of staff requirements in detail for each period of thirty (30) minutes of the work day at each location.

6.02.03 To ensure there is an understanding of the desires of the employees as well as the operational requirements of the Company, Work Schedules or Sub-Schedules shall be established only after the fullest discussion, including discussion of alternate schedules as applicable, has taken place between the Company and the Union at the District level.

6.02.04 At locations where there are two (2) or more Sub-Schedules as provided for in Article 6.02.01 .01, an employee shall be assigned to one (1) such Sub-Schedule and shall rotate through all shift starting times therein over the life of the Work Schedule or Sub-Schedule.

NOTE: Notwithstanding the above, subject to mutual agreement, Article 6.02.04 may be applied so that rotation through some or all shift schedules shift starting times may not be necessary. In such case more than two (2) sub-schedules may be put in effect for employees performing the same function in Reservations locations.

6.02.04.01 When dealing with the development of Work Schedules and Sub-Schedules the Company may consider the feasibility of planning flexible shift starting/terminating times. Such flexible shifts may be applicable to all shifts or to specified shifts in a published Work Schedule. In any event, the amount of flexibility would not be allowed to exceed thirty (30) minutes and would be based on a published shift time. For example, an 0900-1700 shift could have, amongst others, the following flex-start times:

- 0830 - 0900
- 0900 - 0930
- 0845 - 0915
- 0845 - 0900
- 0900 0915

The employee would work the total hours of the scheduled shift and terminate their shift on completion of those hours. All shift premiums would be based on the start of the scheduled shift starting time and the employee would neither gain or lose any premium(s) as a result of a flexible shift.

6.02.05 Shift and Work Schedule Alterations

6.02.05.01 When an employee's scheduled shift or scheduled shift starting time is altered, the Company will advise the employee personally, at least forty-eight (48) hours in advance of the starting time of the shift the employee would have worked or the starting time of the shift that the employee will now be working, whichever is the earlier shift. The Company will initially advise the employee orally of the change and then provide confirmation, in advance of the change, in writing, including the reason, with a copy to the Union. The forty-eight (48) hours of advance notice may be reduced if mutually agreed between the Company and the employee.

6.02.05.02 The Company shall not alter an employee's scheduled day(s) on/day(s) off, unless it advises the employee personally at least two (2) weeks in advance of the starting time of the first shift that the employee would have worked or the first shift that the employee will now be working, whichever is the earlier shift. The two (2) week notice may be reduced if mutually agreed between the Company and the employee and will be reduced to one (1) week for an employee receiving training as a result of their transferring under the provisions of Article 6.03. The Company will initially advise the employee orally of the change and then provide confirmation, in advance of the change, in writing, including the reason, with a copy to the Union.

- 6.02.05.03** The provisions of Article 6.02.05 are intended to be used solely to cover requirements of the work which result from changes in the flight schedule; increases or reductions of staff; absences of employees on vacation, Time Off for Union business, Employee Assistance Program Coordinators and Health & Safety Committee Members and/or Representatives, Leaves of Absence and Sick Leaves described in Article 11, excepting personal leaves.
- 6.02.05.04** An employee's scheduled shift(s) or scheduled shift(s) starting time or scheduled day(s) on/day(s) off may be altered to meet training requirements, including the training of another employee.
- 6.02.05.05** Article 6.02.05 is not intended to permit the Company to change the Work Schedules or Sub-Schedules established in accordance with Article 6.02.01.
- 6.02.05.06** When an employee changes their location, their classification or base under the provisions of Article 10 or Article 12, the Company may alter that employee's scheduled shifts, scheduled shift starting times or scheduled days on/days off. Such alterations to the employee's new work schedule or sub-schedule may provide for an initial period of up to thirty-five (35) days in order to train the employee in their new location. The minimum notice period provided for in Article 6.02.05.02 shall apply and the employee will be provided with detailed orders in writing, copied to the Union District Chair.

6.02.05.07 In any location where there are two or more Sub-Schedules, an employee may be changed from one such Sub-Schedule to a second such Sub-Schedule when a permanent vacancy occurs in the second Sub-Schedule. The provisions of Article 6.02.05.02 shall apply to such changes. Where applicable, the desires of employees should be considered.

6.02.06 When an employee's scheduled days on/days off are altered or an employee's scheduled shift or scheduled shift starting time is altered, and when final new Work Schedules or Sub-Schedules are introduced, the employee will not be debited for the time lost, but will be credited at straight time with any time gained on account of the change or alteration.

NOTE 1: The foregoing shall apply equally to any change between Work Schedules or Sub-Schedules made pursuant to Article 8.03, Article 10, or Article 12. All subsequent changes or alterations shall be as provided in this Collective Agreement.

NOTE 2: The foregoing credits will not apply when the provisions of Article 6.03 are utilized by an employee to change their cycle of days on/days off when such a change would not be required in the exercise of their seniority rights under Article 6.03 to change from one function/sub-schedule to another.

6.03 TRANSFERS WITHIN A LOCATION

6.03.01 Vacancies occurring in a work function within a location will be filled in accordance with the following.

- 6.03.01.01** An employee may file a written request with their Supervisor, copied to the Union District Chair, to move from one work function to another work function within the location. In filling vacancies, except those vacancies under Article 6.03.01.02, the Company will honour these requests in order of seniority. Where lack of ability can be shown, the Company may return the employee to their previous function and any other employee who has been transferred because of the rearrangement of positions will also be returned to their previous function.
- 6.03.01.02** The Company will determine whether it is necessary to fill a temporary vacancy arising from the absence of an employee, however, when the decision is to fill such a vacancy, whenever practical it will be offered to the most senior employee in the location who has requested a transfer to that function.
- 6.03.01.03** The foregoing will not preclude the Company and the Union at the District level from implementing other mutually agreeable procedures which are consistent with local needs. With six (6) months notice, either party may cancel such procedures and return to the basic terms of the Collective Agreement.
- 6.03.01.04** In the application of Articles 6.03.01.01 and 6.03.01.02 vacancies in the "letter writing" function in the **Aeroplan** Office locations will be filled by the most senior applicant who possesses the necessary qualifications.

6.03.02 In the event of a staff reduction within a function, such a reduction will be effected in inverse order of seniority with the displaced employee(s) being placed in a vacancy in another function which has not been requested by a more senior employee in accordance with Article 6.03.01.01.

6.04 MEAL PERIODS

6.04.01 Employees shall be entitled to a thirty (30) minute meal period which shall be scheduled in each shift during the third or fourth or fifth hour, unless otherwise mutually arranged locally between the Company and a majority of the employees concerned.

NOTE: Employees in Reservations and Aeroplan Office locations shall be entitled to a forty (40) minute meal period which is to be scheduled in accordance with the above.

6.04.02 In the event an employee is requested by a supervisor to waive a meal period, due to a requirement of the service, or where the authority of a supervisor cannot be obtained to work a meal period, the employee may elect to have the meal period rescheduled during the balance of the shift or receive an overtime credit in lieu thereof, or with the concurrence of management, terminate the shift early by the amount of time equal to the scheduled meal period.

6.04.03 In locations where an employee(s) desires a longer meal period, this may be provided when there is mutual agreement between the Company and the employee(s), with the concurrence of the Union District Chair. In the event there is an agreement to extend the meal period beyond thirty (30) minutes, only thirty (30) minutes shall be considered as time worked.

NOTE: In the event employees in Reservations and **Aeroplan** locations elect to extend their meal period beyond forty (40) minutes, only forty (40) minutes shall be considered as time worked.

6.04.04 Employees who work more than two (2) hours prior to or following their shift and consecutive with the shift shall be allowed an additional meal period of thirty (30) minutes on Company time and shall be credited not less than eight dollars (\$8.00) for the meal.

6.04.05 Employees who report to work a recall on a scheduled work day or who work more than nine and one half (9 ½) hours, inclusive of meal and rest periods, on a scheduled day off will be granted an additional meal period of thirty (30) minutes on Company time and will be credited a meal allowance as described in Article 6.04.04.

6.04.06 An employee who is unable to take any meal period granted under the provisions of Articles 6.04.04 or 6.04.05, will be credited with thirty (30) minutes of overtime or recall.

6.05 REST PERIODS

6.05.01 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, but not in conjunction with the meal period. 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.

- 6.05.02** In the event an employee is requested by a supervisor to waive a rest period, due to a requirement of the service, or where the authority of a supervisor to work a rest period cannot be obtained, the employee may elect to have the rest period rescheduled during the balance of the shift or receive an overtime credit in lieu thereof or, with the concurrence of management, terminate the shift early by the amount of time equal to the scheduled rest period.
- 6.05.03** Employees who work overtime consecutive with their shift will be granted a rest period of fifteen (15) minutes on Company time during the first four (4) hours worked.
- 6.05.04** Employees who report to work a recall will be granted a rest period of fifteen (15) minutes on Company time during each four (4) hours of work as established and guaranteed under Article 7.04.
- 6.05.05** If an employee will 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 then the difference between the actual time they were free from duty and the eight (8) hours they should have been free from duty shall be paid double time.
- 6.05.06** 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 they were free from duty and the eight (8) hours they should have been free from duty shall be paid double time.

6.06 SHIFT TRADES

- 6.06.01** Employees may arrange for another employee to work their shift subject to the supervisor's approval, consistent with the following:
- 6.06.01.01** Other than in exceptional circumstances, advice of the trade will be provided to the supervisor in writing, in advance, and will be signed by the employees involved.
- 6.06.01.02** 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 they had worked the shift.
- 6.06.01.03** Overtime worked prior to or following a traded shift and premium credits on a holiday, in accordance with Article 7.03 and Article 13 respectively, will be credited to the employee who worked the shift as though the shift had been the employee's scheduled shift.
- 6.06.01.04** All recall credits will be credited to the employee who is recalled.
- 6.06.01.05** All time debits will be deducted from the employee who agreed to work the shift.
- 6.06.01.06** 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 debited in accordance with Article 6.06.01.05.

6.06.01.07 Shift trades may only be arranged between employees working in the same location except that, at locations with thirty (30) or less Full-Time employees, shift trades may be arranged by employees at these locations with employees at other locations within the same base and classification. Such shift trades may be granted subject to the employees concerned being capable of performing the work function of the other party.

6.06.01.08 An employee's ability to trade shifts is not intended to allow employees to be absent from the work place for extended periods of time nor to take alternate employment.

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

7.01 AUTHORIZATION

7.01.01 No overtime or recall shall be worked except on authorization of proper management personnel. In cases where prior authority cannot be obtained, or an employee is unable to complete a transaction with a customer, or to complete their accounts either within their scheduled shift or prior to the termination of their established recall, the overtime or the time worked in excess of the established recall shall be reported to management and it shall be recorded to the nearest minute in accordance with Articles 7.03 or 7.04, as applicable.

7.02 WORK DAY

7.02.01 The work day shall be a twenty-four (24) hour period beginning at midnight. All time worked in any tour of duty, including overtime, and any recall worked, shall be considered as work performed on the work day on which the scheduled shift or recall began.

7.03 OVERTIME

- 7.03.01** All time worked by an employee in accordance with Article 7.01 which is outside and consecutive with their scheduled shift will be considered as overtime. All overtime will be recorded and computed in keeping with the following:

OVERTIME
(N = Scheduled Shift)

HOURS WORKED	COMPUTED AT
OVER N to 12	1.5 x
OVER 12	2.0 x

NOTE: Notwithstanding the above, overtime credits will not start until the completion of the number of hours in a scheduled shift in the case of time and one-half and twelve (12) hours worked in the case of double time.

- 7.03.02** When an employee works overtime which commences more than two (2) hours prior to the start of their scheduled shift, they will be credited with a minimum of four (4) hours at time and one-half.

7.04 RECALL

- 7.04.01** If an employee is requested to work any time not consecutive with their scheduled shift, the Company shall establish and guarantee the time to be worked, but in any case the employee shall be credited with a minimum of four (4) hours. Recalls shall be recorded to the nearest minute and computed as follows:

Recall on a Scheduled Day Off

HOURS WORKED	2ND AND SUBSEQUENT	
	1ST DAY OFF COMPUTED AT	DAYS OFF COMPUTED AT
0 - 8	1.5 x	2.0 x
over 8 12	2.0 x	Prohibited
Over 12	Prohibited	Prohibited

Recall on a Scheduled Day On

HOURS WORKED	COMPUTED AT
0 - 4	1.5 x
Over 4	2.0 x

NOTE 1: Notwithstanding the above, should the requirements of the operation change, the establishment and guarantee of time to be worked may be cancelled by the Company up to forty-eight (48) hours prior to the commencement of the time to be worked, in which case no credits shall apply.

NOTE 2: In any case, the recall on a scheduled day an shall not be less than that provided for in Article 7.03.

7.05 TIME CLEARANCE

7.05.01 All time credits/debits (including credits accumulated in accordance with Article 13) 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 7.06.

7.05.02 All payments or deductions will be made at the applicable hourly rate.

7.06 TIME BANK

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

7.06.02 When electing to utilize the time bank, the employee shall advise the Company, in writing, which of the three (3) following options they will use.

Option A - minus twenty-four (-24) hours and plus twenty-four (+24) hours; or,

Option B minus twenty-four (-24) hours and plus forty (+40) hours.

Option C minus twenty-four (-24) hours and plus eighty (+80) hours.

7.06.03 Once having elected to utilize the time bank, the arrangement shall continue until such time the employee subsequently advises the Company, in writing, that they wish to opt out of the time bank or that they wish to reselect the options available to them under Article 7.06.02. When such advice is given to the Company it shall become effective with the commencement of the second pay period following such advice.

7.06.04 Accrued time credits may be withdrawn from the time bank in the form of time off, at some later date, in lieu of pay and in accordance with Article 7.07, or they may be withdrawn in the form of pay, at some later date and in accordance with Article 7.05. All credits/debits in excess of the options will be cleared in accordance with Article 7.05.

7.07 TIME OFF

- 7.07.01** Time off will be granted in accordance with the desires of the employee and consistent with the requirements of the Company. Time off granted under this Article will not exceed thirty (30) consecutive calendar days, nor will two (2) or more requests result in the employee being granted time off for more than thirty (30) consecutive calendar days.
- 7.07.02** For each full shift that an employee wishes to take off, they shall make their request in writing. When approval is granted, requests for identical time off shall be granted in order of seniority. Oral approval may be given initially but in any case the approval shall be confirmed in writing within twenty- four (24) hours, stating the period of time off granted.
- 7.07.03** Procedures for time off of less than one (1) full shift will be developed at each location.

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

- 8.01.01** An employee who accepts a temporary assignment to represent the Company outside a location within their base shall be paid a premium of seventy-five cents (75¢) an hour for all time worked, and all hours worked outside their scheduled shift shall be credited in accordance with Article 7 or Article 13. In addition, the employee shall be reimbursed for all necessary out-of-pocket expenses including, but not limited to, expenses incurred for meals, transportation, parking and grooming.
- 8.01.02** The Company agrees to endeavour, to the extent possible, to solicit applications from all employees at the base and to consider all such applications.

8.01.03 Where the temporary assignment under this Article will exceed five (5) days, the Company will consider splitting the assignment, where possible, between two or more employees.

8.02 OUTSIDE SCOPE

8.02.01 An employee who accepts a temporary assignment to work in a position not covered by this Agreement shall be paid in accordance with Company regulations.

8.02.02 An employee who accepts a temporary assignment to work in a position not covered by this Agreement shall be limited to a total of seventy-five (75) working days, or portions thereof, within any calendar year. During any such assignment, the employee shall not be subject to the rights provided for in Articles 6, 7 and 13.

NOTE: For the purposes of the foregoing, a **working day** shall be defined as a day during which the employee actually performs work in the outside scope position. Days off granted due to the assignment will not be counted but will be specified at the time of assignment in accordance with Article 8.02.05 and will be taken consecutive with the working days of the assignment.

8.02.03 The Company will not oblige any employee to accept any temporary assignment, as provided in this Article, nor will the Company request an employee to work in a job falling within the scope of other Collective Agreements.

- 8.02.04** As provided for in Article 6.02, during staffing discussions at locations where employees regularly accept temporary assignments in positions not covered by this Agreement, the Company will, where possible, provide for additional staff in the employee work force at those locations in an attempt to reduce the impact on the remaining employees.
- 8.02.05** The Company will advise the employee in writing, copy to the Union District Chair, on the form provided for in the Appendices of the Agreement, of any temporary assignment.
- 8.02.06** Employees who accept a temporary assignment shall not be permitted to be directly involved in the discipline of any other employee.

8.03 IN SCOPE

- 8.03.01** The Company will arrange with the Union at the District level before any use is made of the provisions of Article 8.03. It is the responsibility of the Company to afford as much notice as possible in order to implement these provisions, however, in situations requiring immediate action when the Union cannot be contacted, the provisions of Article 8.03 may be used for an interim period not exceeding seven (7) consecutive calendar days pending such contact.
- 8.03.02** Staff requirements at a location resulting from absences of employees due to annual vacations, sick leave, time off for Union business, bereavement leave, compassionate reasons, training for scope duties, language training or from a temporary increase in the work load may be filled in accordance with Article 8.03, subject to Article 8.03.01. Relief assignments of less than one (1) full day and for more than thirty (30) days shall be subject to prior mutual agreement between the Company and the Union, at the District level.

- 8.03.03** The use of an employee on a relief assignment under Article 8.03.02 will not result in any change to approved vacations, time off or leaves of absence for other employees.
- 8.03.04** The Company shall solicit volunteers from amongst qualified employees at other locations within the same base or another base. Within a base where there are fifty (50) employees or less, when there are no volunteers, the Company may assign the junior qualified employee at another location to fill the relief assignment.
- 8.03.05** An employee on a relief assignment shall be provided with detailed orders in writing, copied to the Union District Chair.
- 8.03.06** Upon completion of a relief assignment, an employee shall be returned to their original location and work schedule or sub- schedule subject to the **actioning** of the employee's requested transfer or change of status in accordance with Article 12 or, in the event of a staff reduction, subject to Article 10.
- 8.03.07** An employee on a relief assignment from one location to another location or from one base to another base will, in addition to their regular rate of pay, receive a relief premium of seventy-five cents (75¢) an hour for all time worked away from their permanent location.
- 8.03.08** If the Company changes the employee's scheduled shift, scheduled shift starting time and/or scheduled days on/days off, the employee shall suffer no loss of premiums because of the change but shall be granted any greater premiums resulting from the change. An employee on a relief assignment shall not be debited for time lost but will be credited with time gained.

- 8.03.09** The Company will provide the employee with positive space travel to and from the assignment, and, on employee request, additional space available (highest priority) pass(es) will be provided between the employee's permanent base and the point of assignment. The Company will provide travel insurance in the amount of one hundred thousand dollars (\$100,000.00) for the employee so assigned.
- 8.03.10** Travel time to and from the relief assignment will be paid for as time worked but the Company will not pay for travel on the employee's own volition between the commencement and termination of the relief assignment.
- 8.03.11** An employee on a relief assignment shall be afforded additional and necessary out-of-pocket expenses. Such allowable expenses shall not be less than those provided in Company regulations. Provisions for expenses may be modified or expanded from time to time at Union-Management Headquarters Meetings.
- 8.03.12** Subject to prior mutual agreement between the Company and the employee, the employee may use their own transportation to travel to another base in which case the employee shall be reimbursed in accordance with Company regulations and travel time shall be equal to the normal flying time between the two bases.
- 8.04 OUTSIDE CANADA**
- 8.04.01** An employee who requests and/or accepts a temporary assignment outside the territorial limits of Canada shall be subject to the following:
- 8.04.01.01** Such requests shall be considered only after all requests for voluntary leaves of absence have been actioned.

- 8.04.01.02** Such requests shall not be considered if the resultant decrease in staff creates any vacation restrictions.
- 8.04.01.03** An employee returning from atemporary assignment as provided for in Article 8.04 shall be returned to their original location providing they do not displace any employee at that location, otherwise, they will be relocated within their base.

ARTICLE 9 - PROBATION

- 9.01** A person being hired into a classification covered by this Agreement will be required to serve a probationary period of one hundred and eighty-two (182) calendar days from date of employment. The probationary period shall not be extended due to annual vacation or training.
- 9.02** A person entering into a classification covered by this Agreement will be required to serve a probationary period as described in Article 9.01,
- 9.03** The qualifying period referred to in Article 12.02.04 is not to be considered a probationary period.
- 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** Employees in their probationary period will not be laid off.

NOTE: Probationary employees have no right to be laid off and are subject to Article 9.04.

- 9.06** Time served as a temporary employee will be applied against the probationary period provided there is no break in employment.

ARTICLE 10 - SENIORITY, STAFF REDUCTION, RECALL FROM LAYOFF

- 10.01** Purpose - Seniority shall be established by classification on a system basis within Canada and shall date from an employee's permanent entry into a classification covered by this Agreement. Employees permanently reclassified within the Agreement shall take their seniority with them to their new classification.
- 10.01.01** In accordance with Article 10.04, employees may apply for reinstatement of previous continuous seniority. Such seniority must have accrued in a position covered by the Collective Agreement, must not have been broken by more than seven (7) consecutive days and must be substantiated by Company records. The employee attaining new seniority will be sequenced in accordance with Article 10.03 of the Collective Agreement. It is understood that any adjustment of seniority will not affect any action taken on the basis of seniority prior to that adjustment.
- 10.01.02** Notwithstanding the provisions of Article 10.01, where an employee who was hired to fill a temporary vacancy in accordance with Article 12.07 or L4.07 accepts permanent employment during, or at the termination of, their term of temporary employment with no break in employment, their seniority date and last date of entry shall reflect their continuous employment in the temporary vacancy.
- 10.02** A probationary employee's seniority shall not be exercised except as provided for in this Collective Agreement.
- 10.03** In cases where employees were hired on the same day, the sequence of seniority shall be determined by the application of the following in the order stated:

- 10.03.01** The last date of entry into a Full-Time or Part-Time permanent position with the Company, whichever is the earlier.
- 10.03.02** The last three (3) digits of the employee number, backwards, with the lowest number identifying the more senior employee (000 being the lowest possible number).
- 10.03.03** In cases where the above factors will not determine the position on the seniority list, the position will be jointly determined by the Company and the President of the Union.
- 10.03.04** Date hired, as it relates to Article 10.03, means the first day that the employee commences employment. That day 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.
- 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 (2 copies) for any correction during the posting period.
- 10.04.04** One copy of this request for correction must be forwarded to Labour Relations Air Canada Headquarters and one copy will be forwarded to the Union Headquarters, 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 es amendments to the annual seniority list. The amended seniority list shall become effective on June 1.
- 10.04.06** The emended 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 Article 10.04.09 and Article 10.04.12.
- 10.04.07** In the event it is not possible to finalize a request for correction in the stipulated period, the correction will be withheld pending a discussion between the Company and the Union et the Headquarters level and the correction, if mutually agreed upon, will become effective as of the date of posting of the last amended annual seniority list.
- 10.04.08** As soon es 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. Corrections to the addendum will be made in accordance with Article 10.04.09.
- 10.04.09** Notwithstanding the foregoing regulations, the Union Headquarters may request corrections to the seniority list et times other than the stipulated period. Such corrections, if mutually agreed upon, will become effective immediately and will be incorporated in the new list of the subsequent year and the employeè(s) will be so advised, in writing. If, however, prior to the time the new list is effective, circumstances arise such that an employee's right to continue in, or their right to regain, employment in their classification is jeopardized, such correction will be published immediately and action will be taken in accordance with the newly corrected list.

10.04.10 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.

10.04.11 In the event of a dispute arising in the order of seniority, a grievance may be initiated by the Union at the Step 2 level.

10.04.12 Subject to Article 10.04.07, and provided the amended seniority list has not been contested under Article 10.04.09, on behalf of an employee whose position on the seniority list has been effected as a result of an amendment, 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. In any event, action taken on the basis of the above list involving employees whose queries have not been finalized in accordance with Article 10.04.07, or corrections initiated under Article 10.04.09, will be subject to grievance and correction.

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 11.04.04) or furlough without pay.

10.05.04 Suspension without pay.

10.05.05 Strike or lockout.

10.06 RETENTION AND NON ACCRUAL OF SENIORITY

10.06.01 An employee permanently appointed to a job not covered by the Agreement shall retain but not accrue seniority for a period of six (6) months.

10.07 AN EMPLOYEE SHALL LOSE SENIORITY AND THEIR 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.

10.07.05 Desertion of service (resignation without notice)

10.07.06 When permanently appointed to another job outside the Agreement for a period of more than six (6) months.

10.07.07 When retired with or without pension.

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 discretion of the Company but will not displace an employee other than a temporary employee or a probationer.

10.09 STAFF REDUCTIONS within each classification will be made in accordance with the following:

- 10.09.01** In the event of staff reduction, surplus Company personnel outside the scope of the Agreement retaining seniority will revert to a classification within the scope of the Agreement providing no permanent employee is displaced at the base where they are reverted and providing there are no laid off employee(s) awaiting recall to the base to which they are reverted.
- 10.09.02** Subject to L1.04.01, in the reduction of staff levels within a location or base, the Company will establish separately the number of Full-Time and Part-Time employees required. Staff reductions, as necessary, will then take place in inverse order of seniority within each status in accordance with the terms of Article 10.
- 10.10 STAFF REDUCTION AT A LOCATION** - within each classification will be made in accordance with the following:
- 10.10.01** At locations within a base, staff adjustments between locations will be made in inverse order of seniority within the affected status, including probationary employees. provided that valid transfers and changes of status take precedence over relocation where such transfers and changes of status negate the necessity to relocate an employee.
- 10.10.01.01** An employee subject to relocation, whether Full-Time or Part- Time, may elect to fill a vacancy which exists in the location in the other status. Such vacancies shall be filled in order of seniority. Should no vacancy exist, the employee may bump a junior employee in the other status in the location.
- 10.10.02** An employee exercising their rights under Article 10.10.01 or Article 10.10.01.01 shall be given fourteen (14) calendar days notice before effecting the change.

10.11 STAFF REDUCTION AT A BASE - within each classification will be made in accordance with the following, subject to L1.04.01:

10.11.01 Staff reductions at a base will be made in inverse order of seniority within the affected status only after all temporary employees in both statuses and then all probationary employees within the affected status have been terminated. Any staff adjustment between locations, required as a result of staff reductions at the base, will be made in accordance with Article 10.10.

10.11.01.01 A redundant employee, whether Full-Time or Part-Time, may elect to fill a vacancy which exists in the base in the other status. Such vacancies shall be filled in order of seniority. Should no vacancy exist, the employee may bump a junior employee in the other status in the base.

10.11.02 The Company shall determine if there are any vacancies for permanent employees at other bases in Canada or in the other classification, in the same status as the redundant employee. If any vacancies exist, the employees affected at the base where the reduction occurs will be given twenty-one (21) calendar days notice of layoff and commencing with the most senior redundant employee(s) in the status, first in the classification and then in the other classification, in order of seniority, shall be offered the vacancies subject to the necessary physical and language requirements being met. The employees must then advise within seven (7) calendar days of this notice if they will accept relocation.

- 10.11.03** An employee who is being relocated to the other classification in accordance with Article 10.11.02 in their base shall be given fourteen (14) calendar days notice before effecting the change. An employee who is being relocated to another base in accordance with Article 10.11.02, shall be given up to twenty-one (21) calendar days from date of acceptance to report to the new base. The employee shall continue to work at their original location until such time they effect the move.
- 10.11.03.01** An employee who chooses to relocate to the other classification in accordance with Article 10.11.02 shall be allowed a period of up to twenty-six (26) weeks in which to qualify. Should the employee not qualify, and should no vacancy be available in their former classification, they shall be placed on layoff status with recall rights as set out in Article 10.12.
- 10.11.04** If an employee chooses to relocate to another base in accordance with Article 10.11.02, one hundred per cent (100%) of the transfer expenses shall be paid by the Company in accordance with the Company Regulations Manual and free air transportation will be provided as outlined in Company Publication 715.
- 10.11.05** An employee who does not accept the offer to relocate will be laid off at their base without bumping privileges at the termination of the twenty-first (21st) calendar day following original notice. The employee will be issued a questionnaire as provided for in Article 10.15 on which they may select three (3) bases to which they wish to be recalled in order of preference in addition to the base where they were laid off.

- 10.11.06 In the event two (2) or more employees in the same status and in the same classification are affected by a staff reduction and the number of affected employees exceeds the number of any existing vacancies in the status, the employees shall be accommodated in order of seniority with the senior employee having first choice of either filling a vacancy or bumping an employee who is subject to being bumped. If the senior employees affected by the staff reduction do not accept the existing vacancies, the vacancies shall be offered to an equal number of the most junior surplus employees in accordance with Articles 10.11.02 and 10.11.05.
- 10.11.07 If no vacancy exists, the employee will be given twenty-one (21) calendar days notice of layoff and will be issued a questionnaire as provided for in Article 10.15. The questionnaire will include, if eligible, a notice of their right to bump the most junior employee in their status, in their classification, at any base where less senior employees in the status are employed. The questionnaire will specify those bases where these less senior employees are employed.
- 10.11.08 Within seven (7) calendar days of receipt of notice and questionnaire the employee must advise the Company of their decision to either exercise their right to bump or to accept layoff status at their base. In the event they elect to exercise their bumping right, the employee must report to their new base within thirty (30) calendar days from the date of notice and that thirty (30) day period shall include three (3) calendar days travel time. In all cases of bumping, the employee will pay their own expenses but space available transportation shall be provided. In any event, the employee will be placed on layoff status effective the twenty-second (22nd) calendar day following the notification in Article 10.11.07 pending reporting to the base into which they have bumped.

- 10.11.09** Questionnaires returned to the Company within the time limits will be honoured in order of seniority as to first choice from those bases available to bump into.
- 10.11.10** If the employee cannot be accommodated in accordance with their request, chooses not to bump or does not have bumping privileges, the employee shall be advised they are being placed on layoff status effective the twenty-second (22nd) calendar day following their original notification and will be subject to recall.
- 10.11.11** In any event, any employee affected by staff reduction(s) will be advised of their circumstances within fourteen (14) calendar days following original notification.
- 10.11.12** An employee declared redundant at their base as a result of being bumped by a more senior employee will exercise their seniority rights in accordance with Article 10.11.01.01 or Article 10.11.07.
- 10.11.13** An employee who has signified intent to exercise bumping privileges, and who subsequently reverses that decision, will be terminated. Exceptional circumstances will be subject to consideration by the Company and the Union, at the Headquarters level.
- 10.12** RECALL FROM LAYOFF - will be in accordance with the following:

- 10.12.01** An employee who has been laid off may select recall to their base and three (3) other bases in either or both Full-Time or Part-Time status in their classification or in the other classification. In the event an employee selects recall at another base or other bases, their total selection shall not exceed six (6) positions in addition to those at their base. The employee shall make their request to base management within fourteen (14) calendar days after having been advised that they are to be laid off; however, nothing shall prevent the employee from making adjustments to their original request sent registered mail to Air Canada Labour Relations. The employee shall list their selections for recall in order of preference and the Company shall advise the management at those bases selected by the employee.
- 10.12.02** Employees, when laid off, must file their address with the base management and keep that base notified of any subsequent change of address. The Company shall provide the employee with an acknowledgment of such notification and a copy shall be forwarded to the Union Headquarters.
- 10.12.03** Recall to a base shall be in order of seniority, first in the classification, and then in the other classification, including those employees who have requested transfer or change of status in accordance with Article 12 and those employees on layoff who have requested recall in accordance with Article 10.12.01.
- 10.12.04** In the case of employees being recalled from layoff, notice of vacancy shall be sent by registered mail to the most senior laid off employee who has requested recall to a base where a vacancy has occurred and Articles 10.12.05, 10.12.06 and 10.12.07 shall apply.

- 10.12.05** The notified employee must advise the Company within seventy-two (72) hours after having received the notice if they wish to accept the recall. The employee shall reply by telegram and the advice shall be directed to the person who originated the notice of vacancy.
- 10.12.06** Recalled employees must report for duty within fourteen (14) calendar days from date of advising the Company of intent to return.
- 10.12.07** Failure to comply with Articles 10.12.02, 10.12.05 and/or 10.12.06 above 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. If, due to exceptional circumstances, an employee fails to comply with Articles 10.12.02, 10.12.05 and/or 10.12.06, such cases will be subject to special consideration by the Company and the Union, at the Headquarters level.
- 10.13** If staff reductions occur at a base, the employee may elect to terminate their services with the Company rather than take layoff status. In such cases, the employee shall receive two (2) weeks' pay at the current rate of pay for each full calendar year of service, or part thereof, up to a maximum of fifty-two (52) weeks' pay.
- 10.14** Copies of all correspondence and questionnaires relating to Article 10 shall be sent to Union Headquarters.
- 10.15** The applicable questionnaire, as referred to herein, is described in the Appendices to the Agreement and shall form part of this Agreement.

ARTICLE 11 LEAVE OF ABSENCE AND SICK LEAVE

11.01 LEAVE OF ABSENCE - GENERAL

- 11.01.01** Any leave of absence granted in accordance with Company regulations and which is not provided for in this Collective Agreement shall be subject to the conditions of Article 11.02.
- 11.01.02** The approval of a leave of absence will not result in any changes to approved vacation calendar divisions or dates.
- 11.01.03** An employee returning from a leave of absence shall return to the location and classification held immediately prior to the commencement of the leave, subject to Article 10 end except as provided for in Article 11.01.05.
- 11.01.04** An employee who engages in other employment while on leave of absence shall be terminated unless the employee has received specific permission for such from both the Company and the Union Headquarters in writing. Requests for permission to engage in other employment while on leave of absence shall be made in writing to the Company and to Union Headquarters.
- 11.01.05** An employee who is eligible for and is offered a transfer, a change of status or a change of classification while on any leave of absence or who is away due to illness/injury or court appearance shall be subject to the following:

- 11.01.05.01** An employee on any leave of absence, except an employee on Maternity leave, Child Care leave or away due to illness/ injury or court appearance, who accepts the offer will be required to terminate their leave early and report to their new location and/or for their new status. An employee who wishes to continue their absence will decline the offer in accordance with the provisions of Article 12.04.03.
- 11.01.05.02** An employee on Maternity leave, Child Care leave or away due to illness/injury or court appearance who indicates they will return to work within thirty (30) calendar days following permanent vacancy under the provisions of Article 12, will be offered such vacancy and, if they accept, will be expected to report to their new location and/or for their new status in accordance with the provisions of Articles 12.04.05 or 12.04.06. An employee who declines such offer will do so in accordance with the provisions of Article 12.04.02 and 12.04.03.
- 11.01.05.03** An employee who indicates they will not return to work within the thirty (30) calendar days will be bypassed subject to Articles 11.05.06, 11.06.06 or 11.10.02.

11.02 PERSONAL LEAVES OF ABSENCE - GENERAL

- 11.02.01** When the requirements of the Company permit, an employee, upon written request through the employee's immediate supervisor, may be granted a voluntary leave of absence without pay. Requests for leaves of absence will not be refused unreasonably.
- 11.02.02** A personal leave of absence will fall into one of the following categories:

Short-Term More than thirty (30) calendar days but not exceeding ninety (90) calendar days.

Long-Term More than ninety (90) calendar days.

- 11.02.03** When two or more requests for leaves of absence cover all or part of the same period, they shall be considered in the order of short-term first and then long-term, subject to Articles 11.03.03 or 11.04.03.
- 11.02.04** If the employee wishes to return to work prior to the approved termination of the leave, the employee shall make the request to their immediate supervisor. The request shall be in writing et 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.
- 11.02.05** When a leave of absence is terminated prior to the originally approved date, no other employee will be displaced. The Company will advise the employee in writing of its decision on the request to terminate the leave.
- 11.02.06** Failure on the part of en employee to return to duty on termination of a leave of absence may result in disciplinary action.
- 11.02.07** Failure to comply to the requirements of Articles 11.03 and 11.04 will render a request for a leave of absence invalid; however, in the event no other valid requests have been received, the Company may consider the request and, if honoured, it shall not be invalidated.

11.03 PERSONAL LEAVES OF ABSENCE - SHORT-TERM

- 11.03.01** A short-term leave of absence will consist of more than thirty (30) calendar days but will not exceed ninety (90) calendar days.

- 11.03.02** 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.
- 11.03.03** Requests will be approved in order of seniority among those on hand at the time of granting, subject to Article 11.02.03. Approval shall be in writing stating the date the leave is to commence and terminate. Once approved, a leave may not be cancelled.
- 11.03.04** A short-term leave cannot exceed ninety (90) calendar days; however, this will not preclude an employee from returning to work to initiate a second request for leave. Such requests will be made and granted in accordance with Articles 11.03 or 11.04.
- 11.03.05** During a short-term leave of absence an employee will retain and accrue seniority and will retain all seniority rights. Company service will not continue to accrue during the leave of absence.
- 11.03.06** A limited continuation of a short-term leave may be granted but only subject to obtaining written permission from the Company and Union Headquarters. In the event the continuation results in the leave extending beyond ninety (90) calendar days, the leave will become a long-term leave and will be subject to Article 11.04.04.
- 11.03.07** Copies of all correspondence relating to Article 1 1.03 will be forwarded to the Union District Chair.
- 11.04 PERSONAL LEAVES OF ABSENCE - LONG-TERM**
- 11.04.01** A personal leave of absence exceeding ninety (90) calendar days will be a long-term leave.

- 11.04.02 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.
- 11.04.03 Requests will be approved in order of seniority among those on hand at the time of granting, subject to Article 11.02.03. Approval shall be in writing stating the date the leave is to commence and terminate. Once approved, a leave may not be cancelled.
- 11.04.04 During a long-term leave of absence, the employee will retain but not accrue seniority and will retain all seniority rights. Adjustment of the employee's seniority date will be in accordance with Article 10.04.10. Company service will not continue to accrue during the leave of absence.
- 11.04.05 A limited continuation of a long-term leave may be granted but only subject to obtaining written permission from the Company and Union Headquarters.
- 11.04.06 Copies of all correspondence relating to Article 11.04 will be forwarded to the Union District Chair.
- 11.05 LEAVE OF ABSENCE - MATERNITY
- 11.05.01 Maternity Leave of absence without pay shall be granted to employees in accordance with the following:
- 11.05.02 The employee must request her leave of absence in writing, accompanied by 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.

- 11.05.03** 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.
- 11.05.04** If the date of termination of pregnancy is later than the date specified in the medical certificate, provided under Article 11.05.02, 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) days upon direction from the employee's doctor supported by a medical certificate.
- 11.05.05** 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 11.05.02. 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.

11.05.06 The employee shall be reinstated in her former function, at her location, subject to Article 6.03, Article 10 and Article 12. An employee whose valid application for transfer, change of status or change of classification, has not been actioned due to her absence for Maternity Leave will be offered the next vacancy at the requested location or base. If, during the period of the leave, there is a staff reduction in the function, at the location or at the base and the employee would be affected, the employee shall exercise her rights in accordance with Article 6.03 or Article 10, respectively.

11.05.07 Reference herein to a medical certificate shall mean a certificate signed by a qualified medical practitioner chosen by the employee.

11.05.08 If, following the termination of the Maternity Leave, the employee desires additional leave prior to returning to duty, the employee may request a personal leave of absence in accordance with Article 11.02.

11.06 CHILD CARE LEAVE

11.06.01 A leave of absence without pay for the purpose of child care shall be granted to employees in accordance with the following.

11.06.02 Any leave of absence granted under this Article 11.06 shall not exceed one hundred and sixty-eight (168) 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 one hundred and sixty-eight (168) calendar days.

11.06.02.01 Notwithstanding the provisions of Article 11.06.02, in the case of Adoption the maximum period of leave shall be one hundred and sixty-eight (168) 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.

11.06.03 Commencement of Child Care Leave shall be in accordance with the following and as the employee elects:

11.06.03.01 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 11.05 or any extension thereof under the provisions of Article 11.05.05, or
- b) the day the child is born, or
- c) the day the child comes into the employee's care and custody.

11.06.03.02 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 11.05 or any extension thereof under the provisions of Article 11.05.05, or
- b) the day the child is born, or
- c) the day the child comes into his actual care and custody.

11.06.04 In the application of Article 11.06.03, 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.

11.06.05 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.

11.06.06 The employee shall be reinstated in his or her function at the employees' location, subject to Article 6.03, Article 10 and Article 12. An employee whose request for transfer, change of status or change of classification, has not been actioned due to absence for Child Care Leave will be offered the next vacancy at the requested location or base. If, during the period of the leave, there is a staff reduction in the function, at the location or at the base and the employee would be affected, the employee shall exercise his or her rights in accordance with Article 6.03 or Article 10, respectively.

11.07 LEAVE OF ABSENCE - COURT APPEARANCES

11.07.01 Employees will be granted time off due to Jury Duty, Coroner's Inquest or when required as a court witness in accordance with Company regulations which will not be reduced during the term of this Agreement.

11.08 LEAVE OF ABSENCE - UNION BUSINESS

11.08.01 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 such 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.

11.09 LEAVE OF ABSENCE - BEREAVEMENT

11.09.01 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.

11.09.02 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, and including other relatives residing with the employee.

11.09.03 In unusual circumstances where the deceased is not a member of the immediate family (e.g., guardian), Bereavement Leave will be at the discretion of the Company.

11.09.04 Additional leave without pay up to a maximum of fifteen (15) calendar days may be granted without reference to Article 7.07.

11.10 SICK LEAVE

11.10.01 Sick leave benefits which are presently enjoyed by employees will not be reduced during the term of this Agreement.

11.10.02 An employee whose valid application for transfer, change of status or change of classification, has not been actioned due to sick leave will be offered the next vacancy at the requested location or base.

11.10.03 Employees who misuse sick leave shall be subject to disciplinary action.

11.10.04 Sick leave benefits will not be withheld as a form of discipline for work performance deficiencies or other non-related matters.

11.10.05 The Company further agrees that, in the exercise of its discretion under the provisions of the Company Sick Leave Plan, employees will not have sick leave benefits unreasonably withheld in any case of absence due to illness/injury.

11.11 FAMILY CARE

11.11.01 Employees will be allowed a maximum of three (3) days in each calendar year for the care of their sick or injured spouse, parents or dependent child. For pay purposes, accrued sick leave credits shall be reduced when an employee is absent up to a maximum of three (3) days per year.

11.11.02 Employees who misuse family care leave shall be subject to disciplinary action.

ARTICLE 12 - TRANSFERS, CHANGE OF STATUS, CHANGE OF CLASSIFICATION, VACANCIES

12.01 TRANSFERS OR CHANGE OF STATUS within the same classification will be made in accordance with the following:

12.01.01 Employees wishing to transfer or change status will make their request in accordance with Article 12.03.

12.01.02 When a permanent vacancy occurs at the requested location or base, the employee will be transferred or the status of the employee will be changed provided that:

12.01.02.01 No employees wish to relocate or bump in accordance with Articles 10.11.02, 10.11.07, 10.11.08, Staff Reductions.

12.01.02.02 The necessary physical and language requirements are met, if applicable.

12.01.02.03 The applicant's standard of work has been satisfactory.

12.01.02.04 Where a change of location or base is involved the applicant has served in their present location for at least fifteen (15) months.

12.01.03 Selection will be made based on the seniority of the employees whose applications have been received at least forty-five (45) calendar days prior to the job becoming available.

12.01.04 All personal expenses incurred resulting from such a transfer will be borne by the employee.

- 12.01.05** Air transportation will be provided as outlined in Company publication 715, to employees and their immediate families when the employee is transferring between bases.
- 12.01.06** When the transfer or change of status involves a change of base, the employee shall be granted, on request, up to three (3) working days, without pay, prior to reporting for duty at the new base.
- 12.02 CHANGE OF CLASSIFICATION** will be made in accordance with the following:
- 12.02.01** An employee wishing to change classification will make their request in accordance with Article 12.03.
- 12.02.02** When a permanent vacancy occurs, the change of classification will be actioned provided that:
- 12.02.02.01** No employee(s) wish to relocate or bump in accordance with Articles 10.11.02, 10.11.07, 10.11.08, Staff Reduction.
- 12.02.02.02** All eligible transfers and changes of status have been actioned in accordance with Article 12.01.
- 12.02.02.03** The necessary physical and language requirements are met, if applicable.
- 12.02.02.04** The applicant's standard of work has been satisfactory.
- 12.02.02.05** The employee has served in their present classification for at least twenty- four (24) months.
- 12.02.03** Selection will be made based on the seniority of the employees whose applications have been received at least forty-five (45) calendar days prior to the vacancy occurring, and in the same order as in the case of transfers and change of status.

12.02.04 The employee selected shall be allowed a period of up to twenty-six (26) weeks in which to qualify. Should the employee not qualify, they shall be returned to their previous job.

12.02.05 All personal expenses incurred resulting from such a change of classification will be borne by the employee.

12.02.06 Air transportation will be provided as outlined in Company Publication 715, to employees and their immediate families when the employee is transferring between bases.

12.02.07 When the change of classification involves a change of base, the employee shall be granted, on request, up to three (3) working days, without pay, prior to reporting for duty at the new base.

12.03 REQUESTS SHALL BE INITIATED BY THE EMPLOYEE, IN WRITING, ON FORM ACF732-1, IN ACCORDANCE WITH THE FOLLOWING:

12.03.01 The request will be prepared in four (4) copies and will be distributed as follows:

Original - Labour Relations
re CAW Transfers
Canadian Airlines
Mail Drop YVR 0504
6001 Grant McConachie Way
Richmond, British Columbia
V7B 1K3

First copy - Union District Chair

Second copy - Employee's retention

Third copy - Employee's Manager

- 12.03.02** The original must be forwarded by Registered Mail - Canada Post. If a stoppage of work, either complete or partial, occurs in the postal service and such stoppage affects the forwarding of the forms provided in Article 12.03, the Company will arrange with the Union, at the Headquarters level, for an alternate means of processing the forms. Any such arrangement will be bulletined to all employees and will terminate on the resumption of postal service.
- 12.03.03** The request will be acknowledged, in writing, to the employee concerned.
- 12.03.04** Failure on the part of the employees to forward the request in accordance with Article 12.03.02 will render the request invalid.
- 12.03.05** Errors or omissions in the completion of the form may also render the request invalid, subject to joint agreement between the Company and the Union, at the Headquarters level.
- 12.04** SUBJECT TO ARTICLES 11.01.05 THROUGH 11.01.05.03, SUBSEQUENT ACTION TO REQUESTS SHALL BE IN ACCORDANCE WITH THE FOLLOWING:
- 12.04.01** Withdrawal If the employee desires to withdraw their request at any time prior to a transfer, change of status, or change of classification being offered, they may do so in writing in accordance with Article 12.03.01.
- 12.04.02** Confirmation -The employee will be advised in writing of the confirmation of their transfer, change of status or change of classification request and will be required to signify their acceptance to the Company in writing within twenty-four (24) hours from the time of the employee's receipt of confirmation.

- 12.04.02.01** Upon the employee's acceptance of the transfer, change of status or change of classification, all other requests will be null and void, except that a valid request for transfer in the other status to the same location will remain active.
- 12.04.03** Refusal In the event the employee fails to signify their acceptance in accordance with Article 12.04.02, it will be deemed to be a refusal and the employee shall be restricted from submitting a new request for a period of twelve (12) months from the date of their original confirmation.
- 12.04.04** Reversion - An employee whose transfer, change of status or change of classification has been accepted by the employee as per Article 12.04.02, will not be eligible to withdraw, unless mutually acceptable to the Company and the Union, at the Headquarters level. If the reversion is accepted, the employee shall be restricted from submitting a new request for a period of twelve (12) months. In the event a reversion is not mutually acceptable to the Company and the Union, at the Headquarters level, the employee may elect to take furlough without pay with recall rights only to the base to which they were placed on furlough except that in the event of a subsequent staff reduction that would have affected an employee had they not been on furlough, the employee will be returned to work and granted their rights under Article 10. If the reversion is acceptable or if the employee elects to take furlough, the Company will confirm the reversion or furlough in writing to the employee with copies to the Union Headquarters and the Union District Chair. If the employee is placed on furlough they shall be returned to the first vacancy at their base in their classification and Articles 10.12.04 through 10.12.07 shall apply.

- 12.04.05** An employee transferring or changing status under the provisions of Article 12.01 or changing classification under the provisions of Article 12.02 shall be given fourteen (14) calendar days notice before effecting the transfer, change of status or change of classification. The fourteen (14) days shall exclude the three (3) days of travel time provided for in Articles 12.01.06 and 12.02.07.
- 12.04.06** When an exception to the notice in Article 12.04.05 is desired by Management or the employee, the Union District Chair or their designated alternate will be consulted before transfer dates are finalized.
- 12.04.07** All requests described in Articles 12.01, and 12.02 shall be considered active for one (1) year from the postmark date of the original application.
- 12.04.08** An employee who still desires to transfer or change status or classification prior to the end of the year for which their application was active will have to submit a renewal request in writing in accordance with Articles 12.03.01 and 12.03.02.
- 12.04.08.01** If the renewal request is postmarked within the ninety (90) calendar days prior to the expiry date of the original application the employee shall retain their original application date. Such renewal requests postmarked more than ninety (90) calendar days prior to the expiry date of the original application will be considered invalid and rejected as untimely. Such renewal requests postmarked after the expiry date of the original application shall be considered as new requests.
- 12.04.08.02** Second and subsequent renewal requests will be handled in the same manner as a first renewal request and Articles 12.04.08 through 12.04.08.01 will continue to apply.

- 12.04.09** An employee who is relocated to another location within the base in the same status in accordance with Article 10.10.01 and who submits a valid application to transfer back to their previous location in accordance with Article 12.01, shall not be subject to the time limitations provided for in Articles 12.01.02.04 and 12.01.03, however, all other provisions shall apply.
- 12.05** A permanent employee may file a request at any time during their employment, subject to Articles 12.04.03 and 12.04.04, provided that they have completed their probationary period. Such requests shall be accepted by the Company; however, processing on the part of the Company may be deferred until the applicable provisions of Articles 12.01 and 12.02, have been met.
- 12.06** The time limitations as provided for in Articles 12.01.02, 12.01.03 12.02.02 and 12.02.03, shall not be deemed to prevent the Company from accommodating an applicant who has not served in their present location, base or classification for the time specified provided that such transfers, changes of status or changes of classification are mutually acceptable to the Company and the Union at the Headquarters level.

12.07 TEMPORARY VACANCIES

- 12.07.01** Subject to Articles 12.07.06 and 12.07.06.01, at those locations where there are twenty-five (25) or less employees, the Company may, if required, fill a temporary staff requirement without **actioning** eligible requests under Article 12, providing such requirement results from the absence of an employee due to vacation, sick leave, Maternity leave, Child Care leave, court appearance leave and time off for Union business.

- 12.07.02** Subject to Articles 12.07.06 and 12.07.06.01, at those locations where there are twenty-six (26) or more employees, but no more than one hundred (100) employees, the Company may, if required, fill a temporary staff requirement without actioning eligible requests under Article 12, providing such requirement results from operational staff shortages resulting from the absence of an employee due to sick leave, Maternity leave, Child Care leave, court appearance leave, time off for Union business and training.
- 12.07.03** Subject to Articles 12.07.06 and 12.07.06.01, the Company may, if required, fill a temporary staff requirement without actioning eligible requests under Article 12, providing such requirement results from a temporary increase in the workload which has been separated from the last such increase by at least sixty (60) calendar days, or from temporary operational staff shortages caused by the absence of employees due to training.
- 12.07.04** Nothing hereinabove shall prevent the Company and the Union at the Headquarters level from mutually agreeing to other types of unusual absences or to a reduction of the sixty (60) calendar days separation provided for in Article 12.07.03 to no less than thirty (30) calendar days.
- 12.07.05** Prior to taking any action under Articles 12.07.01, 12.07.02 or 12.07.03, the Company shall first enter into full discussion with the District Chair and, if any action is taken subsequent to the discussion, the Company shall advise the District Chair, in writing, copied to Union Headquarters, of the reason and expected duration of the temporary requirement.

- 12.07.05.01** The provisions of Articles 12.07.01, 12.07.02 and 12.07.03 shall not apply to any vacancy expected or known to be in excess of one hundred and thirty-two (132) consecutive calendar days except as provided for in Articles 12.07.05.04 and 12.07.05.05.
- 12.07.05.02** If the vacancy is expected or known to exceed one hundred and thirty-two (132) consecutive calendar days Article 12 shall be actioned, if necessary, as applicable, except as provided for in Articles 12.07.05.04 and 12.07.05.05.
- 12.07.05.03** In the event Articles 12.07.01, 12.07.02 or 12.07.03 have been utilized and the vacancy subsequently exceeds one hundred and thirty-two (132) consecutive calendar days except as provided for in Article 12.07.05.04 and 12.07.05.05, Article 12 shall be actioned as applicable, and the employee who had been filling the vacancy shall be returned to laid off status in accordance with Article 12.07.06.01 returned to their original status and/or location in accordance with Article 12.07.06.01 or terminated in accordance with Article 12.07.06.02 as applicable.
- 12.07.05.04** Initial basic classroom training for a maximum of five (5) weeks does not form part of the one hundred thirty-two (132) consecutive calendar days.
- 12.07.05.05** Notwithstanding the provisions of Articles 12.07.05.01, 12.07.05.02 and 12.07.05.03 the period of the temporary vacancy may be extended beyond one hundred and thirty-two (132) consecutive calendar days for the purpose of covering the absence of an employee due to Child Care leave and extensions to Maternity leave.

12.07.06 The filling of temporary staff requirements will be accomplished by the application of the following in the order stated:

12.07.06.01 Full-time positions will be offered, in order of seniority, first from amongst employees in the classification holding lay-off status from the location or base and employees in the location requesting a change of status, and then employees in the base and classification requesting transfer or change of status where the vacancy is occurring.

Pert-time positions will be offered in order of seniority from amongst employees in the classification holding lay-off status from the location or base and employees in the location requesting a change of status.

If the offer is accepted by an employee holding lay off status, the employee will be returned to lay-off status at the end of the temporary vacancy and for the purposes of Article 10.07.04, the date of return to lay-off status shall be considered the commencement of layoff for the employee. Acceptance or declination of an offer to fill a temporary vacancy will have no effect on the employee's request for recall to a permanent vacancy.

If the offer is accepted by an employee requesting transfer or change of status, the employee will be returned to their original status and/or location at the end of the temporary vacancy. Acceptance or declination of an offer to fill a temporary vacancy will have no effect on the employee's request for transfer or change of status.

12.07.06.02 Positions not filled through the application of Article 12.07.06.01 and any vacancy created by the application of Article 12.07.06.01 may be filled with temporary employees. Such employees will be terminated at the end of the temporary vacancy unless there is a permanent vacancy available at the base for which there are no eligible requests on file.

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	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Labour Day	Other*

*Natal Day Halifax

*St. John the Baptist's Day Province of Quebec

*August Civic Holiday Other provinces

NOTE: An additional holiday shall be granted and taken at a time to be determined by the Union at the Headquarters level.

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 13.02.01. Failing such notice, the employees will be entitled to work as scheduled.

NOTE: Should staff requirements change within the twenty-one (21) day period, the Company may offer and grant time off in accordance with Article 7.07 to employees scheduled to work on a Statutory Holiday.

13.02.01 In the event a Statutory Holiday falls on an employee's scheduled day off, the employee may, subject to the required notice, be assigned in lieu of the eight (8) hour credit a day off with pay on the scheduled day on immediately preceding or following the Statutory Holiday.

13.03 In summary, on a Statutory Holiday, the following applies:

HOURS WORKED	SCHEDULED TO WORK	NOT SCHEDULED TO WORK
0	Regular Pay	8 Hours Pay
8	Regular Pay	8 Hours Pay
	+ 1.5 X	+ 1.5 x
Over 8 12	2.5 x	2.5 x
Over 12	Prohibited	Prohibited

ARTICLE 14 VACATIONS

14.01 GENERAL

14.01.01 Past Service Recognition - Notwithstanding the provisions of this Article, it is understood and agreed that the employees will be subject to the provisions and regulations of the Company's policy on past service recognition except that, during the first full calendar year of re-employment, vacation entitlement will be based on the provisions for a reduced vacation entitlement in accordance with Company regulations.

14.01.02 Vacation leave will be taken in consecutive days. Vacation leave is not cumulative and will be taken during the calendar year immediately following the period for which it is granted unless special circumstances warrant otherwise and prior arrangements are made in writing with local management.

14.01.03 Split Vacations

- 14.01.03.01** An employee with a vacation of twenty-one (21) or more days may elect to take vacation in two (2) blocks. The calendar division and date of the second block will be allocated in the same way as the first, only after all the original seniority process of allocating vacation periods and dates has taken place.
- 14.01.03.02** An employee with a vacation of thirty-five (35) or more days may elect to take vacation in three (3) blocks. The calendar division and date of the third block will be allocated in the same way as the first, only after all the original and secondary seniority process of allocating vacation periods and dates has taken place.
- 14.01.03.03** Employees who elect to split their vacation will indicate their intent to split, together with the number of blocks and length and seniority preference for each block, at the time they designate their choice of calendar division(s) provided for in Article 14.05.02 or, when the calendar division is a full calendar year, at the time they select their dates in accordance with Article 14.06.01.
- 14.01.04** It is recognized by the parties to this Agreement that restrictions on the selection of vacation times may be necessary. It is agreed, however, that such restrictions are undesirable and should be avoided where possible. Any restrictions on vacation dates must be declared by the Company prior to the employees selecting their calendar division(s).
- 14.01.04.01** Where practicable, the scheduled days off of employees will not be considered in the application of restrictions.

14.01.05 Vacation dates or calendar division(s) will not be exchanged between employees without prior approval of the Company and the Union District Chair or their designated alternate.

14.01.06 When an employee's vacation falls while they are 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 take vacation with pay, 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, or at a time not desired by another employee.

14.01.06.01 Notwithstanding the provisions of Article 14.01.06, when an employee's displaced vacation has not been taken as of December 31st of each year, the employee may elect to receive pay in lieu of that vacation upon return to work.

14.01.06.02 The employee shall endeavour, to the extent possible, to advise the Company of their option prior to the commencement of their scheduled vacation.

14.02 ENTITLEMENT

14.02.01 Employees shall be entitled to vacation leave with pay. Such time away from work shall be granted 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.

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 3 years	14 calendar days
4 through 9 years	21 calendar days
10 through 17 years	28 calendar days
18 through 27 years	35 calendar days
28 years and over	42 calendar days

14.02.02 For each holiday listed in Article 13 which falls within an employee's vacation, the employee will receive a day off with pay added to that vacation block unless the employee elects for a credit of eight (8) hours for such day.

14.02.03 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 11.05 and 11.06. Any extension to Maternity Leave shall be subject to a prorated vacation entitlement in accordance with Company regulations.

14.02.04 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 Company regulations.

14.03 SELECTION

14.03.01 At each location, calendar divisions and dates will be allocated in order of seniority.

14.03.02 Employees who fail to designate their choice of calendar division(s) or request their vacation dates prior to the times described in Articles 14.05.02 and 14.06.01 will be assigned calendar division(s) or dates, as the case may be, after all other employees in that location have been assigned.

14.03.03 Within locations, employees possessing the greatest seniority will have preference as to the selection of vacation calendar division(s) and dates, except that employees who have transferred, relocated, exercised bumping privileges, or have been recalled from layoff, or returned from furlough after August 31st of each year, shall not affect the vacation calendar division(s) selected by less senior employees; such employees, however, will have the right to exercise their seniority in the selection of vacation dates in the assigned available calendar division provided that, if applicable, the calendar divisions utilized in the employee's new location matched those utilized in their previous location and/or provided that the deadline for the selection of vacation dates has not expired.

14.03.03.01 In the event the calendar divisions in the employee's new location do not match those utilized in their previous location, the employee will have their original calendar division(s) altered to a calendar division(s) which is available in the new location and will select their vacation dates in accordance with Articles 14.03.01 and 14.06.01.

14.03.04 Company personnel who enter into the scope of the Agreement and who have not taken the vacation earned in the previous year will be assigned calendar division(s) after all employees in the location have been assigned their calendar division(s) and will select their vacation dates in accordance with Articles 14.03.01 and 14.06.01.

14.04 RELIEF

14.04.01 Employees who have accepted relief assignments in accordance with Article 8.04 and who have been assigned vacation dates that will occur during the relief assignment shall take that portion of the vacation immediately following the termination of the relief assignment and prior to reporting back to duty at their base.

14.04.02 Employees who return from a relief assignment provided for in Article 8.04 after the deadline for selection of calendar divisions, shall be assigned a calendar division(s) and shall exercise their seniority in the selection of vacation dates in the calendar division(s) if their return is prior to the deadline for selection of dates.

14.04.03 Employees who return from a relief assignment provided for in Article 8.04 after the deadline for selection of vacation dates will be assigned vacation dates after all other requests in that calendar division have been actioned.

14.05 VACATION CALENDAR DIVISIONS

14.05.01 Prior to August 1st of each year, employees at each location will, by plurality in a vote conducted by the Union, determine the calendar division(s) which will be utilized at the location for the purposes of vacation to be taken in the following year. The calendar divisions will be a full calendar year or consecutive months divided into thirds or quarters as follows:

Thirds:

- First Third - January, February, March, April
- Second Third - May, June, July, August
- Third Third - September, October, November, December

Quarters:

- First Quarter - January, February, March
- Second Quarter - April, May, June
- Third Quarter July, August, September
- Fourth Quarter October, November, December

- 14.05.02** Employees will be advised of their entitlement and, in locations where they have opted for a calendar division of thirds or quarters, they will be requested to designate, in writing, the calendar division(s) during which they desire to take the next year's vacation. The designation may indicate the first, second or third choices and shall be made prior to September 1st of each year subject to Article 14.01.03.03.
- 14.05.03** Not later than September 15th each year, the Company will post, at each location, a list of the calendar divisions assigned.
- 14.05.04** The vacation of the employee concerned must fall within the assigned calendar division except that the vacation may extend into an adjacent calendar division, in which case the extension shall be for not more than five (5) calendar days and shall not interfere with the selection of employees who have been assigned vacation in that calendar division.

14.06 DATES

- 14.06.01** Employees will request vacation dates, in writing, not later than eleven (11) weeks prior to the commencement of their assigned calendar division, subject to Article 14.01.03.03. The request may indicate the employee's first, second or third choices.
- 14.06.02** Not less than eight (8) weeks prior to each calendar division, the Company will post on appropriate bulletin boards, an approved list of vacation dates. When requested by the employee, vacation dates will be assigned in conjunction with their scheduled days off. However, the Company shall have the sole right to alter the dates of an employee's vacation up to eight (8) weeks prior to the dates established provided that the calendar division originally selected is observed and the vacation dates are not advanced to an earlier date. The employee will be advised in writing with a copy to the Union District Chair.

14.07 WAITING LIST

14.07.01 Vacation periods which become available will be offered to employees who are on a waiting list in order of seniority and, ~~ONCE~~ accepted, will become their assigned calendar division(s) or dates.

14.08 JOINT VACATIONS

14.08.01 Where two (2) or more employees desire a joint vacation period, they must so indicate at the time they select calendar division(s) or dates, subject to Article 14.01.03.03.

14.08.02 When two (2) or more employees have indicated they desire a joint vacation period, each of the employees concerned will assume the seniority of the most junior employee concerned and each shall retain that seniority for vacation selection purposes, for that vacation period so assigned.

14.09 VACATION PAY

14.09.01 Employees who leave the service of the Company for any reason are entitled to receive pay in lieu of accrued vacation. The date of separation will not be extended beyond the date of actual termination of service.

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 they believe they have the basis of a grievance, they may have a personal talk with management at their location, if they so desire, with a view to resolving the matter.

15.01.02 If the employee fails to resolve the matter through the provisions of Article 15.01.01, or if they elect to bypass the provisions of Article 15.01.01, they may ask their District Chair to enter into informal discussions with management at their location on their behalf with a view to resolving the matter prior to initiating a grievance. The employee may elect to accompany the District Chair at all such meetings or they may elect to have the District Chair enter into such discussions in their absence.

15.02 GRIEVANCE PROCEDURES

15.02.01 Grievances initiated at the Step 1 level under this Article shall be initiated by the Union District Chair 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 Union District Chair 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 District Chair. The Company shall have seven (7) 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 to the Union Headquarters 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 Union at the Headquarters level within seven (7) calendar days of receipt of the Company's decision at Step 1.
- 15.04.02** The Union Headquarters may also initiate grievances at the Step 2 level when such grievances are too large in scope to fall under the Step 1 level. In such cases, the matter will first be discussed with a Company Headquarters representative designated by the Company. The Company representative shall have seven (7) calendar days to adjust the matter. Failing answer or satisfactory adjustment within the above time limit, the grievance may be initiated.
- 15.04.03** 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.
- 15.04.04** The Company shall have seven (7) calendar days to render a decision in writing from the close of the hearing. Such decision shall also contain the facts and position presented by the Company during the hearing as well as facts obtained by the Company during any investigation conducted subsequent to the hearing.

15.05 UNRESOLVED GRIEVANCES

- 15.05.01** If a decision rendered at the 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.

15.05.02 At the Step 2 level, if the Company fails to hold the hearing in the manner set forth in Article 15.04, or render a decision within the specified time limits, the grievance may be appealed to arbitration, if the Union so wishes, in accordance with the provisions of Article 17, and the Company shall bear all expenses and fees of the arbitrator.

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 level 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 staff 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. Space available transportation will be provided over the lines of the Company from the point of duty to the point of hearing and return.

15.08 CORRESPONDENCE

15.08.01 All correspondence under this Article shall be copied to the District Chair 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. The Union District Chair shall be advised, in writing, of the Manager so designated and of any changes thereto. Appeals being lodged in accordance with Article 15.04 shall be directed to the Director, Labour Relations Customer Service.

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 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 their 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: their 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 specific reason(s) and of their 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 precise 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 all 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 they are Suspended Pending Discharge and the advice shall also inform the employee of the precise 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 they have been unjustly dealt with, they shall have the right to initiate an appeal or to request the Union to initiate an appeal on their behalf under this Article. Throughout the procedures the employee shall have the right to be represented by the Union. The employee may, however, handle the matter on their own behalf if they so desire, including arbitration, in accordance with such special procedures as may be arranged between the employee and the Company. In such cases, the employee shall have to assume all fees and expenses involved in the process, including arbitration.

16.02.02 Throughout the appeal procedures, the employee 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 seven (7) 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, 15.04.03, 15.04.04.

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.

16.04.03 Where Articles 16.03.01 and 16.04.01 refer to the word Union, it shall be deemed to be the employee or the Union, as appropriate.

16.05 UNRESOLVED APPEALS

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

16.05.02 At the Step 2 level, if the Company fails to hold the hearing in the manner set forth in Article 16.04.01, or render a decision within the specified time limits, the matter may be appealed to arbitration, if the Union so wishes, in accordance with Article 17, and the Company shall bear all expenses and fees of the arbitrator.

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 Saturday, Sunday 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 the 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 staff 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. Space available transportation will be provided over the lines of the Company from the point of duty to the point of hearing and return.

16.08 CORRESPONDENCE

- 16.08.01** All correspondence under this Article shall be copied to the employee concerned, the District Chair and the Union Headquarters unless the employee concerned advises the Company that they wish to proceed by handling the matter on their own behalf as provided for in Article 16.02.01.
- 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 removed from the employee's personal file and replaced with the final decision, 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: furthermore, when such correspondence is deleted, the employee will be so advised in writing.
- 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 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 shall be directed to the Manager designated by the Company. The Union District Chair 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 16.04 shall be directed to the Director, Labour Relations Customer Service.

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 ten (10) arbitrators and will be reviewed annually at the first 18.03 Headquarters Meeting; however, vacancies shall be filled by agreement as they occur.
- 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 their 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 Chair 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 Chair, 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 Chair 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 Chair.
- 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. No fact or position shall be presented by the Company, nor permitted, which was not contained in the Company's decision at the Corporate level.
- 17.05** The arbitrator or arbitration board shall have the authority to render any decision that they consider 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 Chair 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 Chair 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 arbitration board shall not make any decision inconsistent with the provisions of this Agreement, nor shall they 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 COMMUNICATIONS IN WRITING

18.01.01 All communications to an employee involving any of the following shall be in writing and copied to the Union District Chair: alterations to scheduled shifts, scheduled shift starting times and scheduled days on/days off; time off under Article 7.07.02; assignments under Article 8 and Letters of Understanding No. 16 and 17; layoff and recall; leaves of absence; transfers, change of status and furlough; Off-Duty Status; promotion; demotion; and, termination; additionally, all correspondence under Article 15 and Article 16 shall be copied to the Union District Chair and the Union at the Headquarters level, subject to Article 16.08.01.

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 COMMITTEE

- 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 at each base and/or location to promote better communications, mutual respect and understanding between the Company and its employees, to discuss ways and means of improving working conditions, Work Schedules or Sub-Schedules, methods, safety, operating efficiency, maintenance of good morale and to provide for advance discussion of other changes affecting the work or working conditions of employees.
- 18.03.03** At the base and/or location level, meetings will be held each month.
- 18.03.04** At Union-Management Headquarters level, meetings will be held at least once each quarter between Union Headquarters representatives and representatives of the Corporate Management level.
- 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 be granted reasonable time off and transportation in accordance with Company regulations to carry out such functions. This time will be allowed as promptly as possible consistent with service pressures. 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, within reason, ensure those employees so designated will be released 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.

18.04.01.02 Time off for the Union Bargaining Committee (5) members will be forty (40) hours per week to be absorbed by the Company.

Time off for the Union Health and Safety Coordinator will be forty (40) hours per week to be absorbed by the Company.

Time off for Union District Chairs as outlined below will be absorbed by the Company:

NUMBER OF EMPLOYEES	TIME OFF
51 - 100	8 hours per week
101 - 200	20 hours per week
201 plus	40 hours per week

NOTE: At the Toronto Airport location, an additional twenty (20) hours per week will be provided to the District Chair's office, to be absorbed by the Company.

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 they may be replaced on an overtime or recall basis.

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

step 1:
 Aggrieved Employee(s) 1
 Union Representative(s) Two only 1

step 2:
 Aggrieved Employee(s) 1
 Union Representative(s) Two only
 (including members of Bargaining Committee) 1 or 2

Union-Management Committee Meetings
 (Article 18.03)

District Level:
 District Chair
 District Vice-Chair
 District Union Representatives
 (when authorized by Management)

Headquarters Level:
 Bargaining Committee 2
 District Representatives
 (when authorized by Management) 1

Technological Change Meetings
 (Article 18.07.03)
 Union Representative(s) One only 1

Monitoring and Measurement Joint Review Board
 Meetings (L11.04)
 Union Representative(s) One only 1

Employee Introduction. This includes addressing new employees at basic or localized training sessions in order to cover the following: introduction to Union Officers 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
 District Vice-Chair 1
 District Union Representatives 1

Union-Management Meetings
 (other than Union-Management Committee meetings)

District Level:			
District	Chair	.	1
District	Vice-Chair	.	1
District	Union	Representatives	1

Headquarters Level:				
Bargaining	Committee	.	2	
District	Union	Representatives		
(when	authorized	by	Management)	1

Negotiations:
 Five (5) Union designated members of the Union Bargaining Committee for time spent in direct negotiations with the Company . 2

18.04.03.01 Time off required by members of the Union Bargaining Committee for activities other than those directly related to Air Canada will be cleared at the Headquarters' level and charged to the Union on the following basis:

- Time required for Union activities not directly related to Air Canada . 4

18.04.03.02 Time off required by the employee appointed by the Union to the position of National Health and Safety Coordinator will be cleared through the Company at the Corporate level and charged to the Union or the Company on the following basis:

Time required for activities for their duties involving Company employees and Company representatives . 2

- All other time required 4

18.04.04 Time spent by a Union representative attending meetings with the Company outside the representative's scheduled shift will be computed at straight time.

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		Chairs	3
District		Vice-Chairs	3
District	Union	Representatives	3
Bargaining		Committee Members	4
Via-Presidents			4
Health	and	Welfare Trustees	5

18.04.06 Explanation of Codes

- CODE 1 Time off for Union District Chairs, Vice-Chairs, representatives, and members to be absorbed by the Company.
- CODE 2 Time off for Union Vice-Presidents and Bargaining Committee Members to be absorbed by the Company.
- CODE 3 Time off for Union District Chairs, Vice-Chairs, representatives, and members to be charged to the Union.
- CODE 4 Time off for Union Vice-Presidents 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.

18.04.07 District, as referred to throughout this section, shall be those districts as defined in the Union's By-Laws or Constitution. In no case shall the number of districts or chairpersons exceed two (2) at any base for the purpose of time charges absorbed by the Company, except in cases where more than one (1) airport location exists within the same base, in which case the number of districts or chairpersons shall not exceed three (3) at any base. Notwithstanding the foregoing, where an additional District is established for an **Aéroplan** Office location, the above limitations may be exceeded by one (1) in each such base.

18.05 CORPORATE REORGANIZATION

In the event that the Company changes ownership, merges 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 the certificate issued by the Canada Labour 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 protection of employees' seniority and other conditions of this Agreement. Failing settlement, the provisions of the Canada Labour Code will apply.

18.06 BULLETIN BOARDS

The Union shall have the privilege of posting notices and related Union material on Company notice boards.

18.07 TECHNOLOGICAL CHANGES

18.07.01 The intent and purpose of the following articles is to ensure that ample consideration is given to the effect technological change will have upon the job security and conditions of employment of employees as well as the continuing effectiveness of the Company.

18.07.02 Definition Technological change means the introduction of equipment or material, different in nature, type or quantity from that previously utilized and/or to the manner in which work is carried on related to the introduction of such equipment which affects a significant number of employees.

18.07.03 To ensure the intent, purpose and benefits of technological change are achieved, the Company will meet at the Headquarters level with members of the Bargaining Committee and designated representatives of the Union at least once each quarter but in any case no less than one hundred and sixty (160) days prior to the implementation of any technological change.

18.07.04 The Company shall provide the above representatives with materials pertaining to technological change which may be required to ensure that the fullest discussion will take place on such matters as retraining, filling of jobs created by technology, change of work methods, reorganization of work, change to the method of organization, etc., so as to ensure the change is implemented with the least possible disruption and with the maximum possible benefits to the Company and the employees.

18.08 EMPLOYEE STATISTICAL LISTS

18.08.01 The Company shall provide Union Headquarters with monthly 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 base.

18.08.02 The aforementioned lists shall be as of the last day of each calendar month.

18.09 HEALTH AND SAFETY

18.09.01 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 their opinion represents a hazard to the health and safety of the employees to the attention of the Company.

18.09.02 LOCAL HEALTH AND SAFETY COMMITTEES

18.09.02.01 The Company shall, for each base and/or location at which twenty (20) or more employees are employed, establish a Health and Safety Committee. The members of each Committee shall be determined in accordance with the following:

Number of Employees

20 - 199	One (1) selected by the Union; One (1) selected by the Company.
200 - 599	Two (2) selected by the Union; No more than two (2) selected by the Company.
600 and over	Three (3) selected by the Union; No more than three (3) selected by the Company.

18.09.02.02 The Company shall post and keep posted the names and work locations 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.

18.09.02.03 The Health and Safety Committee:

- (a) shall receive, consider and expeditiously dispose of complaints relating to the health and safety of the employees represented by the Committee;
- (b) shall maintain records pertaining to the disposition of complaints relating to the health and safety of the employees represented by the Committee;
- (c) shall cooperate with any occupational health service established to serve the workplace;
- (d) may establish and promote health and safety programs for the education of the employees represented by the Committee;
- (e) shall participate in all inquiries and investigations pertaining to occupational health and safety including such consultations as may be necessary with persons who are professionally or technically qualified to advise the Committee on such matters;
- (f) may develop, establish and maintain programs, measures and procedures for the protection or improvement of the health and safety of employees;
- (g) shall monitor on a regular basis programs, measures and procedures related to the health and safety of employees;
- (h) shall ensure that adequate records are kept on work accidents, injuries and health hazards and shall monitor data relating to such accidents, injuries and hazards on a regular basis;

- (i) shall cooperate with safety officers;
- (j) may request from an employer such information as the Committee considers necessary to identify existing or potential hazards with respect to materials, processes or equipment in the workplace;
- (k) shall have full access to all government and employer reports relating to the health and safety of the employees represented by the Committee but shall not have access to the medical records of **any** person except with the consent of that person; and,
- (l) may conduct a workplace inspection at least once each month. The results of the inspection shall be discussed at the monthly Health & Safety Committee meeting.

18.09.02.04 The Health and Safety Committee shall keep accurate records of all matters that come before it and shall keep minutes of its meetings and shall **make** such minutes and records available to a safety officer on their request.

18.09.02.05 The Health and Safety Committee shall meet at least **once** each month and, where meetings are required on an urgent basis as a result of an emergency or other special circumstance, the Committee shall meet as required.

18.09.02.06 A member of a Health and Safety Committee is entitled to such time from their work as is necessary to attend meetings or to carry out any other function as a member of the Committee, and any time spent by the member while carrying out any of their functions as a member of the Committee shall, for the purpose of calculating wages owing to them, be deemed to have been spent at their work.

18.09.02.07 No member of a Health and Safety Committee is personally liable for anything done or omitted to be done by them in good faith.

18.09.02.08 At locations and/or bases with less than twenty (20) employees, the Union shall select an employee as a Health and Safety representative.

18.09.02.09 The Company shall post and keep posted in a conspicuous place or places where it is likely to come to the attention of the employees, the name and work location of the Health and Safety representative.

18.09.02.10 A Health and Safety representative:

- (a) shall receive, consider and expeditiously dispose of complaints relating to the health and safety of the employees represented by the representative;
- (b) shall participate in all inquiries and investigations pertaining to occupational health and safety, including such consultations as may be necessary with persons who are professionally or technically qualified to advise the representative on such matters;
- (c) shall monitor, on a regular basis, programs, measures and procedures related to the health and safety of employees;
- (d) shall ensure that adequate records are kept on work accidents, injuries and health hazards and shall monitor data relating to such accidents, injuries and hazards on a regular basis;

- (e) may request from an employer such information as the representative considers necessary to identify existing or potential hazards with respect to materials, processes or equipment in the workplace; and
- (f) shall have full access to all government and employer reports relating to health and safety of the employees represented by the representative but shall not have access to the medical records of any person except with the consent of that person.
- (g) May conduct a workplace inspection at least once each month and report the results of such inspections to the Company.

18.09.02.11 A Health and Safety representative is entitled to such time from their work as is necessary to carry out their functions as a representative and any time spent by them while carrying out any of those functions shall, for the purpose of calculating wages owing to them, be deemed to have been spent at their work.

18.09.02.12 No Health and Safety representative is personally liable for anything done or omitted to be done by them in good faith.

18.09.03 Matters which are too large in scope or matters that cannot be resolved at the local Health and Safety Committee level may be dealt with at the Union-Management Headquarters level as per Article 18.03.04.

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 ground;; of race, national or ethnic origin, colour, religion, disability, age, sex, sexual orientation, marital status, family status, political affiliation or conviction for an offence 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.

19.02 UNIFORMS

19.02.01 The Company and the Union shall each appoint its members of the Joint Uniform Committee. The Union's members shall consist of a maximum of six (6) employees.

19.02.02 The wearing of uniforms shall be in accordance with published Company regulations. The conditions of payment shall be on a 50/50 cost sharing basis between the Company and the employees on all items, compulsory or optional. Prior to the introduction of any new uniform or of any changes to an existing uniform, the Joint Uniform Committee shall meet to discuss the style, colour and material of the uniform, its components and accessories, the frequency of replacement, and the Company regulation;; regarding the wearing of the uniform. The recommendations of the Union representatives shall be considered by the Company before making any such changes.

| **19.02.03** Each employee required to wear a uniform shall be
| paid a cleaning allowance of twenty-seven dollars
| (\$27.00) per month or part thereof.

| NOTE: The foregoing allowance will be increased to
| thirty dollars (\$30.00) effective January 1,
| 2000.

19.03 SAVING CLAUSES

19.03.01 Should any part or provision of this Collective 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.

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

19.04 COPIES OF AGREEMENT

19.04.01 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.

19.04.02 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 the Agreement. The cost of printing will be the responsibility of the Company.

19.04.03 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 shall govern. As soon as practical, the Company and the Union will agree to a final draft of the French version prior to printing.

19.05 EMPLOYEE STATUS

19.05.01 All employees shall be permanent except for those hired under the provisions of Article 12.07.06.02, who shall be classified as temporary.

19.06 TRAINING

19.06.01 All training other than on the employee's scheduled shift will be in accordance with Article 7 and/or Article 13.

19.07 GROUP LIFE INSURANCE

19.07.01 The Company will pay the full cost of the Group Life Insurance Plan up to a maximum coverage of \$60,000.00. Coverage in excess of \$60,000.00 will continue to be shared on a 50/50 basis. The level of coverage will be two and one-half (2½) times the basic annual salary up to a maximum of \$70,000.00. The maximum level of paid-up life insurance for retired employees will remain at one fourth (¼) of coverage at time of retirement up to a maximum of \$10,000.00.

19.08 GROUP LIFE INSURANCE DISABILITY INCOME PLAN

19.08.01 Employees shall be in a plan established for CAW Canada, Local 2213 participants on an employee-pay-all-basis. The Company will provide payroll deduction facilities and remittances of appropriate deductions to the CAW Canada, Local 2213, 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 2213, 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 2213, Health and Welfare Trust Plan Fund sponsored plan shall remain a condition of employment for all Full-Time employees, for Part-Time employees who have elected to participate and for all Part-Time employees hired or who changed status from Full-Time on or after April 1, 1984.

19.08.02 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 and twenty dollars (\$20.00) for each Part-Time permanent employee as of December 31st each year. Such amounts shall be used by the Health and Welfare Trust to improve benefits.

19.09 SUPPLEMENTARY HEALTH INSURANCE

19.09.01 The Company will pay the full cost of Plan II. The maximum aggregate under the Supplementary Health Plan will be thirty thousand dollars (\$30,000.00).

19.09.02 The Company will extend coverage to include psychologists at a benefit level of fifty percent (50%) of the cost per visit to a maximum of five hundred dollars (\$500.00) per person and one thousand dollars (\$1,000.00) per family per year.

19.09.03 The Company will provide coverage for hearing aids and tests to a maximum of five hundred dollars (\$500.00) per five (5) year period.

19.09.04 Expenses incurred for paramedical services of Chiropractors, Osteopaths, Naturopaths, and Podiatrists in Provinces where such services are not covered by the Provincial Medical Plans, will be covered to a maximum of twenty-five dollars (\$25.00) per visit to a maximum of five hundred dollars (\$500.00) per person per year or one thousand dollars (\$1,000.00) per family per year.

19.10 DENTAL INSURANCE

19.10.01 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.

19.10.02 The annual maximum of covered expenses is one thousand seven hundred and fifty dollars (\$1,750.00) per calendar year per person. The basic dental services coverage is payable at ninety percent (90%).

19.11 VISION CARE PLAN

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

19.11.02 The benefits for each employee and each eligible dependent to be not more than one hundred and seventy-five dollars (\$175.00) reimbursement for eyeglasses or contact lenses in each period of twenty-four (24) consecutive calendar months, except that for contact lenses prescribed for severe corneal situations, as set out in Company Publication 711, Chapter 9, 8.10, the maximum amount payable shall be three hundred and sixty dollars (\$360.00), payable once during the entire period the person is insured.

NOTE: The foregoing benefits will be increased to two hundred dollars (\$200.00) effective April 1, 2001.

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 2213 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 DOMESTIC VIOLENCE

The Company agrees to recognize that employees sometimes face situations of violence or abuse in their personal life that may affect their attendance or performance at work. For that reason, the Company and the Union agree, when there is adequate verification from a recognized professional (i.e. doctor, lawyer, registered counsellor), an employee who is in an abusive or violent situation will not be subjected to discipline if the absence can be linked to the abusive or violent situation. Absences which are not covered by sick leave or disability insurance will be granted as absent with permission without pay.

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 denied on the grounds of race, national or ethnic origin, colour, religion, age, sex, marital status, language capability or political affiliation.
- 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, or training for, 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 April 1, 1999, except as otherwise provided herein, and shall continue in full force and effect until March 30, 2002, subject to Articles 4.03, 18.05 and 18.07, and may be varied by mutual agreement, in writing, between the parties hereto. It shall remain binding thereafter from month to month, unless notification, in writing, to reopen the Agreement is served by either of the parties hereto not more than ninety (90) days prior to the expiry date, or any continuation of expiry date, on a month-to-month basis, 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 Agreement or until all the requirements of the prevailing Federal Laws have been met and no agreement has been reached.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 24th day of 1999 msc

FOR: AIR CANADA

FOR: CAW - CANADA AND ITS LOCAL 2213

[Signature]

P. N. [Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

David [Signature]

[Signature]

[Signature]

[Signature]

D.P. [Signature]

[Signature]

[Signature]

COMPANY NEGOTIATING
COMMITTEE

P.E. Cooley

M. Asselin

J. McWilliams

C. Corbett

J. Daughney

R. Dos Santos

E. MacDonald

UNION BARGAINING
COMMITTEE

T. Freeman

P. Nash

G.T. Spencer

E. Di Iorio

D. Fougère

F. Galambosy

B. Guest

D. Duperron

LETTERS OF UNDERSTANDING

LETTER OF UNDERSTANDING NO. 1 PART-TIME EMPLOYMENT

- L1.01** The Company will staff its operation with Full-Time employees whenever a reasonable degree of employee utilization can be achieved. It is recognised, however, that the use of Part-Time employees may be desirable due to the varying work loads.
- L1.02** When Part-Time employment is resorted to, care must be taken to avoid deterioration of the working conditions and scheduling of Full-Time employees.
- L1.03** Therefore, the parties to this Agreement agree to cooperate and work harmoniously together to avoid wherever possible added burdens on Full-Time employees because of lack of training of Part-Time employees and to avoid imposing any threat to continuous employment of Full-Time employees.
- L1.04** The following rules will be applied in the use of Part-Time employees:
- L1.04.01** Full-Time employees with a seniority date of May 19, 1985 or earlier will not be laid off or relocated from their base or required to change status to Part-Time in order to remain in their base while Part-Time employees are employed at that base.
- L1.04.02** Part-Time employees will be paid a rate not less than the minimum nor more than the maximum that is provided by this Agreement.
- L1.04.03** Each Part-Time employee will be scheduled for four (4) consecutive hours employment per day and twenty (20) hours per week, unless specifically provided for herein.

- L1.04.04** During the initial basic classroom training, the Part-Time employee may, for a maximum of seven (7) weeks, be scheduled for eight (8) consecutive hours a day with a maximum of forty (40) hours a week in which case rest and meal periods shall be equal to those of a Full-Time employee.
- L1.04.05** Where more than one (1) Part-Time employee covers a period, the total combined coverage may provide not more than five (5) hours of continuous coverage.
- L1.04.06** Where more than one period of coverage is required, the minimum spread between periods must be not less than four (4) hours.
- L1.04.07** In cases where Full-Time employees do not wish, or are not reasonably available to provide necessary overtime and recall requirements, Part-Time employees may be used if the overtime is required for a period which is not in conjunction with a Full-Time employee's shift and, in any case, may be used prior to recalling a Full-Time employee.
- L1.04.07.01** A Part-Time employee may be used up to a maximum of two (2) hours in excess of their scheduled hours.
- L1.04.07.02** Recall of Part-Time employees will be limited to four (4) consecutive hours.
- L1.04.08** The number of Part-Time employees at a base shall not exceed thirty-five percent (35%) of the total number of employees (Full-Time and Part-Time) at the base as of December 31st of the previous year, excluding temporary employees and additional Part-Time employees agreed to under the provisions of L1.04.08.01 but including probationary employees. The number of Part-Time employees at a location shall not exceed eighty percent (80%) of the permissible number of Part-Time employees at the base.

NOTE 1: Final numbers will be determined using standard mathematical rounding procedures (i.e. decimals equal to or greater than 0,5 are rounded-up to the nearest integer).

NOTE 2: The allowable number of Part-Time employees at any location will be based on eighty percent (80%) of the un-rounded number of allowable Part-Time employees at the base.

L1.04.08.01 Notwithstanding the foregoing, in order to provide the Company with the ability to bid on, successfully acquire, retain and/or renew passenger handling contracts for other airlines, the Company may, with the mutual agreement of the Union at the Headquarters Level, exceed the permissible number of Part-Time employees at the location and/or base. The Union commits that such mutual agreement shall not be unreasonably withheld. In addition, any such arrangements, if required, shall continue through subsequent work schedules subject to Article 6.02.

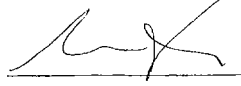
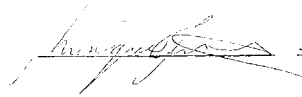
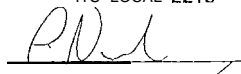
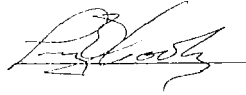
L1.04.08.02 When the provisions of L1.04.08.01 are to be utilized, the additional number of Part-Time employees to be hired shall not exceed the actual number required to perform the passenger handling contract services for the other airline.

L1.05 Exceptions to other rules and those not specifically provided herein will be covered in Letter of Understanding No. 4.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213



LETTER OF UNDERSTANDING NO. 2 ACCRUED SERVICE ON CHANGE OF STATUS AND JOINED SERVICE IN **CAW-CANADA** SCOPE

L2.01 Continuous Employment - For the purposes of establishing levels of vacation entitlement and free and reduced rate travel privileges and priorities, any employee whose status is changed from either Full-Time to Part-Time Or Part-Time to Full-Time shall take their accrued service credits with them.

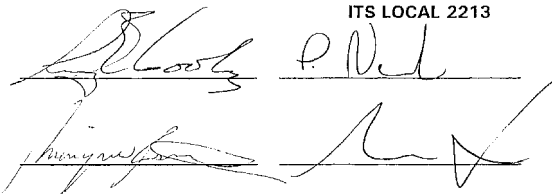
L2.02 Broken Employment - Any employee, regardless of their **status**, who has terminated shall be entitled to have their past service recognized upon re-employment in either status provided such v-employment shall have continued for at least twenty-six (26) calendar weeks. This provision shall reflect credit for all previous service which can be substantiated.

NOTE: The provisions of L2.02 apply only to employees hired prior to January 1, 1989.

Dated at Montreal, Quebec this 24th day of March, 1999.

FOR: AIR CANADA

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

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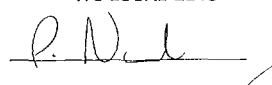
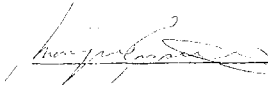

LETTER OF UNDERSTANDING NO. 3 UNION ACTIVITIES

L3.01 It is agreed by and between the Company and **the** Union that in the event that concerted activities on the part of the Union disrupt the service of the Company by the employees, the Union waives its right to Article 15 and Article 17 in the event that Article 2.03 is not adhered to by the Company.

Dated at Montreal, Quebec this 21st day of November, 1999.

FOR: AIR CANADA

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

LETTER OF UNDERSTANDING NO. 4 PART-TIME EMPLOYEES

As provided in L1.05, the provisions of the Collective Agreement shall apply to Part-Time employees unless modified by Letter of Understanding No. 1 or the following:

L4.01 Rates of Pay. As provided for in Article 5.

L4.02 Meal and Rest Periods One (1) rest period and one-half (½) of the applicable meal period included in their shifts. In the event a majority of the Part-Time employees effected so desire, the meal and rest periods may be joined into one period, provided Management and the Union District Chair agree to such an arrangement.

L4.02.01 Shift **Alterations** May only be applied amongst Part-Time shifts and work schedules and, if applied, cannot exceed the four (4) hours per day and twenty (20) hours per week provided in L1.04.03.

L4.03 Overtime and Recall

L4.03.01 Overtime credits shall be at straight time.

L4.03.02 Recall credits shall be in accordance with Article 7.04.

L4.03.03 Additional time worked for training purposes in conjunction with a scheduled shift to a maximum of a total combined period of eight (8) hours shall be at straight time, subject to L4.08.

L4.03.04 Additional time worked for training purposes not in conjunction with a scheduled shift shall be credited in accordance with Article 7.04 and/or L4.08.

L4.04 **Seniority/Staff Reduction/Recall from Layoff** - As provided for in Article 10, subject to L1.04.01, Part-Time employees shall be denoted as such on the seniority list.

L4.05 Service - In accordance with Company Regulations subject to the provisions of Letter of Understanding No. 2.

L4.06 Leave of Absence Requests by Part-Time employees for personal leaves of absence will be considered separately from requests by Full-Time employees.

L4.07 Vacancies The provisions of Article 12.07 may only be utilized to fill a temporary Part-Time staff requirement when the resulting number of Part-Time employees in the location actively employed and scheduled on duty does not exceed the permissible number under L1.04.08.

L4.08 Holidays Paid as set forth in Article 13 based on the scheduled hours or, if worked, on the hours worked. Holiday pay on days off will be based on the hours scheduled in the four (4) week period immediately preceding the week in which the holiday falls and will be one twentieth (1/20) of those hours.

L4.09 Vacations As provided for in Article 14, however, the application will be amongst the part time employees only. Any utilisation of Letter of Understanding No. 21 shall not reduce a part time employee's vacation entitlement/ vacation pay.

L4.10 Insurance Plans

Group Life Insurance

The level of coverage will be two and one-half (2 ½) times the basic annual earnings up to a maximum of \$35,000.00.


Supplementary Health Insurance


The Company will pay the full cost of Plan II. The maximum aggregate under the Supplementary Health Plan will be \$30,000.00.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213





LETTER OF UNDERSTANDING NO. 5 OFF-DUTY STATUS,
INDUSTRIAL DISPUTES

- L5.01** 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.
- L5.02** 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 formal grievance.
- L5.03** 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.
- L5.04** All Part-Time employees in a classification in a base will be placed on O.D.S. before any Full-Time employees in that classification are placed on O.D.S.
- L5.05** Base seniority within each classification will be the determining factor as to who will be kept on duty except that employees may request personal leaves of absence without pay where such leaves will avoid another employee being placed on O.D.S. Such leaves shall be termed voluntary Off-Duty Status and will be subject to the provisions of L5.16, L5.17 and L5.19 and shall remain in effect until the provisions of L5.20 become effective. Employees electing for voluntary Off-Duty Status will be advised of the above conditions prior to the leave being granted.

- L5.06** 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.
- L5.07** As soon as possible after implementing the provisions of this Letter the Company will produce and issue a letter to each employee on O.D.S. This letter will include a summary of Employment Insurance Commission procedures to be followed by the employee, the effect on Company insurance plans and benefits, the effect on the Group Insurance Disability Income Plan, and any other relevant information.
- L5.08** 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 L5.06 and L5.07 will be sent to the employee's last known address.
- L5.09** 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 their return to the base, provided their seniority is sufficient to retain a work assignment.
- L5.10** No employee's scheduled days on/days off will be altered. However, the scheduled shift or scheduled shift starting time of an employee required to work 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 their shift. Such notice may be verbal but written notice will be provided as soon as possible.

L5.11 RELOCATION - IN BASE

L5.11.01 An employee kept on duty may be required to work at another location within the base in their classification; however, such assignments will be in inverse order of seniority providing the remaining employees are capable of performing the tasks/duties required. In any case, Full-Time employees will NOT be relocated from a location while Part-Time employees are retained in that location.

L5.12 RELOCATION - OUT OF BASE

L5.12.01 In the event that operations are rescheduled in or out of another base in Canada, employees at a base where the Company's services are reduced may be required to report to the other base or travel with passengers rerouted to the other base. Volunteers will be solicited from amongst the employees at that location in which they will be working at their new base and selection shall be in order of seniority.

L5.12.02 In the event that operations are rescheduled in or out of U.S.A. airports, employees in the Customer Sales and Service classification may be required to travel with the passengers. In such instances, employees will not be requested to perform any tasks/duties not falling within the scope of this Agreement. All such assignments shall be on a voluntary basis in order of seniority subject to discussion between the Company and the Union District Chair or their designated representative where no volunteers can be found.

L5.12.03 The Company will provide travel insurance in the amount of one hundred thousand dollars (\$100,000.00) for each employee travelling and expenses will be paid in accordance with Company regulations.


- L5.13** There shall be no overtime or recall in a classification at any base where employees in that classification are on O.D.S. Additional staff requirements shall be filled by returning employees on O.D.S. to duty in order of base seniority within each classification.
- L5.14** While it is **recognized** that all temporary assignments in accordance with Article 8.02 should be terminated, where it is necessary to have such assignments they shall be from among those employees kept on duty in accordance with this Letter.
- L5.15** The Company will investigate the possibility of providing training during any reduction in the Company's service. If it is found that training can be provided, all such programs shall be subject to mutual agreement between the Union and Company, at the Headquarters level.
- L5.16** An employee on vacation will continue on vacation and will be placed on O.D.S., if applicable under L5.04 or L5.05, upon the date of their scheduled return from vacation. An employee kept on duty or an employee placed on O.D.S. will commence vacation as scheduled.
- L5.17** Subject to changes to the Group **Insurance** Disability Income Plan, the following will apply during any O.D.S.:
- L5.17.01** An employee receiving disability insurance benefits will continue to receive those benefits until they are scheduled to return to work at which time they will be placed on O.D.S., if applicable. An employee whose illness commenced before the reduction of operations and who has not yet completed the waiting period will receive disability insurance benefits as scheduled, subject to satisfactory proof of disability.
- L5.17.02** An employee who wishes to continue their Group Insurance Disability Income Plan coverage during a period of O.D.S. may do so by prepaying the premium as provided in the regulations of the Plan.

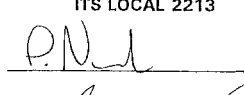
- I.5.18** Company sick leave benefits will not be granted to an employee on O.D.S. However, any illness during the period of O.D.S. may be reviewed at the Company Headquarters level upon request of the Union Headquarters.
- I.5.19** An employee placed on O.D.S. will not lose service credits for pension 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. Prior to any action by the Company relative to service accrual beyond fourteen (14) days, discussions will be held at the Headquarters level between the Company and the Union.
- I.5.20** 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.
- I.5.20.01** An employee will be allowed a reasonable length of time to return to duty.

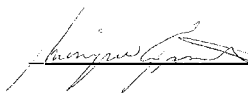
Dated at Montreal, Quebec this 24th day of November 1999.

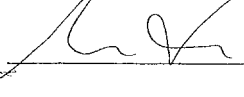
FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213









LETTER OF UNDERSTANDING NO. 6 LANGUAGE

- L6.01.01** It is agreed by and between the Company and the Union that bilingual numerical levels of capability for the Customer Sales & Service Agent classification as shown herein have been established for each base and location.
- L6.01.02** In an effort to achieve the bilingual numerical level of capability the Company would implement a policy of hiring only qualified applicants who are **bilingual in** bases where the agreed bilingual level was below the established figure. This hiring policy applies after complying with the provisions of Article 10 and Article 12 and modifications agreed to hereunder. Established levels are to be considered as a minimum objective and every effort should be made to surpass these figures.
- L6.01.03** Where the language capability at a base or location is below the numerical level, a transfer or change of status under Article 12 will only be **actioned** if the employee meets the necessary language requirement.
- L6.01.04** An employee, whose valid request for transfer or change of status has not been **actioned** on the basis of not meeting the language requirement, will be offered the next vacancy at the requested base or location regardless of the numerical level of language capability.
- L6.01.05** Where the numerical level of language capability has been met, transfers and changes of status will be **actioned** in accordance with Article 12.

- | **L6.01.06** In the event of a staff reduction, the language requirements in Article 10.11.02 will not apply. A **unilingual** employee electing to exercise bumping privileges, filling a vacancy or accepting recall from lay-off to a base where the numerical level of language capability is always equal to the **authorized** establishment will, however, be responsible to acquire the necessary language proficiency within a period of twelve (12) months. If the employee fails to reach the necessary language proficiency within the specified period of time, the employee will be subject to relocation. Prior to relocation, each such case will be discussed by the Company and the Union, at the Headquarters level.
- | **L6.01.07** For employees who are identified as having bilingual (French and English) capability, methods of testing will be employed by the Company to determine their acceptability and/or language level.
- | **L6.01.08** Language training (French and English) will be provided at Company expense and at 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.
- | **L6.01.09** The details of such a training program will be discussed with the Union at the Headquarters level prior to its implementation.
- | **L6.01.10** The provisions of this Letter of Understanding will be reviewed periodically during the life of this Agreement at the Union-Management Headquarters level.

**L6.01.11 BILINGUAL NUMERICAL LEVELS CUSTOMER SALES
& SERVICE AGENT CLASSIFICATION**

LOCATION	REQUIRED	LOCATION	REQUIRED
CALGARY		OTTAWA	
Airport	15	Airport	40
C.S.O.	<u>1</u>	C.S.O.	<u>5</u>
	16		45
CHARLOTTETOWN		QUEBEC	
Airport	3	Airport	All
	3		
EDMONTON		REGINA	
Airport	<u>10</u>	Airport	3
	10		3
HALIFAX		SAINT JOHN, N.B.	
Airport	20	Airport	3
C.S.O.	<u>2</u>	Reservations	<u>120</u>
	22		123
MONCTON		SASKATOON	
Airport	<u>12</u>	Airport	<u>3</u>
	12		3
MONTREAL		ST. JOHN'S, NFLD.	
Airport	All	Airport	<u>5</u>
Reservations	All		5
C.S.O.	All		
Aeroplan	All		

LOCATION	REQUIRED	LOCATION	REQUIRED
THUNDER BAY		VANCOUVER	
Airport	<u>3</u>	Airport	40
	3	Reservations	25
		C.S.O.	<u>2</u>
			67
TORONTO		WINNIPEG	
Airport	120	Airport	26
Reservations	60	Reservations	70
C.S.O.	3	Aeroplan	<u>70</u>
	183		166

NOTE 1: The foregoing numerical levels reflect permanent Full-Time and Part-Time requirements.

NOTE 2: At Toronto Airport, 25% of the number of positions (Full-Time and Part-Time) will be designated as bilingual in Rapidair.

In addition, three (3) Part-Time positions may be utilized to satisfy the Company's bilingual requirements in its Maple Leaf Lounge(s) at Toronto Airport.

L6.01.12 The Company and the Union Regional Bargaining Committee member agree to jointly investigate any bilingual complaint received from the office of the Official Language Commissioner for the purpose of resolving the issues giving rise to the complaint.

L6.02 Route Languages


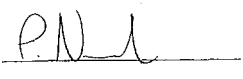

L6.02.01 To ensure the Company's ability to provide Route Language service to our customers, it is agreed that the following will apply:

- L6.02.01.01** At the Vancouver, Montreal, Calgary and Toronto International gateway bases, the Company will designate routes which require specific language capabilities. Those requirements will be identified during work schedule discussions provided for in Article 6.02.
- L6.02.01.02** Sub-schedules will be developed in accordance with Article 6.02 for identified Route Language requirements and such sub-schedules will not exceed 25% of the functional requirements at each location.
- L6.02.01.03** Vacancies for Route Language sub-schedules will first be filled in accordance with the provisions of Article 6.03 by those employees possessing the required language capability. In the event the designated Route Language vacancies are not filled through the provisions of Article 6.03, those employees with a seniority date of July 14, 1997 or later possessing the required Route Language capability will be assigned to such vacancies in inverse order of seniority.
- L6.02.02** In an ongoing effort to achieve and maintain language capability, the Company will implement a policy of hiring qualified applicants who possess the required Route Language(s). This hiring policy will apply after complying with the provisions of Article 10 and Article 12 and modifications agreed to hereunder.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

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


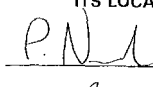
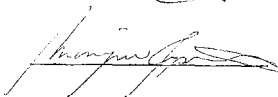
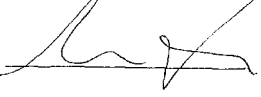
LETTER OF UNDERSTANDING NO. 7 APPLICATION OF
ARTICLE 2.03

- L7.01 It is recognized that it is in the mutual interest of the Company and the employees to contribute to a viable and economic operation of the Company which will provide, to the fullest extent possible, continuing employment to the employees.
- L7.02 It is agreed that the provisions of Article 2.03 do not prevent the Company from marketing its products through outside companies, even though these companies may be performing some of the functions described in Article 4.
- L7.03 Where the Company has undertaken to perform the handling of other airline's customers and customers of tour wholesalers, representatives of these will be permitted to deal with their customers, provided they are not used to replace employees.
- L7.04 It is further agreed that where it is established by the Company to not be economically feasible to staff a new base with employees, the application of Article 2.03, Note 4, to such new base may be deferred after discussion with the Union at the Headquarters level.
- L7.05 During the life of this Agreement the Union agrees to exempt the Company from the terms of Article 2.03 as it applies to tasks/duties covered by the Collective Agreement being performed by other Company personnel, and to the extent that such tasks/duties are being performed, as of September 25, 1984.
- L7.06 It is recognized by the parties to this Agreement that certain tasks/duties covered under Article 4 and not associated with marketing the Company's products, as described in L7.02, are being performed by persons who are not Company personnel. It is agreed that such tasks/duties may continue to be performed, where they are being performed, as of September 25, 1984.

Dated at Montreal, Quebec this 24th day of September, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213

LETTER OF UNDERSTANDING NO. 8 APPLICATION OF
ARTICLE 12.07.06

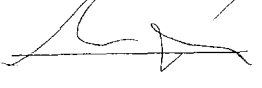
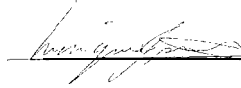
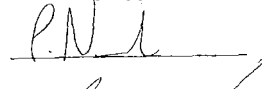
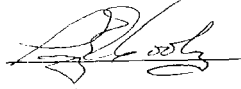
- L8.01** The purpose of this letter is to set out the terms and conditions that apply to employees who are recalled, transferred and/or change status in accordance with the provisions of Articles 12.07.06, and 12.07.06.01 in order to fill a temporary staff requirement provided for in Article 12.07.
- L8.02** The provisions of the Collective Agreement which relate to the employee's original status/location shall apply to the employee working temporarily in the other status/location, unless modified by the following:
- L8.02.01** Rates of Pay As provided for in Article 5 or L4.01 and will be paid on the basis of the standard working week as provided for in Article 6.01 or L1.04.03, whichever is applicable to the temporary status.
- L8.02.02** Shift and Work Schedule Alterations/Transfers within a Location Employees will be permitted to exercise their seniority to fill a vacancy except where it interferes with the request of an employee who has not been temporarily recalled, transferred or changed status.
- L8.02.03** Meal and Rest Periods As provided for in Articles 6.04, 6.05 and L4.02 as applicable to the shift being worked.
- L8.02.04** Overtime and Recall - As provided for in Articles 7.03, 7.04, L1.04.07 and L4.03 as applicable to the employee's temporary status.
- L8.02.05** Time Off Application of the employee's seniority as provided for in Article 7.07.02 will be in the temporary status/location.

- L8.02.06** Relief, Special and Temporary Assignments - As provided for in Article 8 and applicable to the employee's temporary status/location.
- L8.02.07** Leaves of Absence and Sick Leave
- L8.02.07.01** Requests for Personal Leaves of Absence as provided for in Articles 11.02, 11.03 and 11.04 will be considered in accordance with L4.06 in the employee's temporary status/ location.
- L8.02.07.02** Sick Leave benefits will be based upon the shifts being worked in the temporary status.
- L8.02.08** Statutory Holidays - In accordance with Article 13, Application of Article 13.03 and L4.08 will be based upon the employee's temporary status.
- L8.02.09** Vacations An employee's entitlement to vacation with pay as provided for in Article 14.02, and vacation pay, will not be affected as a result of a temporary change of status.
- L8.02.10** Group Insurance Disability Income Plan - As provided for in Article 19.08.01 except that a temporary change of status shall not affect an employee's original option to not participate in the Plan. Premium rates and benefits will be as determined by the Health & Welfare Trust Fund Plan Trustees.
- L8.02.11** Air Canada Pension Plan A temporary change of status shall not affect membership or non-membership in the Company Pension Plan. Pension service accrual, pension contributions and benefits will be in accordance with the Plan.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

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



LETTER OF UNDERSTANDING NO. 9 INTER-LOCATION
ASSIGNMENTS

- L9.01** At any base where there are fifty (50) employees or less, the Company will be permitted to assign employees in one location to perform scope tasks/duties in another location when there is a requirement due to varying work loads. The foregoing shall be subject to the following provisions.
- L9.02** Except as modified hereinafter, the rights and working conditions of employees provided for in the Agreement shall not be altered, or abridged in any way.
- L9.03** The ability to make use of the provisions herein will be established by mutual agreement during the discussions provided for in Article 6.02.01. During these discussions the specific periods when staff levels are surplus to requirements in each work day will be identified and recorded and utilization of the provisions of this Letter of Understanding may be effected during those periods; however, additional periods, where there is a requirement of the service, will be over and above the foregoing. It is recognized by the parties to this Agreement that circumstances will arise from time to time where it is desirable to make use of the provisions of this Letter which are not described above and such circumstances will be in accordance with any agreement reached between the Company and the Union District Chair.
- L9.04** Application of these provisions will not cause a lay-off or termination of existing employees nor will they be used at a base where an employee is awaiting recall.
- L9.05** These provisions are not intended to be used in lieu of the provisions of Article 8 - Relief.

- L9.06 In the use of this Letter the Company will distribute such duties evenly among those employees who have indicated their desire to work in the other location. In the event there are insufficient volunteers, the duties will be distributed equitably among all employees in the location.
- L9.07 Training, where necessary, will be provided so that employees are able to perform the work, to avoid an added burden to other employees and to facilitate fair distribution as in L9.06 above. Where training should appear to be a major problem, resolution of same shall be mutually agreed at Union and Company Headquarters.
- L9.08 The use of this Letter will be reviewed at the Union-Management Headquarters level during the life of this Agreement.
- L9.09 This Letter shall apply only during the life of this Agreement and shall expire upon its termination.

Dated at Montreal, Quebec this 25th day of November, 1999.

FOR: AIR CANADA

FOR: CAW CANADA AND
ITS LOCAL 2213

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LETTER OF UNDERSTANDING NO. 10 REDUCED WORK WEEK

L10.01 Except as otherwise provided for hereinafter, all provisions of the Agreement shall apply to those employees who have selected the option of working a reduced work week.

L10.02 In some locations the Company may declare that its operations could permit a reduced work week. Such a reduced work week would consist of a standard work week of thirty-five (35) hours and a standard work day of seven (7) consecutive hours, inclusive of meal and rest periods. Where it is not practical to relieve employees two (2) days in seven (7), the number of days off in a complete Sub-Schedule shall not be less than two-sevenths (2/7) of the total number of days in the Sub-Schedule.

NOTE: Where the standard work day of seven (7) consecutive hours is not practicable, the employee may be scheduled for more than seven (7) consecutive hours but not in excess of eight (8) consecutive hours, inclusive of meal and rest periods. This provision is to achieve the equivalent of the thirty-five (35) hour reduced work week on a 6 days on, 3 days off rotation (average seven and one half (7½) hours per day) or an a 5 days on, 3 days off rotation (eight (8) hours per day).

L10.03 Employees will advise their immediate supervisor, in writing, with a copy to the Union District Chair if they wish to work a reduced work week. Prior to initiating discussions concerning development of a Work Schedule, the Company, if it determines a reduced work week to be feasible, will contact those employees who have recorded their wish to work a reduced work week and those presently working a reduced work week to establish that they still wish to exercise that option.


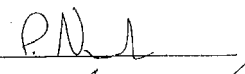
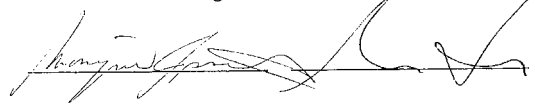
- L10.04** In accordance with Article 6.02, a Sub-Schedule may be developed for each function in a location where the Company has exercised its option to introduce a reduced work week. Employees who have indicated their preference for a reduced work week in accordance with L10.03 will be assigned to the Sub-Schedule within their function in order of seniority. Such Sub-Schedules shall be over and above those described in Article 6.02.04; however, only one (1) reduced work week Sub-Schedule may be developed for each function.
- L10.05** Subject to L10.07, a person entering into a location, or an employee who is changing location, status or is being recalled from lay-off, returned to duty from furlough, or who is reporting back to duty following a maternity leave or child care leave, and who will be filling a vacancy in a reduced work week Sub-Schedule will be given the option of working the reduced hours or having each shift extended by one (1) hour.
- L10.06** Rates of Pay The basic weekly rate will be thirty-five (35) times the equivalent hourly rate provided for in Article 5.04. The monthly equivalent will be based on the basic weekly rate in the same manner as provided for in Article 5.04.
- L10.07** Employee Election Employees who elect to work a reduced work week and who are subsequently assigned to such a Sub-Schedule will remain on such a Sub-Schedule for the duration of the Sub-Schedule, as provided for in Article 6, unless other arrangements acceptable to the Company can be made.
- L10.08** In the application of overtime, the first hour worked outside a scheduled shift in a reduced work week will be paid for at straight time. All time worked in excess of that first hour shall be recorded and computed in accordance with Article 7.03.

L10.09 The application of this Letter of Understanding will be reviewed by the Company and the Union at the Headquarters level.

Dated at Montreal, Quebec this 24th day of ~~November~~ 1999.

FOR: AIR CANADA

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

LETTER OF UNDERSTANDING NO. 11 MONITORING AND MEASUREMENT OF WORK PERFORMANCE

L11.01 The Company and the Union recognize the stress that Individual monitoring and measurement creates for employees if it is perceived as, or is being utilized in a manner inconsistent with the purposes as set out herein. It is not the Intended purpose of monitoring or measurement to place unreasonable restrictions on employees or to discipline or discriminate against employees.

L11.02 Monitoring The primary purpose of monitoring is to support the processes of employee counselling, training and development

L11.02.01 To ensure that any stressful effect on employees is reduced, each employee will be advised prior to the Company undertaking any monitoring in accordance with L11.02.

L11.03 Measurement - The primary purpose of measurement is to provide the necessary information to determine the level of service to customers and to establish staff requirements.

L11.04 In recognition of these concerns, and to ensure that monitoring and measurement continue to be utilized by the Company for the purposes intended, it is agreed that a Joint Review Board consisting of management and designated representatives of the Union, will meet at the headquarters level as often as required:

L11.04.01 to review, on an ongoing basis, the utilization of monitoring and measurement equipment and processes currently being used or being considered for use in the future;

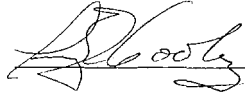
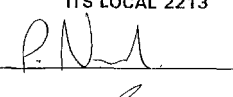
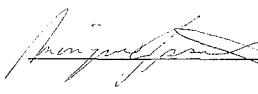

L11.04.02 to investigate and review complaints; and

L11.04.03 to report to the UMHQ level on a regular basis

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

FOR: CAW CANADA AND
ITS LOCAL 2213

LETTER OF UNDERSTANDING NO. 12 VOLUNTARY STAFF
REDUCTION PROGRAMS

L12.01 At a base where there is a surplus of Full-Time employees and an underage of Part-Time employees, Full-Time employees may, at the discretion of the Company, elect to change status to Part-Time. Such an employee will continue to receive their Full-Time weekly rate of pay and benefits for a two (2) year period, after which they will terminate their employment or, if eligible, retire.

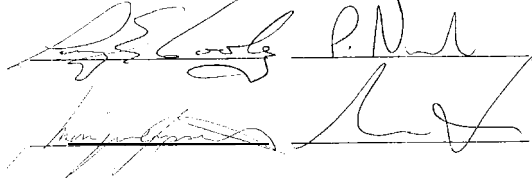
L12.01.01 In the application of L12.01, the provisions of Article 12 will be followed. Employees will not be refused a change of status because they do not wish to avail themselves of the provisions of L12.01. However, an employee who is offered a change of status will be advised if the provisions of L12.01 are available.

L12.02 At the discretion of the Company, and with the agreement of the Union, other methods of achieving a reduction in the number of Full-Time and/or Part-Time employees may be implemented by the Company.

Dated at Montreal, Quebec this 2nd day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213

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LETTER OF UNDERSTANDING NO. 13 EXTENDED LEAVE OF ABSENCE - MATERNITY HEALTH CONCERNS RELATED TO POTENTIALLY HAZARDOUS WORKING CONDITIONS

L13.01 A pregnant employee who furnishes to the Company a medical certificate attesting to her concerns that her working conditions may be physically dangerous to her unborn child, or to herself by reason of her pregnancy, may elect one of the following two (2) options:

L13.01.01 To request: to be reassigned either within the location or within the base to another function or duties covered by the Collective Agreement under Article 4; or, alternatively, to be considered for a reassignment under L.O.U. 17.

L13.01.02 To be placed, in accordance with the terms and conditions of Article 11.05.03, on an extension to a maternity leave of absence.

L13.02 In response to a request under L13.01.01, the Company may alter working conditions to alleviate concerns, or in the event concerns remain, may reassign the employee, provided that no other employee is affected by the reassignment, or alteration. In the event the Company is unable to accommodate the employee under the provisions of L13.01.01, or in the event the employee does not accept, L13.01.02 shall still be available to the employee. If L13.01.02 is accepted under these circumstances, the employee may terminate the extension in the event the Company subsequently offers, and the employee accepts, a reassignment under the provisions of L13.01.01.

L13.02.01 Where the employee furnishes the Company with a medical certificate attesting that the working conditions of her former function no longer pose a concern in accordance with L13.01, the employee may terminate an extension, or reassignment, and return to her former function.

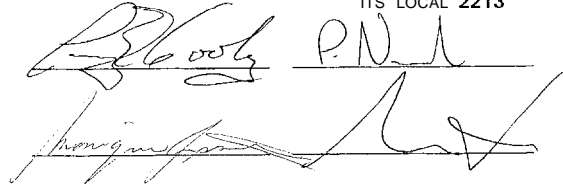
- L13.02.02** Where an employee's transfer or change of status is actioned in accordance with Article 11.01.05.02 and where the employee furnishes the Company with a medical certificate attesting that the working conditions of her new location or status no longer pose a concern in accordance with L13.01, the employee may terminate an extension early.
- L13.02.03** The provisions of L13.02.01 and L13.02.02 may only be exercised once during an extension to a maternity leave of absence.
- L13.03** For the purpose of Article 11.05.06, the former "function" shall mean the employee's function prior to any reassignment resulting from the application of L13.01.01. All other terms of Article 11.05.06 shall apply.
- L13.04** In the application of L13.01.02, such extension shall be granted from the time the request is made.
- L13.05** If an employee has requested a maternity leave of absence in accordance with Article 11.05.02, and then subsequently requests an extension to that leave in accordance with L13.01.02, the employee must then provide the Company with another medical certificate from her doctor.
- L13.06** Where any government form is available to the employee for the purpose of verification by her doctor, such forms may be used by the employee and, if used, shall be deemed to be the medical certificates referred to in Article 11.05 and L13.01.
- L13.07** Post-natal, extended maternity leave shall continue to be in accordance with Article 11.05.05.

L13.08 Notwithstanding Articles 12.07.05.02 and 12.07.05.03, in the event an employee's Maternity leave of absence under Article 11.05.02 is extended under the provisions of L13.01, the 132-day period shall be increased to include that amount of time by which the Maternity leave of absence is extended.

Dated at Montreal, Quebec this 24th day of November 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213

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LETTER OF UNDERSTANDING NO. 14 RECIPROCAL TRANSFERS
AND CHANGES OF STATUS

L14.01 Twice each year, as soon as possible following May 1st and November 1st respectively, 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 transfer and change of status.

L14.02 Once declared, such vacancies or staff requirements will be filled in accordance with the provisions of Article 12, except as modified by the following:

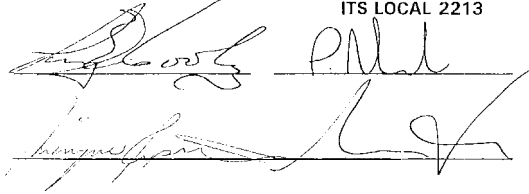
L14.02.01 Selection will be made based on the seniority of the employees whose applications have been received at least forty-five (45) calendar days prior to May 1st and November 1st, as applicable.

L14.02.02 Offers will be considered conditional until such time as the reciprocating transfer(s) or change(s) of status have been accepted by the employee(s) involved.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

FOR: CAW . CANADA AND
ITS LOCAL 2213

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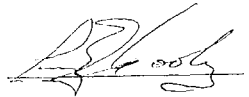
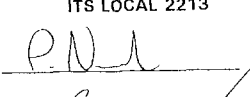
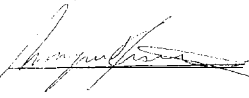

LETTER OF UNDERSTANDING NO. 15 APPLICATION OF
ARTICLE 12

- L15.01** Notwithstanding the provisions of Article 12, in order to provide the Company with language ability (excluding French/English) to bid on, successfully acquire or retain passenger handling contracts for other airlines, special charter programs and global expansion, the Company may, with the mutual agreement of the Union at the Headquarters level, not action a transfer unless the employee meets the necessary language capability and, if necessary, fill the vacancy with a new hire who has the language capability.
- L15.01.01** An employee, whose valid request for transfer or change of status has not been actioned on the basis of not meeting a language capability, will be offered the next vacancy at the requested base or location regardless of language capability.
- L15.02** in the event the Company wishes to reassign a person from outside the scope of this Agreement into a position covered by the scope of this Agreement and such reassignment would affect the seniority rights of an employee(s), except temporary employees, covered by this Agreement, the Company shall first obtain the agreement of the Union at the Headquarters level.

Dated at Montreal, Quebec this 24th day of February 1999.

FOR: AIR CANADA

FOR: CAW . CANADA AND
ITS LOCAL 2213

LETTER OF UNDERSTANDING NO. 16 EXPANSION OF SCOPE TASKS/DUTIES

| **L16.01** This Letter of Understanding covering the expansion of
| scope tasks/duties has been agreed to by the Company
| and the Union.

L16.02 EXPANDED TASKS/DUTIES

L16.02.01 During the life of this Collective Agreement, the Company will maintain not less than fifty (50) positions on a non-exclusive basis.

L16.02.02 Separate work functions may be established in accordance with Article 6.02.01.01 comprised of employees performing these tasks/duties. In the application of Articles 6.03.01.01 and 6.03.01.02, vacancies will be filled by the most senior applicant who possesses the necessary qualifications.

L16.02.03 In those cases where a separate work function is not established, the Company shall make every reasonable effort to equitably distribute the performance of these tasks/duties amongst the employees in the location who volunteer to perform such tasks/duties and who possess the necessary qualifications.

L16.03 Exceptions to the application of the Collective Agreement which may be required due to the special nature of the task/duty to be performed shall be as determined by the Company and the Union at the Headquarters level.


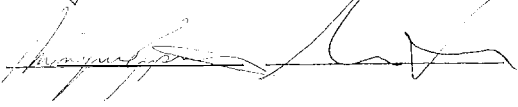
L16.04 FUTURE EXPANSION OF SCOPE TASKS/DUTIES

| **L16.04.01** During the meetings provided for in Article 18.07.03,
| the Company and the Union shall explore the
| continued expansion and establishment of other
| tasks/duties.

Dated at Montreal, Quebec this 2nd day November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213

LETTER OF UNDERSTANDING NO. 17 TEMPORARY EXPANSION
OF TASKS/DUTIES

L17.01 In addition to the expansion of tasks/duties as described in Letter of Understanding No. 16, there will be a continuing need to expand tasks/duties for temporary periods. These temporary assignments, which may supplement those established under L.O.U. 16 or may be in areas other than those listed therein, will be made available in accordance with the following:

L17.01.01 Where the assignment(s) would involve employees from one (1) base, such expansion will be subject to the agreement of the Union at the District Level.

L17.01.02 Where the assignment(s) would involve employees from more than one (1) base, or where exception to the application of the Collective Agreement is requested, such expansion will be subject to the agreement of the Union at the Headquarters Level.

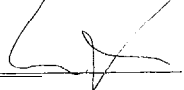
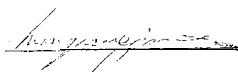
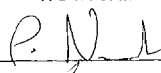
L17.02 The performance of the tasks/duties provided for in the foregoing shall not be construed as being the exclusive right of employees.

L17.03 A review of tasks/duties performed in accordance with this Letter shall be the subject of ongoing discussions by the Company and Union during the meetings provided for in Article 18.07.03.

Dated at Montreal, Quebec this 2nd day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213



LETTER OF UNDERSTANDING NO. 18 CESSATION, REDUCTION
OR CHANGE OF OPERATIONS

L18.01 In the event the Company ceases to operate, significantly reduces its operations, or significantly changes its way of doing business, at a base or in a location, it is **recognized** that the provisions of Article 10 governing staff reduction, layoff and recall may not fully or adequately deal with the impact on the employees affected. Therefore, it is agreed that when such changes are implemented by the Company, the following shall apply:

L18.01.01 The Company shall provide as much notice to the Union as possible and sufficient to implement the provisions of this Letter of Understanding, and shall, without delay, meet the Union for the purpose of minimising the effect on employees.

L18.01.02 Where another company or other companies are expanding their operations, the Company will enter into discussions with those companies in order to assist those employees who so wish to gain employment with those companies.

L18.02 Notwithstanding the provisions of L18.01.01 and L18.01.02, employees who are subject to staff reduction at a base shall have the option of:

- a) Terminating their employment with the Company in accordance with the provision of Article 10.13.
- b) Relocating to another base in accordance with Article 10.11.04.

L18.02.01 In a case where Air Canada ceases to operate a scheduled air service, employees electing to terminate employment with the Company will be entitled to a severance allowance of three (3) weeks' pay at their current rate of pay for each full calendar year of service, or parts thereof, up to a maximum of sixty-nine (69) weeks' pay.

L18.02.02 Employees shall be offered the provisions of L18.02.01 in order of seniority only to the extent required to eliminate layoffs.

L18.02.03 SEVERANCE ALLOWANCE OPTIONS

L18.02.03.01 Options for Pensionable Employees

- a) Employees under age 57 at time of retirement may elect to receive "age make-up" at a rate of fifty percent (50%) of the months between their retirement age and 57 to a maximum of sixty (60) months. Eight (8) weeks of the allowance shall be converted for each year of "age make-up" required for pension reduction purposes under age 57.
- b) Lump sum cash payment.
- c) Time on payroll at full salary
- d) Time on payroll at half salary.
- e) Any combination of the above, except that options c) and d) in total may not exceed twenty-four (24) months or normal retirement age whichever is earlier.

L18.02.03.02 Options for Non-Pensionable Employees

- a) Lump sum cash payment.
- b) Time on payroll at full salary.
- c) Time on payroll at half salary.
- d) Any combination of the above, except that options b) and c) in total may not exceed twenty-four (24) months or normal retirement age whichever is earlier.


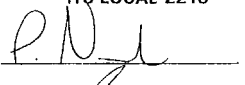
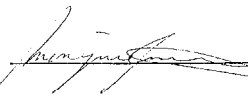

L18.02.03.03 Additional Provisions for Non-Pensionable Employees

- a) Continuation of Supplementary Health Insurance, Dental Plan, Group Life Insurance and Vision Care Plan for twelve (12) months beyond separation or re-employment with another company, whichever is the earlier.
- b) Two (2) Air Canada passes for the employee and eligible dependents for each year after separation for a period equal to the number of completed years of service at date of termination from the active payroll.

Dated at Montreal, Quebec this 27th day of October, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213

LETTER OF UNDERSTANDING NO. 19 AIRPORT RESTRICTED
AREA ACCESS CLEARANCE PROGRAM

L19.01 It is recognized that legislation, and regulations thereto, may require employees to obtain restricted area access clearance to work at certain Airport locations and that it is in the mutual interest of the parties that, to the extent possible, affected employees are provided with opportunities for continued employment. Except as otherwise provided for hereinafter, all provisions of the agreement shall apply to those employees who fail to obtain restricted area access clearance.

L19.02 New Employees

L19.02.01 Employees hired into any Airport location on either a permanent or temporary basis who fail to obtain clearance shall be governed by the provisions of Article 9.

L19.03 Transfers, Changes of Status and Changes of Classification

L19.03.01 Transfers to Airport locations under the provisions of Articles 12.01, 12.02 or 12.07 shall be conditional on the employee undertaking to apply for clearance.

L19.03.02 An employee who has transferred or changed status or classification in their base under the provisions of Article 12 and who is refused clearance shall be returned to their previous location and, in the event of a change of status to their previous status at their previous location.

L19.03.03 An employee who has transferred or changed status under the provisions of Articles 12.01 or who has changed classification to another base under the provisions of Article 12.02 and who is refused clearance shall be governed by the provisions of L19.04.

L19.03.04 An employee who is returned under the provisions of L19.03.02 and, on appeal, is subsequently granted clearance shall be reinstated at the Airport location.

L19.04 Employees at Airport Locations

L19.04.01 An employee who is employed at an Airport location and who fails to obtain clearance shall be handled as follows:

- L19.04.01.01** Employees shall be actioned in the order they fail to obtain clearance and where two or more employees fail on the same date, in order of seniority.
- L19.04.01.02** Where a vacancy exists in the affected employee's status at another location in the classification in the base, the employee will be transferred to fill that vacancy, even if that employee is not the senior valid applicant requesting transfer and regardless of whether the employee has requested a transfer or not.
- L19.04.01.03** Where a vacancy exists in the other status at another location in the classification in the base, the affected employee may agree to change status to fill that vacancy only if there are no other valid requests for that vacancy.
- L19.04.01.04** If the provisions of L19.04.01.02 and/or L19.04.01.03 cannot be effected and notwithstanding the provisions of Letter of Understanding No. 14, reciprocal transfers or, with the employee's concurrence, reciprocal changes of status will be actioned to provide for continuing employment in the base. even if the affected employee at the Airport location is not the senior valid applicant at that location requesting to transfer or to change status and regardless of whether that employee has requested a transfer or change of status or not.

- L19.04.01.05** During the period required to effect a transfer, a reciprocal transfer or change of status, where possible and subject to agreement by the Union, the employee and the Company, the affected employee will be assigned to tasks/duties in areas not requiring clearance. In the event there is no agreement or it is not possible to assign the employee to areas not requiring clearance, the employee will be placed on leave of absence without pay for the period required to effect a transfer, a reciprocal transfer or change of status.
- L19.04.01.06** In the event there is no ability to effect a transfer, a reciprocal transfer or change of status, the employee will be placed on furlough and the provisions of L19.05 will apply.
- L19.05** Furlough
- L19.05.01** An employee placed on furlough in accordance with the terms of this Letter of Understanding shall be subject to the following:
- L19.05.01.01** The provisions of Article 10.13 shall not apply except as a result of a subsequent staff reduction at the base which would have made the option of Article 10.13 available if they had been working at the time the staff reduction occurs.
- L19.05.01.02** An employee on furlough may select, in writing, recall to their base and three (3) other bases in either or both full-time or part-time status in their classification or in the other classification. In the event an employee selects recall at another base or other bases, their total selection shall not exceed six (6) positions in addition to those at their base.
- L19.05.01.03** Recall to the base specified will be in accordance with the provisions of Article 10.12.

L19.05.01.04 An employee who is placed on furlough and, on appeal, is subsequently granted clearance shall be immediately reinstated at the Airport location.

L19.06 Temporary Vacancies

L19.06.01 Notwithstanding the provisions of Articles 12.07.01, 12.07.02 and 12.07.05.02, it is understood that the Company may, if required, fill a temporary staff requirement under the provisions of Article 12.07 where such requirement occurs due to the absence of an employee who is subject to the provision of L19.03.04, or who is on leave of absence in accordance with L19.04.01.05 or who is on furlough in accordance with L19.05.01.04.

L19.07 Recall from Layoff

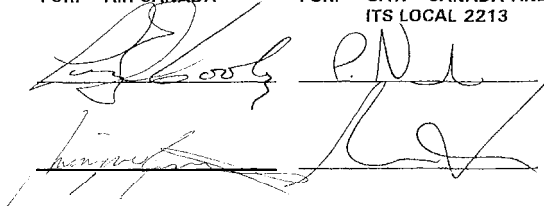
L19.07.01 Notice of vacancy to an employee on layoff shall be conditional on the employee undertaking to apply for clearance, if the vacancy is at an Airport location.

L19.07.02 An employee who is recalled from layoff and fails to obtain clearance shall be placed on furlough in accordance with L19.05.

Dated at Montreal, Quebec this 24th day of November 1999.

FOR: AIR CANADA

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

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LETTER OF UNDERSTANDING NO. 20 COMPRESSED WORK WEEK

L20.01 The Company and the Union have agreed to the following, to give Customer Sales and Service Agent; the ability to work a compressed work week:

<u>Schedule</u>	<u>Shift Duration</u>
a) 4 days on / 3 days off =	10 hours
b) 5 days on / 3 days off =	9 hours 5 minutes
c) 5 days on / 4 days off =	10 hrs 15 minutes
d) 4 days on / 4 days off =	11 hrs 25 minutes

L20.02 The criteria to implement a compressed work week will be as follows:

- a) In the event a shift overlap is involved, a compressed work week can only be implemented where in the opinion of the Company productive use can be made of the shift overlap. The Company may change the shift overlap to any time which still meets operational requirements, subject to Article 6.02.
- b) Implementation of compressed work week work schedules or sub-schedules will require mutual agreement between the Company and the Union during the discussions provided for in Article 6.02.
- c) Approval at the Headquarters Level (UMHQ).

L20.03 The Company and the Union agree to the following changes to the Collective Agreement applicable only to employees working a compressed work week.

- a) Amend Article 6.01 to reflect the various standard working days as listed in L20.01 above.
- b) Employees assigned to a compressed work week sub-schedule will remain on such a schedule for the duration of the schedule subject to Articles 6.02.05.07 and 6.03.

- c) Employees entering into a location where the vacancy is in a compressed work week will be assigned to that schedule.
- d) Articles 6.05.05 and 6.05.06 do not apply until more than eight (8) hours of overtime have been worked.
- e) **Article 13 - Statutory Holidays**

<u>Hours Worked</u>	<u>Scheduled to Work</u>	<u>Not Scheduled to Work</u>
0	Regular Pay	8 Hours Pay
8	Regular Pay + 1.5 x	8 Hours Pay + 1.5 X
Over 8-12	2.5 X	2.5 x
Over 12	Prohibited	Prohibited
Shift Duration (CWW)	Regular Pay + (8 Hours X 1.5)	

L20.04 One (1) meal period will be scheduled in each shift within one and one-half (1 1/2) hours on either side of the midpoint of each shift unless otherwise arranged according to the wishes of the majority of the employees involved.

Dated at Montreal, Quebec this 25th day of November, 1999.

FOR: AIR CANADA

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

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LETTER OF UNDERSTANDING NO. 21 APPLICATION OF LETTER OF UNDERSTANDING #1 & LETTER OF UNDERSTANDING #4

Subject to mutual agreement at each individual location, Letters of Understanding No. 1 and 4 may be amended as follows:

- L1.04.03** Each part-time employee may be scheduled a minimum of four (4) consecutive hours and a maximum of eight (8) consecutive hours employment per day and a minimum of twenty (20) hours per week to a maximum of twenty-four (24) hours per week, unless specifically provided for herein.
- L1.04.05** Where more than one (1) part-time employee covers a period within a function, the total combined coverage may not provide more than eight (8) hours of continuous coverage.
- L1.04.06** Where more than one (1) period of coverage is required, the minimum spread between periods must be no less than two (2) hours.

L4.02 MEAL AND REST PERIODS

- a) An employee scheduled to work four (4) hours shall be entitled to one (1) rest period and one-half ($\frac{1}{2}$) of the applicable meal period included in their shifts. In the event a majority of the part-time employees affected so desire, the meal and rest periods may be joined into one period, provided Management and the Union District Chair agree to such an arrangement.
- b) An employee scheduled to work six (6) hours shall be entitled to one (1) fifteen (15) minute rest period and one (1) thirty (30) minute meal period included in their shift.
- c) An employee scheduled to work eight (8) hours shall be entitled to two (2) fifteen (15) minute rest periods and one (1) thirty (30) minute meal period included in their shift.

NOTE: Employees in Reservations and Aeroplan Office locations who are scheduled eight (8) hours shall be entitled to a forty (40) minute meal period which is to be scheduled in accordance with the above.

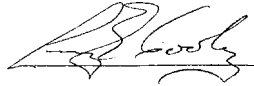
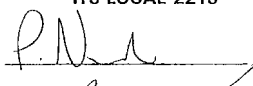
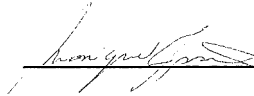
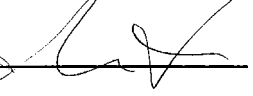
L4.02.01 Shift Alterations - May only be applied amongst part-time shifts and work schedules and, if applied, cannot exceed the eight (8) hours per day and twenty-four (24) hours per week provided in L1.04.03.

In the absence of any such mutual agreement at a given location, the current provisions of Letters of Understanding No. 1 and 4 shall continue to apply. However, it is agreed by the parties that mutual agreement will not be unreasonably withheld.

Dated at Montreal, Quebec this 2nd day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND ITS LOCAL 2213

LETTER OF UNDERSTANDING NO. 22 LEAD AGENTS

- L22.01** Except as otherwise provided for hereinafter, all provisions of the Collective Agreement shall apply to those employees performing the function of Lead Customer Sales and Service Agent (Lead Agent).
- L22.02** The duties of the Lead Agent will vary according to the work location. The principal function of a Lead Agent is to provide leadership, support and direction to a group of employees in the areas of technical expertise, customer service and operational demands while remaining a full working member of that group. Additional responsibilities include employee assignment, on the job training and instruction. Lead Agents shall not be permitted to be directly involved in the discipline of any other employee.
- L22.03** It is understood that the need for Lead Agent positions will vary and that the decision to introduce, maintain, or eliminate such position(s) will rest solely with the Company. When designating the number of Lead Agent positions, sufficient coverage for relief purposes will be included. Lead Agent positions may be declared in either full-time or part-time status, subject to the provisions of Letters of Understanding No. 1 and 4.
- L22.04** A basic and general knowledge examination for Lead Agent candidates will be established by the Company and will be agreed to by the Union at the Headquarters level. Such examination will be provided to employees on a voluntary basis between Lead Agent elections on date(s) established by the Company but in any event during the thirty (30) day application period provided for in L22.05.01. The pass mark for the examination will be eighty percent (80%).

L22.05 Election Process - In filling Lead Agent positions (Permanent and Relief) an election process will be conducted in each location every three (3) years, in order to allow employees to elect Lead Agents from amongst their peers. Every Lead Agent position will be filled by the election process, even if the number of candidates does not exceed the number of positions available. Any Lead Agents elected in an interim election shall hold their position for the balance of the three (3) year term. Elections for Lead Agents shall be conducted as follows:

L22.05.01 When the Company determines that there is a need for Lead Agent positions at a particular location, a bulletin will be posted within that location for at least thirty (30) calendar days setting out the number of positions (permanent and relief, full-time and part-time), a listing of the basic job requirements for the particular function involved, if applicable, the names and/or titles of the persons to whom the employees application is to be forwarded (including the Union District Chair) and the closing date for applications.

L22.05.02 In order to be an eligible candidate for election, the applicant must:

- a) have a minimum of two (2) years seniority.
- b) have a satisfactory employee performance record that includes a satisfactory record of attendance, measured according to the average number of absence occurrences and lateness occurrences during the immediately preceding twelve (12) months.
- c) not be in the disciplinary process for an infraction which would adversely reflect on their ability to satisfactorily perform the job.
- d) possess the ability to communicate with the general public and employees in a courteous and professional manner.

e) have passed the basic and general knowledge examination provided for in L22.04 during the six (6) month period immediately preceding the date of the election.

- L22.05.03** No later than fourteen (14) calendar days following the closing date for applications, the Company will distribute to all employees in the location a listing of the candidates standing for election, the number of positions to be filled and the details of the time(s) and place(s) for the casting of ballots.
- L22.05.04** Election balloting by secret vote will be conducted jointly by the Company and the Union at the District level.
- L22.05.05** The ballots will be counted by the Company and the Union and will be segregated by the status of the employee(s) and the status of the position(s) being filled. If the election is only for Permanent Lead Agents or Relief Lead Agents, the candidates receiving the majority of votes will be declared elected. The successful candidates will assume their position for the term provided for in L22.12, within fourteen (14) days following their election.
- L22.05.06** As agreed to by the Company and the Union at the District level, the above election process may be segregated by group, (e.g. cycle, team, function) as considered appropriate.
- L22.05.07** Where the election process does not determine the position of the Lead Agent(s), assignment will be by seniority.

- L22.06** An employee on maternity leave, child care leave or away due to illness/injury or court appearance who is offered a Lead Agent position and who indicates they will return to work within thirty (30) calendar days of the effective date of the position will be offered such position and, if they accept, will be expected to return to active duty within that thirty (30) day period. An employee who indicates they will not return within the thirty (30) calendar days will be considered to have withdrawn their application for the Lead Agent position.
- L22.07** Relief Lead Agents - Only employees who are Relief Lead Agents will be used to fill requirements arising from the absence of permanent Lead Agents in a manner determined by the Company and the Union at the District level, subject to the provisions of Article 6.02.05. Such employees will be paid a premium in accordance with L22.11.
- L22.07.01** Applicants who are ineligible as a result of the application of L22.05 will be advised by the Company in writing, with a copy to the Union at the District level.
- L22.08** Qualifying Period -The employee(s) elected shall be given up to twenty-six (26) weeks in which to demonstrate their ability to satisfactorily perform the job. Where lack of ability can be shown, the employee shall be placed in a vacancy in a function which has not been requested by a more senior employee except where the employee is a Relief Lead Agent in which case the employee will remain in their function but will be removed from the Relief Lead Agent list.
- L22.09** When an employee is removed or removes themselves from a Permanent Lead Agent position, the vacancy will be filled for the balance of the term by the Relief Lead Agent who received the most votes in the previous election.

- L22.10 Reduction** - Where there is a reduction in the number of Permanent Lead Agent positions, such reduction will be handled in inverse order of seniority with the Permanent Lead Agents affected being dropped down to the list of Relief Lead Agents. Assignment of the affected employee(s), and any required reassignment of any remaining Permanent Lead Agents, to a function and sub-schedule will be as agreed by the Company and the Union at the District Level.
- L22.11 Lead Agent Premium** Permanent Lead Agents shall be paid an additional eight percent (8%) of the basic maximum rate of pay for a Customer Sales & Service Agent over and above their normal weekly rate of pay provided for in Article 5 for the first twelve (12) consecutive months of such assignment. After completion of twelve (12) consecutive months, the Lead Premium will be increased to ten percent (10%) of the basic maximum rate of pay for a Customer Sales & Service Agent over and above their normal weekly rate of pay. Relief Lead Agents will be paid an additional eight percent (8%) of the maximum hourly equivalent rate of pay for a Customer Sales & Service Agent over and above their normal hourly equivalent rate of pay provided for in Article 5 for each hour or part thereof worked as a Relief Lead Agent. Where overtime or recall is worked as a Lead Agent, the above premium will be added as applicable to the normal hourly equivalent rate of pay extended to the applicable overtime or recall rate.
- L22.12 Maximum Duration** The maximum duration for each individual assignment will be three (3) years at which time the position may be filled again in accordance with the provisions of L22.05.

L22.12.01 Employees in a Permanent Lead Agent position who wish to remove themselves prior to the end of their term may file a request under the provisions of Article 6.03, with such request being effective thirty (30) calendar days after the giving of notice unless otherwise agreed by the Company. Employees in a Relief Lead Agent position may remove themselves prior to the end of their term by advising the Company in writing, copied to the Union District Chair, with such removal being effective thirty (30) calendar days after the giving of notice unless otherwise agreed by the Company.


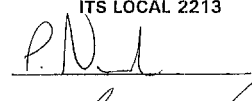
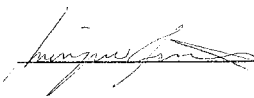
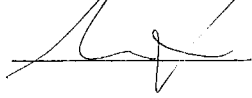
L22.13 In the application of Article 18.01, all correspondence related to the assignment or removal of Lead Agents will be copied to the Union at the District level.

L22.14 Any difficulties arising in the implementation of this Letter of Understanding will be discussed by the Company and the Union at the Headquarters level.

Dated at Montreal, Quebec this 29th day of October 1999.

FOR: AIR CANADA

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

LETTER OF UNDERSTANDING NO. 23 ROUTE NETWORK EXPANSION


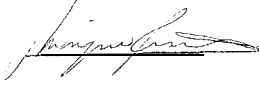
In order to provide the Company with the ability to expand into new markets and/or to strengthen its Route Network into bases where employees covered by this Collective Agreement are not employed, the application of L7.04 will be as follows:

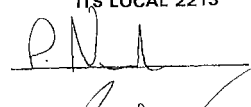

- L23.01** Where the Company commences a route into a base where it does not operate, the Company will be exempt from the provisions of Article 2.03, note 4. However, following a period of continuous operation in excess of two (2) years, the Company will meet with the Union at the Headquarters level for the purpose of determining the economic feasibility of staffing such bases in accordance with Article 2.03, note 4.
- L23.02** Notwithstanding, the provisions of L23.01, where the route expansion is of a seasonal or temporary nature only, the Company will be exempt from the provisions of Article 2.03, note 4. Such route expansion will only be implemented following the discussions provided for in L7.04.
- L23.03** Where the Company utilizes the provisions of this Letter of Understanding, it will be exempt from the provisions of the Memorandum of Understanding No. 3 -Job Security - Alliances/ Connector Carriers.
- L23.04** This Letter of Understanding does not apply to any base with an airport location where employees covered by the Collective Agreement were employed as of April 1, 1999.
- L23.05** The Company agrees that a staff reduction will not take place as a result of the utilization of the exemptions provided for in this Letter of Understanding.

Dated at Montreal, Quebec this 2nd day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213

MEMORANDUMS OF UNDERSTANDING

MEMORANDUM OF UNDERSTANDING NO. 1 - PENSION PLAN

1. The Company will, upon request, provide full information on actuarial evaluations, costs and funding for CAW-Canada participants in the existing Pension Plan. It is recognized that such information is normally only available to the Company tri-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 Plan as they pertain to CAW-Canada participants.

A Joint Committee with equal representation from both the Company and the Union will be established to evaluate the above data as well as any proposed amendments or improvements, including actuarial evaluations showing long term costs specifically for CAW-Canada participants. The Joint Committee will meet on a continuing basis at least annually during the life of this Agreement and its work will be conducted confidentially.

In addition, during the life of this Agreement, the Joint Committee will review and investigate improvements and/or changes to the pension plan, cost issues related to such improvements and/or changes, with a view to recommending to the parties, the basis of a long-term agreement that would address the pension issues and the continued viability of the Pension Plan.

2. Air Canada agrees to pay the cost of such studies in addition to the cost and expenses of any advisors consulted by the Joint Committee, or of any CAW-Canada members with respect to the conduct of any and all duties and/or for the Committee; time spent by CAW-Canada members of this Committee shall be absorbed by the Company.
3. Air Canada will provide a simplified booklet briefly describing the existing Pension Plan in easily understood terms with examples. CAW-Canada participants in the existing Air Canada Pension Plan shall be entitled to receive annually a statement reflecting:
 - a) Required contributions paid (latest year and total);
 - b) Accumulated required employee contributions with interest;
 - c) Same as a. and b, but for voluntary employee contributions, if any.

4. Air Canada will continue to complete its data files so as to put itself in a position to provide on the annual statement of benefits the following additional information:
 - 1) Monthly pension earned (latest year and total);
 - 2) Minimum monthly pension at a specified age;
 - 3) Estimated monthly pension at normal retirement.
5. CAW-Canada participants shall receive the benefit of any amendments or improvements effected in the provisions of the current Pension Plan during the life of the Collective Agreement provided that such benefit, in the opinion of the Joint Committee, is in the best interest of the CAW-Canada participants.
6. Air Canada undertakes that benefits with respect to service from January 1, 1966 to September 30, 1973 will be calculated on a basis to provide not less than \$18.00 of monthly benefit per year of service during such period, this minimum benefit applying in all circumstances with respect to such period for all participants (and those deriving an interest or an entitlement from such participants) and is subject only to qualification or adjustment within the regular provisions of the plan in the event of early retirement with actuarial reduction, or on termination where any cash-out option applicable to this period is elected.
7. These minimum monthly benefits are absolutely guaranteed by Air Canada who undertake to provide separate and proper funding with respect to them and to fully account to CAW-Canada with respect to such benefits their costs and funding annually throughout the period of the Collective Agreement.
8. The Company agrees that changes to the Pension Plan which affect CAW Canada participants will not be made except as agreed by the Union.
9. The provisions of this Memorandum shall be subject to the provisions of Articles 15 and 17.

10 The Pension Plan rules will be amended so that effective May 1, 1999 an employee covered by this Agreement may retire with an **unreduced** early pension provided they are at least 55 years of age, and so that for any employee retiring below age 55 on or after May 1, 1999 the denominator described in clause 2 of rule 30 of the Plan shall be "a figure representing the number of months of allowable service plus the number of months by which the participating employee is below age 55."

11 Pension Plan rules will provide for income protection for eligible retirees for the period ending December 31, 2002 based on the following formula:

(A) The annual change in the Consumer Price Index will be calculated to a maximum of eight (8) percent.

(B) The income protection will be based on a percentage adjustment of fifty (50) percent of the calculation in (A) above.

(C) The application of (A) and (B) above will take place in each of the three (3) years and occur on the following dates:

January 1, 2000
January 1, 2001
January 1, 2002

To be eligible for this benefit, a retiree must have achieved the age of sixty (60) on the adjustment date. Furthermore, eligible employees who retire within twelve (12) months of the adjustment date will have the adjustment pro-rated in that year.

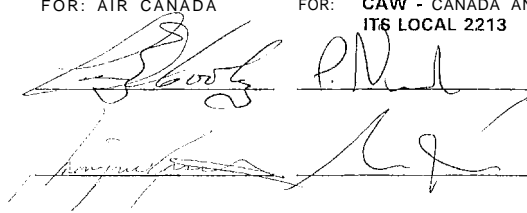
Notwithstanding the agreement to make the foregoing Pension Plan rules change for a period commencing January 1, 2000 and continuing for three (3) years, this in no way prevents the Union from re-negotiating this pension agreement at the termination of this Collective Agreement.

12. The Company agrees to amend the rules of the Air Canada Pension Plan-Canada to reduce from 48 to 36 the number of months used to determine a CAW employee's average annual compensation. This change only affects the benefits of those members who die or retire after January 1, 1994.
13. Effective May 1, 1999, the rules of the Air Canada Pension Plan will be amended to change the formula for eligible employees covered by this Collective Agreement from 1.5%/2.0% to 1.75%/2.0% in respect of allowable service after January 1, 1966. All sections of the Plan text wherever reference is made to 1.5% will be amended by replacing the 1.5% with 1.75%. These are sections 6.1 dealing with normal retirement pension, section 6.3 dealing with disability retirement pension and section 7.1 dealing with the higher pension to age 65 option. In section 7.1a), the reference to 1/2% should also be replaced by 1/4%.
14. Employee contributions under section 4.1 of the rules of the Air Canada Pension Plan will be increased to 5.25% on pensionable earnings up to the employee's Yearly Maximum Pensionable Earnings and 6% on the part of the employee's compensation in excess thereof effective November 1, 1999. This contribution rate will be used as a basis for the recognition of any period of allowable service subsequently applied for by the employee on or after May 1, 1999.

Dated et Montreal, Quebec this 27th day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213



The image shows two sets of handwritten signatures. The first set, on the left, is for Air Canada and consists of two overlapping signatures. The second set, on the right, is for CAW - Canada and its Local 2213 and also consists of two overlapping signatures. Both sets of signatures are written in dark ink over horizontal lines.

MEMORANDUM OF UNDERSTANDING NO. 2 RETIREMENT
PHASE-IN WITH PART-TIME EMPLOYMENT

It is agreed and understood that the provisions of the Collective Agreement shall apply to those employees who elect to participate in this retirement phase-in program, except as modified by the following:

1. Employees who are eligible to retire with pension in accordance with Section 5.2 of the Air Canada Pension Plan and who wish to participate in the program will request a change of status under the provisions of Article 12, and shall notify the Company of their intent to retire with pension at the same time.
2. Requests shall be actioned, subject to vacancies being available, in accordance with Article 12.
3. An employee accepting the change of status when it is made available and this having been confirmed per Article 12.04.02, shall retire with pension in accordance with Section 5.2 of the Pension Plan when the change of status is effected.
4. Employees shall continue in part-time employment and in receipt of pension benefits until such time as they reach normal retirement age as defined in the Pension Plan, or until they terminate their service with the Company, whichever is the earlier.
5. Notwithstanding anything to the contrary in the Air Canada Pension Plan Rules and Regulations, on receipt of pension benefits, employees shall cease to be active members of the Plan and shall cease to contribute to the Plan or accrue additional allowable service under the Plan. Pension benefits shall be those provided by the Plan at the time the employee retires from full-time status.
6. Employees participating in the Program shall not have the right to change status to full-time under any circumstances, whether that be through the provisions of Article 10, Article 12, or any other provision of the Collective Agreement. To effect this, the following provisions are modified:

- (a) Article 10.10.01.01 Employees shall not have the right to bump a junior employee in the other status (full-time).
- (b) Article 10.11.01.01 Employees shall not have the right to bump a junior employee in the other status (full-time).
- (c) Article 10.12.01 - Employees may not select recall in the other status (full-time).
- (d) Article 12 (change of status to full-time) not available.
- (e) Article 12.07 -Employees will not be offered positions in the other status (full-time).
- (f) Letter of Understanding No. 8 - Employees may not work temporarily in the other status (full-time).
- (g) L19.04.01.03 and L19.04.01.04 -Employees have no ability to change status (to full-time).
- (h) L19.05.01.02 Employees may not select recall to the other status (full-time).

7. **BENEFITS**

- (a) **Group Life Insurance:** One fourth (1/4th) of active coverage at time of retirement, as set out in Item 3, up to a maximum of \$10,000.00. Additional coverage is available at employee cost.
- (b) **Group Insurance Disability Income Plan: Employees** shall be covered as part-time employees and disability benefits shall not be offset by pension benefits.
- (c) **Supplementary Health Insurance:** Employees will be covered by the basic Canadian Retired Health Plan - Plan 1 (no cost to employee), or may elect to participate in the Voluntary Supplementary Health Plan Plan 2 (employee pays premium).

(d) Group Dental insurance Plan: Not available. However, some dental coverage is available under the Voluntary Supplementary Health Plan (Plan 2).

(e) Vision Care Plan: Not available.

- 8. Free and Reduced-Rate Transportation entitlement and priority accrual will be in accordance with Company Regulations governing retired employees.
- 9. Notwithstanding Article 10.07.07, the employee will not be removed from the Seniority List nor will their seniority be affected until they reach normal retirement age or termination.
- 10. Employees participating in this program will retain Company service at retirement and upon change of status. However, no further accrual of Company service may be earned.

Notwithstanding the provisions of Item #10 of the Memorandum of Understanding, the parties have agreed to the following:

If those provisions of the Collective Agreement which are dependent on accrual of Company service levels, are changed in subsequent negotiations, such **changes** will apply to employees who are covered by the Memorandum of Understanding, provided they have attained the necessary level of Company service prior to retiring from full-time employment.

Example

An employee retired with 27 years' Company service and a vacation entitlement of 35 calendar days.

Subsequently, Article 14.02.01 was changed "In Part", to read,

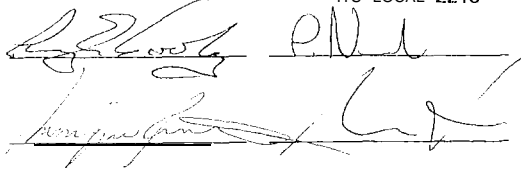
<u>Years of Service</u>	<u>Entitlement</u>
18 through 27 years	42 calendar days
or	
26 years and over	42 calendar days

The employee's vacation entitlement would change from 35 to 42 days.

Dated at Montreal, Quebec this 24th day of November 1999.

FOR: AIR CANADA

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

The image shows two rows of handwritten signatures. The first row contains two signatures, one on the left and one on the right, each positioned above a horizontal line. The second row contains two more signatures, also positioned above horizontal lines. The signatures are written in dark ink and appear to be cursive or semi-cursive.


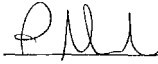
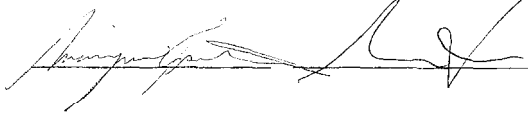
MEMORANDUM OF UNDERSTANDING NO. 3 - JOB SECURITY -
ALLIANCES/CONNECTOR CARRIERS

The Company commits that for the life of this Agreement, at any base where employees are employed as of June 15, 1990 or any future operations in Canada, existing passenger handling contracts with an Alliance carrier, where Air Canada has a majority ownership, will be continued as long as Air Canada retains the majority ownership and continues to operate flights at that base.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

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

MEMORANDUM OF UNDERSTANDING NO. 4 - REHABILITATION PROGRAM NON-WORK RELATED DISABILITIES**1. PURPOSE**

This Program is intended to assist employees to return to work in their normal job and to work their normal hours of work.

The Program will allow employees who are absent as a result of non-work related disabilities to return to work on a voluntary basis to a position covered by the collective agreement when such employees are temporarily unable to perform all of the duties of the job or to perform those duties for the length of their normal work day or work week.

2. IDENTIFICATION

Employees who are identified or who identify themselves as candidates for this Program will be required to advise both Management and Union, locally, and provide a medical opinion from their physician stating any restriction as to tasks/duties which may be performed, hours of work and expected term of rehabilitation.

3. PROCEDURES

- a) Medical requirements and suitability for this program shall be determined jointly by the Company Medical Officer and the employee's physician.
- b) Modifications to the workplace, creation of new functions or redevelopment of existing functions and development of new sub-schedules which are required to conform with Item 3 a), above, shall be established by local management and the Union District Chair and are subject to agreement between *the* Company, the Union and the employee.
- c) It shall be the responsibility of the employee to provide sufficient notice for the provisions of Items 3 a) and b) above and/or Item 5 g) to be implemented.

- d) An employee shall not return to work until the provisions of Items 3 a) and b) above and/or Item 5 g) have been finalized.

4. DURATION

- a) There shall be a minimum term of four (4) weeks and a maximum term of twenty-six (26) weeks for any period of rehabilitation.
- b) The term of rehabilitation shall be established prior to the commencement of the period by the Company Medical Officer and the employee's physician.
- c) Any extension of the period established in accordance with Item 4 b), above, shall be by agreement between the Company, the Union and the employee and as determined by the Company Medical Officer and the employee's physician.
- d) Any requests for an extension beyond twenty-six (26) weeks shall be subject to review by the Company Medical Officer and the employee's physician and where necessary by the insurance carrier.

5. APPLICATION OF THE COLLECTIVE AGREEMENT

The provisions of the Collective Agreement shall apply, except as modified by any of the following:

- a) A separate sub-schedule will be established for each employee which may provide for less than the standard working week and/or less than the standard working day. Where the separate sub-schedule provides for less than the standard working week or less than the standard working day, employees shall be prohibited from working additional hours.
- b) Where the scheduled shift is less than the standard working day, employees will be entitled to one fifteen (15) minute meal or rest period for each two (2) hours of the scheduled shift and any two (2) such breaks may be combined.

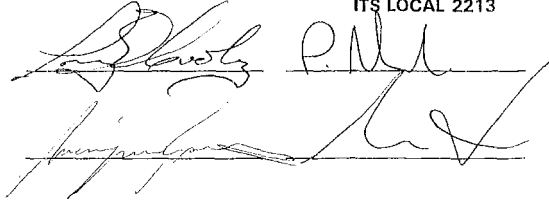
- c) Employees shall not be utilized for any assignments set out in Article 8.
 - d) In the event of a staff reduction, employees shall exercise their rights in accordance with their seniority. If an employee is relocated, alternate arrangements at the new location shall be in accordance with Item 3 b) and/or 5 g).
 - e) Normally, vacation scheduled to be taken during a rehabilitation period of sixteen (16) week;; or less will be displaced and taken immediately following conclusion of the established rehabilitation period. If the rehabilitation period is established to be for more than sixteen (16) weeks, the employee may elect to discontinue the program and take the vacation as scheduled or may elect to take the vacation with pay or any part which is displaced immediately following conclusion of the established rehabilitation period. When an employee's displaced vacation has not been taken as of December 31st of each year, the employee may elect to receive pay in lieu of that vacation upon return to work. The employee shall advise the Company of their option prior to the commencement of the rehabilitation period.
 - f) Employees who return to work on a partial basis shall not be subject to Article 20.
 - g) Exceptions to the application of the collective agreement which may be required over and above those provided for in this Item 5 and/or Item 3 b) shall be subject to agreement between the Company and the Union at the Headquarters level.
6. BENEFITS
- a) Group Life Insurance - Full coverage will continue based on the employee's status and regular rate of pay, in accordance with Article 19.07 or L4.10, respectively.

- b) Group Insurance Disability Income Plan - Premiums will be deducted in accordance with the employee's regular rate of pay and refunded directly to the employee by the CAW-Canada Local 2213 Health and Welfare Trust.
- c) Supplementary Health Insurance, Dental Plan and Vision Care Plan -The Company shall pay the full cost of premiums.
- d) Pension Plan Employees who return to work on a partial basis and who are receiving disability benefits will be governed by the provisions of the plan governing employees in receipt of disability benefits.

Dated at Montreal, Quebec this 24th day of February, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213



The image shows two handwritten signatures on horizontal lines. The signature on the left is for Air Canada, and the signature on the right is for CAW - Canada and its Local 2213.

MEMORANDUM OF UNDERSTANDING NO. 5 - REHABILITATION
PROGRAM WORKERS COMPENSATION CLAIMANTS

1. PURPOSE

This Program is intended to assist employees to return to work in their normal job and to work their normal hours of work.

The Program will allow for the re-employment of injured workers in positions covered by the Collective Agreement with any modification of duties and hours of work which may be required.

2. IDENTIFICATION

Employees who are identified or who identify themselves as candidates for this Program will be required to first obtain the approval of their personal physician, the Company Medical Officer and the Workers' Compensation Board.

3. PROCEDURES

- a) Medical requirements and suitability for participation in this Program shall be determined jointly by the employee's physician, the Company Medical Officer and, as required, by the Workers' Compensation Board.
- b) The employee shall advise both local management and the Union that they wish to participate in the Program and shall provide a medical opinion stating any restriction as to tasks/duties which may be performed, any modification to hours of work which may be required and the expected term of rehabilitation.
- c) Modifications to the workplace, creation of new functions or re-development of existing functions and the development of new sub-schedules which are required to conform with Item 3 b), above, shall be established by local management and the Union District Chair and are subject to agreement between the Company, the Union and the employee.

- d) It shall be the responsibility of the employee to provide for sufficient notice for the provisions of Items 3 a), b) and c) and Item 5 g) to be implemented.

4. DURATION

- a) The minimum term of any rehabilitation period shall be four (4) weeks, unless determined otherwise by the Workers' Compensation Board.
- b) The term of rehabilitation shall be established prior to the commencement of the period.
- c) Any extension of the period established in accordance with Item 4 b), above, shall be by agreement between the Company, the Union and the employee and as determined by the employee's physician, the Company Medical Officer and the Workers' Compensation Board.

5. APPLICATION OF THE COLLECTIVE AGREEMENT

The provisions of the Collective Agreement shall apply, except as modified by any of the following:

- a) A separate sub-schedule will be established for each employee which may provide for less than the standard working week and/or less than the standard working day. Where the separate sub-schedule provides for less than the standard working week or less than the standard working day, employees shall be prohibited from working additional hours.
- b) Where the scheduled shift is less than the standard working day, employees will be entitled to one fifteen (15) minute meal or rest period for each two (2) hours of the scheduled shift and any two (2) such breaks may be combined.
- c) Employees shall not be utilized for any assignments set out in Article 8,

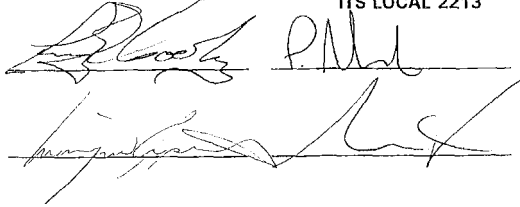
- d) In the event of a staff reduction, employees shall exercise their rights in accordance with their seniority. If an employee is relocated, alternate arrangements at the new location shall be in accordance with Item 3 c) and/or 5 g).
 - e) Normally, vacation scheduled to be taken during a rehabilitation period of sixteen (16) weeks or less will be displaced and taken immediately following conclusion of the established rehabilitation period. If the rehabilitation period is established to be for more than sixteen (16) weeks, the employee may elect to discontinue the program and take the vacation as scheduled or may elect to take the vacation with pay or any part which is displaced immediately following conclusion of the established rehabilitation period. When an employee's displaced vacation has not been taken as of December 31st of each year, the employee may elect to receive pay in lieu of that vacation upon return to work. The employee shall advise the Company of their option prior to the commencement of the rehabilitation period and any vacation taken during a rehabilitation period shall require the approval of the Workers' Compensation Board.
 - f) Employees who return to work on a partial basis shall not be subject to Article 20.
 - g) Exceptions to the application of the Collective Agreement which may be required over and above those provided for in this Item 5 and/or Item 3 c) shall be subject to agreement between the Company and the Union at the Headquarters level.
6. BENEFITS
- a) Group Life Insurance Full coverage will continue based on the employee's status and regular rate of pay, in accordance with Article 19.07 or 14.10, respectively.

- b) Group **Insurance** Disability Income Plan -Premiums will be deducted in accordance with the employee's regular rate of pay and employees will be covered in accordance with the provisions of the Plan.
- c) Supplementary Health Insurance, Dental Plan and Vision Care Plan -The Company shall pay the full cost of premiums.
- d) Pension Plan Employees who return to work on a partial basis and who are receiving Workers' Compensation benefits will be governed by the provisions of the plan governing employees in receipt of such benefits.

Dated at Montreal, Quebec this 7th day of June 1999.

FOR: AIR CANADA

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



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MEMORANDUM OF UNDERSTANDING NO. 6 -
RESERVATIONS/AEROPLAN OFFICES

The Company commits that employees with a seniority date of April 1, 1999 or earlier located in Vancouver, Winnipeg, Toronto and Montreal, will not be laid off or relocated from their base due to a closure of a Reservations or Aeroplan Office. The Company further commits that any reduction in staff from these bases will be accomplished by attrition and/or voluntary severance programs agreed to by the Company and the Union in accordance with the following:

If staff reductions occur at a base, all employees at the affected base shall have the option of terminating their employment with the Company and will be entitled to a severance allowance of two (2) weeks' pay at their current rate of pay for each full calendar year of service, or part thereof, up to a maximum of fifty-two (52) weeks' pay.

Employees shall be offered the severance allowance in order of seniority to the extent necessary to eliminate layoffs.

SEVERANCE ALLOWANCE OPTIONS

Options for Pensionable Employees

- a) Employees under age 55 at time of retirement may elect to receive "age make up" at a rate of fifty percent (50%) of the months between their retirement age and 55 to a maximum of sixty (60) months. Eight (8) weeks of the allowance shall be converted for each year of "age make up" required for pension reduction purposes under age 55.
- b) Lump sum cash payment.
- c) Time on payroll at full salary.
- d) Time on payroll at half salary.
- e) Any combination of the above, except that options (c) and (d) in total may not exceed twenty-four (24) months or normal retirement age, whichever is earlier.

Options for Non-Pensionable Employees

- a) Lump sum cash payment.
- b) Time on payroll at full salary.
- c) Time on payroll at half salary.
- d) Any combination of the above, except that options (b) and (c) in total may not exceed twenty-four (24) months or normal retirement age, whichever is earlier.

Additional Provisions for Non-Pensionable Employees

- a) Continuation of Supplementary Health Insurance, Dental Plan, Group Life Insurance and Vision Care Plan for twelve (12) months beyond separation or re-employment with another company, whichever is the earlier.
- b) Two (2) Air Canada/Connector passes for the employee and eligible dependents for each year after separation for a period equal to the number of completed years of service at date of termination from the active payroll.

Dated at Montreal, Quebec this 24 day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213

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MEMORANDUM OF UNDERSTANDING NO. 7 SELF SERVICE
KIOSK AND RELATED LASER BAR-CODE SCANNERS

The Company agrees that work related to Self Service Kiosks and Laser Bar-Code Scanners, with the exception of technical support and maintenance (but including restocking of supplies and the retrieval of lost identification cards), falls within the scope of a Customer Sales & Service Agent classification and is covered by the provisions of Article 2.03, where Customer Sales & Service Agents are employed in the location.

The Company commits that employees will not be laid off or relocated from their location as a result of the implementation and use of Self-Serve Kiosks and Laser Bar-Code Scanners, regardless of where the Kiosks/Scanners are located in the base, including off-sites locales.

Therefore, it is agreed that the number of Customer Sales & Service Agents which are classified as surplus to requirements as a result of the implementation and use of Self-Serve Kiosks/Scanners will be carried at their respective location pending normal attrition. In the event the Company elects to reduce the surplus of employees, all employees at the affected base will be offered voluntary severance in order of seniority to the extent necessary to eliminate the surplus. In such a case, employees may be relocated utilizing the provisions of Article 10 to replace employees electing severance with employees from locations where the surplus has been identified.

The number of employees classified as surplus will be twenty-five percent (25%) of the full-time employees and twenty-five percent (25%) of the part-time employees in the Check-In and Gate functions at the applicable Airport location immediately prior to the implementation of the Kiosks/Scanners. The resulting numbers classified as surplus will be communicated in writing to the Union District Chairperson, with a copy to the Union at the Headquarters level, together with a breakdown of the calculation.

The number classified as surplus will be reduced each time the attrition of an employee occurs. The Company will inform the Union District Chairperson in writing, with a copy to Union Headquarters, no later than fourteen (14) calendar days after a permanent mitigation action occurs together with the details of the action. When the number of employees classified as surplus has been totally eliminated as a result of such permanent mitigation action, the Company commitment will be deemed to have been satisfied and it will no longer apply to the affected base. The Union District Chairperson will be so advised in writing with a copy to the Union at the Headquarters level.

This Memorandum is intended to deal solely with the implementation and use of Self Service Kiosks and Laser Bar-Code Scanners. It is understood that any surplus or reduction of staff brought about by other operational reasons such as location or base closures, reductions in the flight schedule, loss of third party handling contracts, or alterations to work schedules, will be handled in accordance with the relevant provisions of the Collective Agreement and will not reduce the Company's commitments under this Memorandum.

The voluntary severance referred to above will include a severance allowance of two (2) weeks pay at the employees' current rate of pay for each full calendar year of service, or part thereof, up to a maximum of fifty-two (52) weeks pay.

SEVERANCE ALLOWANCE OPTIONS

Options for Pensionable Employees

- a) Employees under age 55 at time of retirement may elect to receive "age make-up" at a rate of fifty percent (50%) of the months between their retirement age and 55 to a maximum of sixty (60) months. Eight (8) weeks of the allowance shall be converted for each year of "age make-up" required for pension reduction purposes under age 55.
- b) Lump sum cash payment.
- c) Time on payroll at full salary.

- d) Time on payroll at half salary.
- e) Any combination of the above, except that options (c) and (d) in total may not exceed twenty-four (24) months or normal retirement age, whichever is earlier.

Options for Non-Pensionable Employees

- a) Lump sum cash payment.
- b) Time on payroll at full salary.
- c) Time on payroll at half salary.
- d) Any combination of the above, except that options (b) and (c) in total may not exceed twenty-four (24) months or normal retirement age, whichever is earlier.

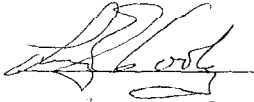
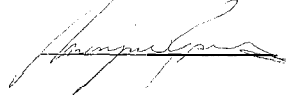
Additional Provisions for Non-Pensionable Employees

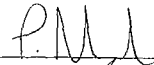

- a) Continuation of Supplementary Health Insurance, Dental Plan, Group Life Insurance and Vision Care Plan for twelve (12) months beyond separation or re-employment with another company, whichever is the earlier.
- b) Two (2) Air Canada/Connector passes for the employee and eligible dependents for each year after separation for a period equal to the number of completed years of service at date of termination from the active payroll.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

FOR: CAW . CANADA AND
ITS LOCAL 2213

MEMORANDUM OF UNDERSTANDING NO. 8 - PROGRAM TO
ACCOMMODATE EMPLOYEES WITH PERMANENT
RESTRICTIONS/DISABILITIES - IN SCOPE FUNCTIONS

1. PURPOSE

This program is intended to provide, where possible, the accommodation of employees with permanent disabilities which would enable them to return to work or continue to work by making available suitable work which is consistent with the restrictions required as a result of their disability.

The Company agrees to make every reasonable effort to assist employees who develop a permanent disability which limits their ability to fully perform all of the tasks/duties of their classification by making modifications to the workplace or by providing them with alternate tasks/duties within their classifications.

2. IDENTIFICATION

Employees who are identified or who identify themselves as candidates for this Program will be required to advise both Management and Union, locally, and provide a medical opinion from their physician stating any restrictions as to the hours of work and/or tasks/duties which may be performed.

3. PROCEDURES

a) Medical requirements and suitability for this Program shall be determined jointly by the Company Medical Officer, the employee's physician, and subject to Workers' Compensation Board regulations if applicable.

b) Modifications to the workplace, creation of new functions or redevelopment of existing functions and development of new sub-schedules which are required to conform with 3a) above, shall be established by local management and the Union District Chairperson and are subject to agreement between the Company, the Union and the employee.

- c) It shall be the responsibility of the employee to provide sufficient notice for the provisions of Items 3a) and b) above and/or Item 5h) to be implemented.
- d) An employee shall not return to work or commence the program until the provisions of Items 3a) and b) above and/or Item 5h) have been finalized.

DURATION

- a) The employee will continue on this program until determined jointly by their physician and the Company Medical Officer as being fit to return to the full duties of their classification without restriction.
- b) In the event a change occurs to the work and/or the employee's medical condition which permits or requires a change to the restrictions, a review of the restrictions together with the medical condition of the employee will take place with the involvement of the Company Medical Officer and the employee's physician. This review may take place at any time but no less than annually or as directed by a Worker's Compensation Board.

5. APPLICATION OF THE COLLECTIVE AGREEMENT

The provisions of the Collective Agreement shall apply, except as modified by any of the following:

- a) In the application of Article 6.02, a separate sub-schedule will be established for each modified work function which accommodates similar restrictions. These sub-schedules will only be available for bid by employees covered by this Program.
- b) In the application of Article 6.03, the following shall apply:
 - i) Employees covered by this Program will be entitled to exercise their seniority in bidding on a sub-schedule in a function which is suited to their restrictions.

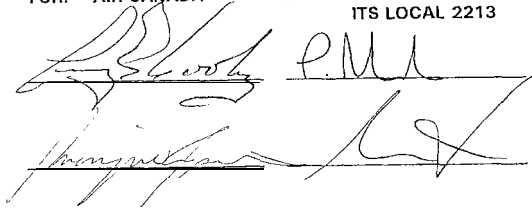
- ii) Once an employee is assigned to a sub-schedule, they shall remain on that sub-schedule until a vacancy occurs in another sub-schedule or there is a general shift bid in the location, or as provided for in Item 4 above.
- c) A separate sub-schedule will be established for each employee which may provide for less than the standard working week and/or less than the standard working day. Where the separate sub-schedule provides for less than the standard working week or less than the standard working day, employees shall be prohibited from working additional hours which are inconsistent with the restriction on their hours.
- d) Where the scheduled shift is less than the standard working day, employees will be entitled to one fifteen (15) minute meal or rest period in each two (2) hours of the scheduled shift and any two (2) such breaks may be combined.
- e) In the event of a staff reduction, employees shall exercise their rights in accordance with their seniority. If an employee is relocated, alternate arrangements in the new location shall be in accordance with Items 3b), 5b), 5g) and/or 5h).
- f) Prior to applying the provisions of Article 12 related to physical requirements, the Company will discuss the matter with the Regional Bargaining Committee member for the employee's base and the base involved in the transfer.
- g) Exceptions to the application of the Collective Agreement which may be required over and above those provided for in this Memorandum shall be subject to agreement between the Company and the Union at Headquarters level.

- hi The specific working conditions applicable to the functions/duties together with the associated benefits applicable to the employee will be confirmed in writing prior to the commencement of the assignment and copied to the Union District Chairperson.

Dated at Montreal, Quebec this 24th day of November, 1999.

FOR: AIR CANADA

FOR: CAW - CANADA AND
ITS LOCAL 2213



The image shows two handwritten signatures. The first signature is on the left, under the 'FOR: AIR CANADA' label, and is written in dark ink. The second signature is on the right, under the 'FOR: CAW - CANADA AND ITS LOCAL 2213' label, and is also written in dark ink. Both signatures are written over horizontal lines.

MEMORANDUM OF SETTLEMENT

1. The provisions of this negotiated agreement are subject to ratification by the Union membership which shall be completed as soon as possible. Once ratified, the Collective Agreement shall be effective April 1, 1999 except as specified herein.
2. In the application of Article 2.03, the Union commits that it will not initiate or support a grievance where, in unusual circumstances, In-Flight personnel perform tasks/duties related to pre-boarding passengers at gate locations.
3. In the application of Letter of Understanding No. 16, the Company agrees that the exercise of its rights to assign the expanded tasks/duties to persons not covered by the Collective Agreement will not be the cause of a staff reduction in the location.
4. It is agreed that, in the application of Article 19.04, copies of the Agreement, the Company and the Union will jointly review the disposition of the contents, the title, logos and colour of the cover and the format of the pages with respect to the booklets containing the Agreement.
5. Editorial changes to the Collective Agreement are subject to mutual agreement.
6. The provisions of L1.04.03 relative to the minimum twenty (20) hours per week became effective January 1, 1989. Employees working less than twenty (20) hours per week prior to September 19, 1988 were given the option of continuing to work less than twenty (20) hours; however, once such employee has elected to accept the twenty (20) hours per week, this option is no longer available.
7. During the term of this Collective Agreement, it is agreed that the Level 1, Workers Health & Safety Centre Program conducted by the Union will be provided to Health & Safety Committee Members and Representatives provided for in Article 18.09. The Company will bear the cost of all time off for the union committee members and representatives.

8. It is agreed that the provisions of Article 10.11.01.02, 10.11.14, 10.12.08, 10.12.09 and all of the provisions of Article 12.10 from Agreement No. 27 will continue to apply to those employees who had those rights prior to the effective date of Agreement No. 28 for the remainder of the time period for which those rights would be applicable.
9. An employee, when on business, as per Article 8 and LOU 16 of the Collective Agreement, shall be reimbursed for all reasonable and necessary out-of-pocket expenses upon presentation of receipts as per Company regulations.
10. It is agreed that all Lead Agent and Relief Lead Agent positions will be declared vacant as of the introduction of the 1999 winter schedule, or November 1, 1999, whichever is earlier, and will be filled pursuant to the provisions of L22.05. Lead Agent vacancies may be filled in the interim to satisfy requirements where there is a shortage of Lead Agents. Such vacancies filled in the Aeroplan location(s) will be valid for the three (3) year term provided for in L22.05.
11. The provisions of Articles 19.09.01, 19.09.02, 19.09.03, 19.09.04 and Article 19.10.02 will become effective with services provided on or after the first of the month following advice of ratification.
12. The Pension Plan rules will be amended so that in the first month following advice of ratification, eligible employees may retire with an **unreduced** early pension provided they are at least 55 years of age. Applicable editorial changes will be made to the Collective Agreement where required, including the Memorandum of Understanding -Pension Plan.
13. The Pension Plan rules will be amended so that in the first month following advice of ratification, provisions for the Maximum Pensional Earnings will be increased to \$65,000.00.

14. A three (3) month window will be provided to enable employees who were on maternity and/or child care leave, eligible Special Leaves of Absence, and for eligible Part-time service, the opportunity to buy back pension credits. The dates of the three (3) month period will be determined at the first meeting of the Joint Pension Committee held after ratification.
15. Effective with the month following advice of ratification, the Pension Plan portability option for the eligible transfer value will remain at age 47 for eligible employees for a further period of two (2) calendar years.
16. The current structure for the "Super Elite Desk" will remain in effect for the term of the Collective Agreement. Effective March 30, 2002, the Super Elite Desk will become a function of the Aeroplan location. Any vacancies which occur during the term of the Collective Agreement will be filled from the Aeroplan location in accordance with Article 6.03. During the above transitional period, those Customer Sales and Service Agents in the Montreal Reservations location who are working in the Super Elite function as of April 1, 1999, and who transfer into the Aeroplan location under the provisions of Article 12, will retain their position in the Super Elite function.
17. The application of Article 12.01 will apply to the merged classification of Customer Sales and Service Agent/Direct Marketing Sales and Service Agent with vacancies declared by the Company effective on or after June 15, 1999.
18. The revised provisions of Articles 6.04.01 and 6.04.03 for Reservations and Aeroplan Office locations will be effective May 16, 1999.

19. Within sixty (60) days of advice of ratification, a Joint Lead Customer Sales & Service Committee will be formed. The Joint committee will be Co-chaired by a representative of the Union Bargaining Committee and a representative of Labour Relations with two (2) employee representatives appointed by the Union and two (2) Line Management representatives appointed by the Company. Under the guidance of the UMHQ, the Joint committee will have as its mandate to:
- review and recommend changes to the Lead Agent qualification examination and testing process;
 - review and recommend changes to the content and structure of the Lead Agent Training course;
 - review and recommend changes to the administration of the Lead Agent program in general, consistent with the provisions of the Collective Agreement.
20. In the event the Company is unable to fill its requirements for Lead Agents during the period of eighteen (18) months following advice of ratification, the parties agree to re-open discussions on LOU 22 for the purpose of agreeing those modifications necessary to meet the Company's requirements.
21. The Lead Agent premium provided for in L22.11 will be applied retroactive to March 21, 1999.
22. It is agreed by the parties in the application of Article 2.03, Note 3, the positions of Aeroplan Compliance Manager and Analyst will be considered as within the Aeroplan location, notwithstanding their reporting relationship to the Finance Branch.
23. It is agreed that the application of L7.06 will apply to work being performed in Maple Leaf Lounges in general and is not to be interpreted as location specific.
24. The provisions of Article 18.04.01 .02, Note, will be affective with the first day of the month following advice of ratification.

25. The provisions of the Memorandum of Understanding No. 6 }
 Irregular Shift Premium, Overtime and Recall Credits from }
 Agreement No. 28, will continue through December 31, }
 1999. }

Dated at Montreal, Quebec this 30th day of March, 1999.

FOR: AIR CANADA

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

P.E. Cooley

E. Diloia

Labour Relations Director,
 Customer Service/Europe

Bargaining Committee
 Chairperson

J. McWilliams

G. Spencer

Labour Relations Manager

National Representative

J. Daughney

D. Fougère

Customer Service Manager

Bargaining Committee Member

A. Dos Santos

F. Galambosy

Customer Service Manager
 Aeroplan

Bargaining Committee Member

C. Corbett

D. Duperron

Manager, Customer Service

Bargaining Committee Member

M. Asselin

B. Guest

Manager, Labour Relations

Bargaining Committee Member

B. MacDonald

T. Freeman

Manager, Financial
 Services

President, Local 2213

APPENDIX

ADVICE OF TEMPORARY ASSIGNMENT OUTSIDE SCOPE

ADVICE OF TEMPORARY ASSIGNMENT OUTSIDE SCOPE **AVIS D'AFFECTATION TEMPORAIRE FONCTION NON REGIEE PAR LA CONVENTION**

TO: _____ AT: _____ EMPLOYEE NO. / NUMERO: _____
 DISTRICT: _____ LOCATION/POSTE: _____

Pursuant to Article 8.09 of the AC/CA/CAO/CAW - Canada Collective Agreement, 2014 (14) Conformément au paragraphe 8.09 de la Convention collective AC/CA/CAO/CAW - Canada, 2014 (14)
 (Complete one copy for each item) (Choisir une seule case sur chaque item)

CONFIRM CONFIRME ALTER MODIFIER CANCEL ANNULER

The following temporary assignment: EFFECTIVE: _____ TO: _____ INCLUSIVE: _____
 L'assignation temporaire suivante: DU: _____ AU: _____ INCLUSIVE: _____

WORKING HOURS		HEURES DE TRAVAIL	
DATE	FROM	TO	
EG	DE	A	
DATE	FROM	TO	
LE	DE	A	
DATE	FROM	TO	
LE	DE	A	
DATE	FROM	TO	
LE	DE	A	
DATE	FROM	TO	
LE	DE	A	
DATE	FROM	TO	
LE	DE	A	

NATURE OF TEMPORARY ASSIGNMENT (To be completed in all cases) GENRE D'AFFECTATION TEMPORAIRE (Doit être rempli dans tous les cas)

MANAGER'S SIGNATURE / SIGNATURE DU CHEF DE SERVICE: _____ LOCATION / POSTE: _____ DATE: _____

EMPLOYEE'S SIGNATURE / SIGNATURE DE L'EMPLOYEE: _____ LOCATION / POSTE: _____ DATE: _____

ORIGINAL: EMPLOYEE COPY 1: PERSONNEL SERVICES COPY 2: UNION/DISTRICT CHAIRPERSON
 ORIGINAL: À L'EMPLOYEE EXEMPLAIRE 1: AUX SERVICES DU PERSONNEL EXEMPLAIRE 2: AU PRÉSIDENT DU DISTRICT

ADP 100 (14) FORM 1 - CANADA, 2014 (14)

APPENDIX

AIR CANADA/CAW QUESTIONNAIRE STAFF REDUCTION AT A BASE

Employee No. _____ Name _____ Status _____
 (Please print)

Base _____ Location - - - - _____

SECTION 1: Alternatives available to the employee.

There are no vacancies at any other Bases and there are no employees in your status junior to you for bumping purposes; therefore you may choose only one (See **NOTE**) of the following alternatives:

- A. If applicable, fill a vacancy or bump a junior employee in the other status, In your Base, as per Article 10.11.01.01; or
- B. Accept layoff at your Base with recall rights as per Article 10.11; or
- C. Terminate your employment with Air Canada as per Article 10.13.

NOTE: EMPLOYEES SELECTING ALTERNATIVE "A" **MUST** ALSO SELECT ANOTHER ALTERNATIVE, "B" OR "C", **IN CASE** ALTERNATIVE "A" IS NOT AVAILABLE.

EMPLOYEES **SELECTING** ALTERNATIVE "A" **WILL** BE ACCOMMODATED IN ORDER OF SENIORITY AS PER **ARTICLE 10.11.06**.

SECTION 2: Employee's choice from available alternatives

In reply to SECTION 1 of this questionnaire, received by me on _____ I hereby wish to exercise my seniority rights by selecting Alternative ____.

NOTE: IF YOU SELECTED ALTERNATIVE "B", COMPLETE THE FOLLOWING PORTION. YOU MAY LIST EITHER OR BOTH FULL-TIME OR PART-TIME AS THE STATUS TO WHICH YOU WOULD ACCEPT RECALL TO THE EASE FROM **WHICH** YOU HAVE BEEN LAID OFF AND UP TO THREE (3) OTHER BASES, IN YOUR CLASSIFICATION OR IN THE OTHER CLASSIFICATION (AEROPLANE), AS APPLICABLE. CLASSIFICATIONS, STATUSES AND BASES SHOULD BE LISTED IN ORDER OF PREFERENCE.

NOTE: YOU DO NOT HAVE THE RIGHT TO REFUSE WHEN RECALLED TO A POSITION YOU HAVE LISTED

Having accepted Alternative "B", Layoff Status, in addition to recall to the Base, status and classification from which I was laid off. I will accept recall to the Base from which I was laid off as follows: (List in order of preference, i.e. 1, 2, 3, etc.)

- ___ in my status, in my classification;
- ___ in the other status, in my classification;
- ___ in my status, in the other classification;
- ___ in the other status, in the other classification.

Additionally, I will accept recall as follows: (List six (6) only in order Of preference)

- ___ in my classification at _____ / _____ / _____
(Base) Full-Time Part-Time
Status Status Status
- ___ in my classification at _____ / _____ / _____
(Base) Full-Time Part-Time
Status Status Status
- ___ in my classification at _____ / _____ / _____
(Base) Full-Time
status Status Part-Time
Status
- ___ in my classification at _____ / _____ / _____
(Base) Full-Time Part-Time
Status Status Status
- ___ in my classification at _____ / _____ / _____
(Base) Full-Time Part-Time
status Status Status
- ___ in my classification at _____ / _____ / _____
(Base) Full-Time Part-Time
status Status Status
- ___ in the other classification at Montreal, _____ / _____ / _____
Full-Time Port-Time
Status Status

SECTION 3: Verification of employee point of contact.

My correct mailing address is _____

(Postal Code)

Phone No.: ,) _____

SECTION 4: Employee acknowledgement.

This form was completed by _____
(Signature)
on _____
(date)

FOR COMPANY USE ONLY

Date this form received by Company _____
Date employee is placed on layoff _____
or terminated _____
Date employee offered recall _____ to _____
status _____
Date employee commences working at new Base _____

OTHER REMARKS

APPENDIX

AIR CANADA/CAW QUESTIONNAIRE STAFF REDUCTION AT A BASE

Employee No. _____ Name _____ status _____
 (Please print)

Base _____ Location _____

SECTION 1: Alternatives available to the employee.

There are no vacancies at any other Bases and there are employees in YOUR status junior to you for bumping purposes; therefore you may choose only one (See NOTE) of the following alternatives:

- A. If applicable, fill a vacancy or bump a Junior employee in the other status, in your Base, as per Article 10.11.01.01; or
- B. Accept layoff at your Base with recall rights as per Article 10.11; or
- C. **Terminate** your employment with Air Canada as per Article 10.13.
- D. Bump into one of the following Bases: _____

NOTE: EMPLOYEES SELECTING ALTERNATIVE "A" MUST ALSO SELECT ANOTHER ALTERNATIVE, "B", "C" OR "D", IN CASE ALTERNATIVE "A" IS NOT AVAILABLE.

EMPLOYEES SELECTING ALTERNATIVE "A" OR "D" WILL BE ACCOMMODATED IN ORDER OF SENIORITY AS PER ARTICLE 10.11.06.

SECTION 2: Employee's choice from available alternatives.

In reply to SECTION 1 of this questionnaire, received by me on _____, I hereby wish to exercise my seniority rights by selecting Alternative ____.

NOTE: IF YOU SELECTED ALTERNATIVE "B", COMPLETE THE FOLLOWING PORTION. YOU MAY LIST EITHER OR BOTH FULL-TIME OR PART-TIME AS THE STATUS TO WHICH YOU WOULD ACCEPT RECALL TO THE BASE FROM WHICH YOU HAVE BEEN LAID OFF AND UP TO THREE OTHER BASES. IN YOUR CLASSIFICATION OR IN THE OTHER CLASSIFICATION (AEROPLAN), AS APPLICABLE.

NOTE: YOU DO NOT HAVE THE RIGHT TO REFUSE WHEN RECALLED TO A POSITION YOU HAVE LISTED

Having accepted Alternative "E", Layoff Status, in addition to recall to the Base status and classification from which I was laid off, I will accept recall to the Base from which I was laid off as follows: (List in order of preference, i.e. 1, 2, 3, etc.)

_____ in my status, in my classification;
_____ in the other status, in my classification;
_____ in my status, in the other classification;
in the other status, in the other classification.

Additionally, I will accept recall as follows: **(List six (6) only in order of preference)**

_____ in my classification at _____	(Base)	Full-Time Status	Part-Time status
_____ in my classification at _____	(Base)	Full-Time status	Part-Time status
_____ in my classification at _____	(Base)	Full-Time status	Part-Time status
_____ in my classification at _____	(Base)	Full-Time status	Part-Time Status
_____ in my classification at _____	(Base)	Full-Time status	Part-Time status
_____ in my classification at _____	(Base)	Full-Time status	Part-Time status
_____ in the other classification at Montreal _____		Full-Time status	Part-Time status

NOTE: IF YOU SELECTED ALTERNATIVE "D", COMPLETE THE FOLLOWING PORTION:

Listed in order of preference, I will bump into any of the following Bases:

Additionally, if I cannot be accommodated under Alternative "D" as a result of a more senior employee displacing me under the provisions of Article 10.11.06, I would then accept Alternative _____. (Indicate either "B" or "C" and, if you select Alternative "B", complete SECTION 2).

SECTION 3: Verification of employee point of contact.

My correct mailing address is _____

(Postal Code)

Phone No.: () _____

SECTION 4: Employee acknowledgement.

This form was completed by _____
(Signature)

on _____
(date)

FOR COMPANY USE ONLY

Date this form received by Company _____

Date employee is placed on layoff _____

or terminated _____

Date employee offered recall _____ to _____

status _____

Date employee bumping into _____

Location _____

Date employee commences working at new Base _____

OTHER REMARKS

AIR CANADA/CAW QUESTIONNAIRE - STAFF REDUCTION AT A BASE

Employee No., _____ Nemo _____ status
(Please print)

Base _____ Location _____

SECTION 1: Alternatives available to the employee.

The total number of surplus employees exceeds the number of existing vacancies, therefore, you may choose only one of the following alternatives:

- A. If applicable, fill a vacancy or bump a junior employee in the other status, in your Base, as per Article 10.11.01.01; or
- B. Accept layoff at your Base with recall rights as per Article 10.11; or
- C. Terminate your employment with Air Canada as per Article 10.13.
- D.1 Sump into one of the following Bases: _____

- D.2 Fill a vacancy et one of the following Bases: _____

NOTE: IF YOU SELECT ALTERNATIVE "D", YOU HAVE THE OPTION OF SELECTING EITHER D.1 OR D.2, OR YOU MAY SELECT BOTH, IN WHICH CASE YOU MUST INDICATE WHICH IS YOUR FIRST CHOICE AND WHICH IS YOUR SECOND CHOICE. EMPLOYEES SELECTING ALTERNATIVE "D" WILL BE ACCOMMODATED IN ORDER OF SENIORITY AS PER ARTICLE 10.11.06. EMPLOYEES SELECTING ALTERNATIVE "A" MUST ALSO SELECT ANOTHER ALTERNATIVE, "B", "C" OR "D", IN CASE ALTERNATIVE "A" IS NOT AVAILABLE.

SECTION 2: Employee's choice from available alternatives

In reply to SECTION 1 of this questionnaire, received by me an _____, I hereby wish to exercise my seniority rights by selecting Alternative _____.

NOTE: IF YOU SELECTED ALTERNATIVE "B", COMPLETE THE FOLLOWING PORTION. YOU MAY LIST EITHER OR BOTH FULL-TIME OR PART-TIME AS THE STATUS TO WHICH YOU WOULD ACCEPT RECALL TO THE BASE FROM WHICH YOU HAVE BEEN LAID OFF AND UP TO THREE (3) OTHER BASES, IN YOUR CLASSIFICATION OR IN THE OTHER CLASSIFICATION (AEROPLAN), AS APPLICABLE.

NOTE: YOU DO NOT HAVE THE RIGHT TO REFUSE WHEN RECALLED TO A POSITION YOU HAVE LISTED

Having accepted Alternative "B", Layoff Status, in addition to recall to the Base, status and classification from which I was laid off, I will accept recall to the Base from which I was laid off as follows: (List in order of preference, i.e. 1, 2, 3, etc.)

_____ in my status, in my classification;

_____ in the other status, in my classification;

_____ in my status, in the other classification;

_____ in the other status, in the other classification.

Additionally, I will accept recall as follows: (List six (6) only in order of preference)

_____ in my classification at _____
(Base) Full-Time Part-Time
Status Status

_____ in my classification at _____
(Base) Full-Time Part-Time
Status Status

_____ in my classification at _____
(Base) Full-Time Part-Time
Status Status

_____ in my classification at _____
(Base) Full-Time Part-Time
Status Status

_____ in my classification at _____
(Base) Full-Time Part-Time
Status Status

_____ in my classification at _____
(Base) Full-Time status Part-Time Status

_____ in the other classification at Montreal _____
Full-Time Status Part-Time Status

NOTE: IF YOU SELECTED ALTERNATIVE "D.1" AND/OR "D.2", COMPLETE THE FOLLOWING PORTION:

My first (or only) choice is "D. ", and, in order of preference, I will accept any of the following Bases: _____

My second choice is "D. ", and, in order of preference, I will accept any of the following Bases: _____

Additionally, if I cannot be accommodated under Alternative "D" as a result of a more senior employee displacing me under the provisions of Article 10.11.06, I would then accept Alternative _____. (Indicate either "B" or "C" and, if you select Alternative "B", complete SECTION 2).

SECTION 3: Employee's supplementary choice

If the Company has previously offered relocation to you under Article 10.11.02 and you declined under Article 10.11.05, please complete SECTION 2.

SECTION 4: Verification of employee point of contact

My correct mailing address is _____

(Postal Code)

Phone No.: () _____

SECTION 5: Employee acknowledgement.

This form was completed by _____
(Signature)

on _____
(date)

FOR COMPANY USE ONLY

Date this form received by Company _____

Date employee is placed on layoff _____
or terminated _____

Date employee offered recall _____ to _____
status _____

Date employee bumping into _____
Location _____

Date employee commences working at new Base _____

Name of employee subsequently displaced by this bumping action: _____

OTHER REMARKS

LETTER OF INTENT

AIR CANADA / CANADIAN AIRLINES INTERNATIONAL LTD. AND CAW-CANADA, LOCAL 1990

Consistent with our mutual interest in a long stable relationship, the parties agree as follows:

1. The parties agree to extend the current Canadian Airlines Collective Agreement No. 3, as per the modifications set out in the attached Memorandum of Understanding, until March 27, 2004.
2. For the period of the extension stated above, the wage increases under Article 5.03 will be:

2.5% effective March 31, 2002
2.5% effective March 30, 2003
3. In the event that another bargaining agent (IAMAW, ACPA, ALPA, CALDA, CUPE or CAW-Local 2213) at Air Canada or Canadian Airlines negotiates a higher wage increase during the foregoing duration of the agreement, the higher wage increase will automatically apply under this Letter of Intent.
4. In conjunction with the effective date of this annualized wage increase identified above wage increases will be subject to further negotiations if:
 - a) other bargaining agents (IAMAW, ACPA, ALPA, CALDA, CUPE or CAW-Local 2213) at Air Canada or Canadian Airlines have negotiated higher percentage wage uplifts, and / or
 - b) the consumer price index of the previous year exceeds the above wage increase by more than one (1.0%) percent for any of the two (2) calendar years referenced above.

Should the above conditions trigger additional discussions with respect to wages, and given the extended duration of the Collective Agreement, the Union will not resort to strike action over the issue of such wage negotiations.

5. It is understood that this Letter of Intent is subject to the ratification of the bargaining committee of CAW-Canada, Local 1990, the process of which will be completed by May 31, 2000.

Dated in Montreal, this 7th day of May 2000.

For the Air Canada:

[Signature]

For Canadian Airlines:

Kathy Small

For the CAW-Canada, Local 1990:

[Signature]

May 31, 2000

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

MEMORANDUM OF UNDERSTANDING

AIR CANADA / CANADIAN AIRLINES INTERNATIONAL LTD.

- AND -

CAW - CANADA, LOCAL 1990

The management of Air Canada and Canadian Airlines have requested that the CAW - Canada Bargaining Committee from Local 1990, agrees to the application of the terms and conditions of the Air Canada Collective Agreement to all CAW members working at Canadian. The purpose of the Companies' request is to establish a long-term stable relationship based on mutual interests and to achieve synergies in the context of a fully integrated flight schedule.

Accordingly, the parties agree as follows:

1. Effective June 3, 2000, all provisions of the Collective Agreement No. 3 between Canadian Airlines and the CAW-Canada, Local 1990 will be repealed with the exception of the following provisions:
 - Preamble and Article 1: Union recognition clause
 - Articles 8.20, 8.21 and 8.22: Seniority Lists
 - And all other specifications set out in paragraph 3 below.

2. Effective June 3, 2000, all provisions of the Collective Agreement between Air Canada and the CAW- Canada, Local 2213 (including any negotiated amendments) will apply to CAW members working at Canadian with the exception of the following provisions:
 - Article 2.01: Union recognition clause
 - Article 10: Seniority List
 - And all other specifications set out in paragraph 3 below.

3. More particularly, the parties agree to the following transition measures to facilitate the application of the Air Canada Collective Agreement as stated above:
 - (a) **Wages:** Effective June 3, 2000, Canadian Airline employees will be placed at the applicable hourly pay rates as outlined in Article 5 which is closest to but not less than the employees current hourly wage rate, and will be paid the weekly rate consistent with Article 6.01, Hours of Work. Scheduled advancement in pay will be as provided for in Article 5.03, based on the employee's date of progression into their current level on the scale. In addition, the Wage Reduction Program as described in LOU 29 of the Canadian Airlines/CAW Collective Agreement No. 3 will be discontinued consistent with the cost savings and productivity

improvements associated with the transition to the terms and conditions of the Air Canada/CAW Collective Agreement.

- (b) **Employment Security:** Air Canada and Canadian Airlines commit that no employee covered by this Memorandum will be subject to involuntary lay-off from their Base, or involuntary relocation from their Base, until March 27, 2004.
- (c) **Scope:** It is understood that upon advice of ratification of this Memorandum of Understanding the employees represented by Local 2213 will be exempt from the restrictions contained in the "Scope" provisions of the amended Local 1990 Collective Agreement in order to permit the utilization of the other carrier's employees to serve CAIL customers and support the operational requirements of the integrated flight schedule.

It is agreed to incorporate Canadian Airlines employees identified as JVCDC, PSR, CSA, Groups, into the Customer Sales and Service Agent Classification in accordance with Article 4.02. Employees in JVCDC, PSR, and Groups may remain in these functions/classifications subject to operational and/or information technology requirements. Remaining surplus employees will be re-deployed within their current base.

Those Canadian Airlines employees in the functions/classifications of:

- Operations Agents (Turn Coordinators)
- Central Cargo Loadplan
- Cargo Services
- Baggage Services

will remain in these functions/classifications until union jurisdictional issues are resolved. The Companies are encouraging the affected bargaining agents to resolve the related issues as soon as possible. If not resolved in a timely manner the issue will be referred to a third party for resolution.

- (d) **Work Schedules:** The development of work schedules, in accordance with Article 6.03, will begin immediately following advice of ratification of this Memorandum for those work schedules to be bid and implemented effective June 3, 2000.

Canadian Airlines employees in the Concierge function may bid the VIP function in accordance with the above at those bases where such operational requirements are identified by the Company.

Canadian Airlines employees in the Lead function who wish to remain in that function will be considered qualified to stand for election in accordance with LOU No. 22 of the Agreement.

Reduced time and retirement phase-in employees at Canadian Airlines who are working more than twenty (20) hours per week will have the ability to elect to reduce their hours to twenty (20) hours per week in accordance with the Air Canada/CAW Collective Agreement. Otherwise, and in recognition of the potential loss of income which would result from an immediate decrease in hours, employees will have their hours grandfathered at the average of the reduced time hours scheduled in the location over the previous year for the life of the Agreement. However, once an employee has elected to select less than the grandfathered hours, this option is no longer available.

- (e) **Vacations:** Bid vacations for the year 2000 will be taken as awarded. Vacations for the year 2001 will be bid separately in accordance with the provisions of Article 14.
- (f) **Sabbatical Leave:** Canadian Airlines employees who have commenced a Sabbatical Leave program in accordance with Article 16.11 of the Canadian Airlines/CAW Collective Agreement will have the option of terminating their participation in the Program or grandfathered until their leave has been taken. No new such leaves will be permitted.
- (g) **Grievances, Discipline and Arbitration:** Immediately following advice of ratification, the parties will convene at the Headquarters level to discuss a methodology in the resolution of all outstanding issues and the application of Articles 15, 16, and 17. Until agreement is reached on the outstanding cases, the provisions of Articles 23 and 24 of the Canadian Airlines/CAW Collective Agreement will continue to apply to such grievances. Disciplinary correspondence on an employee's records as of the date of ratification of this Memorandum will be handled according to Article 22.10 of the CAW Local 1990/Canadian Airlines Collective Agreement No.3.
- (h) **Union Business:** Immediately following advice of ratification, the parties will convene at the Headquarters level to discuss the application of Article 18.
- (i) **Insurance Plans, Benefits and Pension Plan:** Immediately following advice of ratification, the parties will convene at the Headquarters level to discuss a methodology to provide for an orderly transition to the Air Canada Insurance, Benefit and Pension Plans. Canadian Airlines employees currently working on retirement phase-in will be grandfathered

at their current terms, conditions and benefits to the extent they exceed those for Air Canada employees on retirement phase-in.

With respect to the Air Canada Pension Plan, Canadian employees upon membership will participate for future service; however, their combined Canadian and Air Canada service will be utilized to determine service eligibility for retirement.

- (j) **Language:** Immediately following advice of ratification, the parties will convene at the Headquarters level to discuss a methodology for the application of the Official Languages Act and the application of LOU No. 6 with respect to route languages for Canadian Airlines employees.
- (k) **Memorandum of Understanding No. 6 - Reservations/Acroplan Offices:** The provisions of this MOU will apply to the Canadian Airlines Call Centre in Calgary.
- (l) **Crew Scheduling:** Canadian Airlines employees covered by the CAW Supplement Agreement Number 3 (Crew Schedulers and Assistant Crew Schedulers) will continue to be governed by Agreement No. 3 between the CAW and Canadian Airlines. Every effort will be made to enter into and complete discussions with the CAW concerning their status prior to the expiration of the current Agreement, i.e. before December 31, 2000.
- (m) **Saving Clause:** Any other issues not specifically covered within this transition document will be addressed as required amongst the parties at the Headquarters level.

4. With respect to the Voluntary Separation Program, Canadian Airlines employees who participate in the Program and who are eligible for pension benefits in accordance with the Plan rules upon retirement will have their final average earnings adjusted at the date of ~~retirement~~ to maintain 1992 ratio of earnings to the YMPE. The Union agrees that the necessary funding will come from the CAW Pension Plan without jeopardizing the surplus of solvency test of the Plan. In no event will such ratio exceed that of an Air Canada employee in a comparable job.

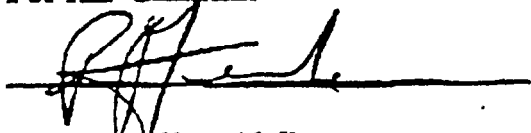
The Company and the Union at the Headquarters level will discuss the distribution of the Voluntary Severance Program (VSP). It is understood by the parties that employees applying for the Program will indicate their preference for a last day at work and in some cases may wish an expeditious departure. Every effort will be made by the Company to honor the employee's requested date, however, the Company reserves the right, subject to business and operational requirements, to determine the employee's last day of work.

The Companies and CAW-Canada, Local 1990 agree and commit, subject to the requirements of the Canada Labour Code, that the attached Letter of Intent will constitute the renewal of the Collective Agreement between Canadian Airlines and CAW-Canada, Local 1990 expiring on December 31, 2000. The new Collective Agreement shall become effective January 1, 2001 and shall continue as expressed in the Letter of Intent.

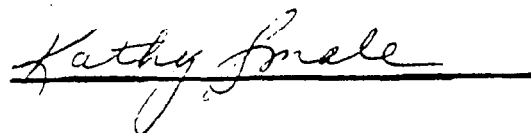
It is understood that this Memorandum of Understanding is subject to the ratification of the bargaining committee of CAW-Canada Local 1990, the process of which will be completed by May 31, 2000.

Dated in Montreal, this 4th day of May, 2000.

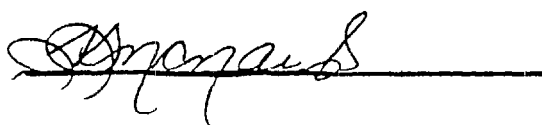
For Air Canada:

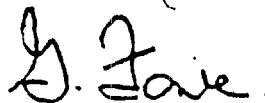


For Canadian Airlines:



For CAW-Canada, Local 1990:





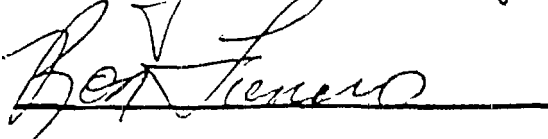

_____ May 31, 2000











MEMORANDUM OF UNDERSTANDING

AIR CANADA.

-AND-

CAW - CANADA AND ITS LOCALS 2213 AND 1990

The parties agree to the following statements of principle and process regarding the orderly resolution of seniority integration issues:

Air Canada and Canadian Airlines acknowledge that in replacing the provisions of the Canadian Airlines Collective Agreement with those of the Air Canada Collective Agreement the issue of seniority integration has become one of a major concern to both employee groups. It is also acknowledged that there is a difference of opinion on how the issue should be resolved. Air Canada and Canadian Airlines are sensitive to the emotion of the issue and the difficulty of having the employees work together with the seniority issue left unresolved. Accordingly, the Companies have encouraged the parties to find a solution that would be considered fair and equitable to all employees.

It is agreed that two separate seniority lists will be maintained and administered in accordance with the above. It is the intention of the parties that this process will not be detrimental to the interests of either the employees of Air Canada or the Canadian Airlines employees.

In the event either Local Union has just cause to believe that the process is working to the detriment of its members, it will first discuss the matter with the other Local Union and the National Union. Failing resolution, the issue of integration of the seniority lists may be referred to an arbitrator. Such reference will require the unanimous support of the Bargaining Committee of the referring party.

As soon as possible after the initiation of the arbitration process, the Local Unions will agree on an arbitrator. If there is no agreement, each Local Union will submit two names and one name will be drawn.

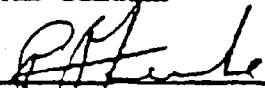
The selected arbitrator will conduct hearings in Saint John, St. Johns, Halifax, Montreal, Ottawa, Toronto, Winnipeg, Edmonton, Calgary, and Vancouver to allow Union members to make presentations on the issue. Each local Union will be represented independently. The arbitrator will be provided with the mandate to render a decision on the issue as soon as possible, but no later than six (6) months after the initiation of the process.

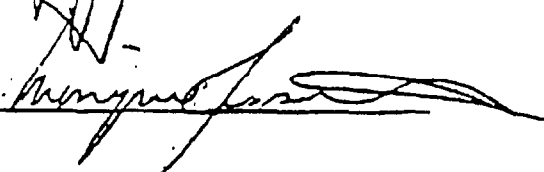
The arbitrator's decision will be final and binding on all parties concerned.

The costs of the arbitrator will be shared equally between the Local Unions and Air Canada.


Dated in Montreal, this 4th day of May, 2000.

For Air Canada:






For CAW-Canada, Local 1990:



For CAW-Canada, Local 2213

If CAW 2213 members request to ~~go~~
proceed immediately to arbitration, the
union will do so.



** TOTAL PAGE.03 **

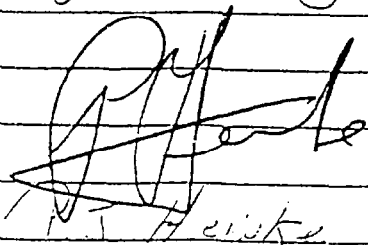
May 4, 2000

Mr. Gary Lane
Director Transportation
Caw-Canada
Toronto, Ontario

In respect to the Amstatel agreement signed between Air Canada and Caw-Canada, Local 2213, the following should be noted:

It is agreed that the utilization of members (employees) of Caw-Canada, Local 2213 as outlined in article 2.03 of the Air Canada / Caw Collective Agreement will not be triggered until such time as a reciprocal agreement is negotiated with Caw-Canada, Local 2213.

Yours truly,


J. Heiske

MEMORANDUM OF UNDERSTANDING

AIR CANADA/CANADIAN AIRLINES - AND - CAW – CANADA AND ITS LOCAL 1990

Air Canada and Canadian Airlines have confirmed to the CAW – Canada Bargaining Committees from Local 2213 and Local 1990 that Air Canada and Canadian Airlines International are being merged into one airline. On May 4, 2000 the parties agreed to apply the terms and conditions of the Air Canada Collective Agreement to all applicable CAW members at Canadian Airlines. The purpose of this Memorandum is to amend the provisions of the Collective Agreement with the changes recently brought to the Air Canada Collective Agreement, to the extent agreed, as a result of its discussions with CAW-Canada, Local 2213.

This Memorandum further gives reciprocal effect to waive the scope restrictions between members of CAW-Canada, Local 2213 and of CAW-Canada, Local 1990 as agreed on May 4, 2000 for the purpose of providing seamless customer service to the passengers of both carriers and to achieve the synergies of an intermingled workforce supporting a fully integrated flight schedule.

Subject to the coming into effect of the Memorandum of Understanding entered into between Air Canada and CAW-Canada and its Local 2213 on September 28, 2000 the following is agreed:

1. Amend the provisions of the Collective Agreement as follows:

a) Amend Article 6.01.01 as follows..

6.01.01 The standard working week shall be forty (40) hours. The standard working day shall be eight (8) consecutive hours, including meal and rest periods. Where the standard working day is not practicable, the employee may be scheduled for more than eight (8) hours but not in excess of nine (9) consecutive hours, inclusive of meal and rest periods. Where it is not practical to relieve employees two (2) days in seven (7), the number of days off in a complete shift cycle shall be no less than two-sevenths (2/7) of the total number of days in the cycle. In the development of such schedules, no less than two (2) consecutive days off will be scheduled together, unless otherwise agreed by the Company and the Union at the District level.

Note 1: The provision of allowing a shift to extend up to nine (9) hours is to achieve the equivalent of the forty (40) hour working week at locations where the 6 days on, 3 days off Work Schedule is in effect. Such 6/3 type work schedules will apply to address staff requirements which are constant over the seven (7) calendar day week and will be based on the requirements for the lowest calendar day of the week.

b) *Amend Article 10.07.04 as follows.*

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.

c) *Amend Article 12.03 as follows.*

12.03.01.01 When an employee and their employee spouse (including common-law spouse) desire a joint transfer to the same location or base they shall so indicate at the time of submission of their transfer requests.

12.03.01.02 When two (2) such employees have indicated their preference for joint transfers, as provided for in Article 12.03.01.01, such transfers will be actioned in accordance with Article 12.01.02 or Article 12.02.02 using the seniority date of the junior employee and provided two (2) vacancies are being confirmed.

d) *Amend Article 14.02 as follows.*

14.02.01 Employees shall be entitled to vacation leave with pay. Such time away from work shall be granted 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.

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 3 years	14 calendar days
4 through 9 years	21 calendar days
10 through 14 years	28 calendar days
15 through 27 years	35 calendar days
28 years and over	42 calendar days

These changes will be effective for vacation to be taken in year 2002.

e) *Amend Article 18.04.01.02 as follows.*

18.04.01.02 Time off for the Union Bargaining Committee (5) members will be forty (40) hours per week to be absorbed by the Company.

Time off for the Union Health and Safety Coordinator will be forty (40) hours per week to be absorbed by the Company.

Time off for Union District Chairs as outlined below will be absorbed by the Company:

NUMBERS OF EMPLOYEES	TIME OFF
51 - 100	8 hours per week
101 - 200	20 hours per week
201 - 600	40 hours per week
601 - 1000	80 hours per week
1001 - +	120 hours per week

These changes are to be effective in the month following advice of ratification.

f) *Amend Article 18.06 as follows.*

18.06 The Union shall have the privilege of posting appropriate notices and related Union material on Company notice boards and the applicable internal electronic communication system (CIC).

g) *Benefits - Amend Articles, 19.07, 19.09, 19.10, 19.11.02 and LOU4.10 as follows.*

19.07.01 The Company will pay the 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 (2½) 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 (¼) of coverage at time of retirement up to a maximum of \$10,000.00.

L4.10 Group Life Insurance

The level of coverage will be two and one-half (2½) times the basic annual earnings up to a maximum of \$40,000.00

19.09.01 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).

L4.10 Supplementary Health Insurance

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).

19.09.02 The Company will extend coverage to include 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 and one thousand five hundred dollars (\$1,500.00) per family per year.

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

- 19.09.04 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.
- 19.10.02 The annual maximum of covered expenses is two (2) thousand dollars (\$2,000.00) per calendar year per person. The basic dental services coverage is payable at ninety (90%). The maximum orthodontic coverage for dependent children will be two thousand five hundred dollars (\$2,500.00).
- 19.11.02 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 or contact lenses in each period of twenty-four (24) consecutive calendar months, except that the contact lenses prescribed for severe corneal situations, as set out in Company Publications 711, Chapter 8, 9, 10, the maximum amount payable shall be three hundred and sixty dollars (\$360.00), payable once during the entire period the person is insured.

These changes are to be effective for services provided in the month following advice of ratification.

h) Introduce new Letter of Understanding No. 24 – Concierge function as follows.

Letter of Understanding No. 24
Concierge Function

The Company and the Union have agreed to the creation of the Concierge function at airport locations.

The objective of this new function is to provide premium customers with personalized service that compliments the service these customers receive throughout their entire travel experience.

Separate functional requirements, including the development of shift schedules and sub-schedules for each location will be developed in accordance with Article 6.02 and may include full-time and/or part-time employees.

Except as otherwise provided for hereinafter, all provisions of the Collective Agreement shall apply to Customer Sales & Service Agents performing the Concierge function:

1. Vacancy notices will be posted in each location outlining the staff requirements and soliciting applications for positions in the Concierge function. Notwithstanding the provisions of Articles 6.03.01.01 and 6.03.01.02, the Company will have the right to select from applicants for all such vacancies. At the request of the local District Chairperson, the local District Chairperson or a designate may form part of the selection panel to provide input to the process.

2. Selected Customer Sales and Service agents will bid work schedules and sub-schedules within the Concierge function in accordance with Article 6.03. Requests for transfer out of the Concierge function to other vacancies within the location will only be actioned in accordance with Article 6.03.01 .0 1 when such vacancies result from a change to work schedules provided for in Article 6.02.01. In the event of a staff reduction within the function, such a reduction will be affected in accordance with the provisions of Article 6.03.02 after any requests for transfer out of the Concierge function have been actioned.
3. The application of Article 6.06 will be amongst employees qualified to work the Concierge function for any shifts identified as Concierge.
4. The uniform for Customer Sales & Service Agents selected in the Concierge function will be distinct, the first of which will be provided by the Company at no cost to the employee. Subsequent uniform components will be provided in accordance with Article 19.02.02.

Dated in Toronto this 28th day of September, 2000.

For: Air Canada

**For: CAW-Canada and
its Local 1990**

With the introduction of the foregoing Letter of Understanding it is agreed that employees working in permanent or relief Concierge functions as of the date of the ratification of this Memorandum of Understanding will be grandfathered, at their request, into the Concierge function.

i) Amend the Memorandum of Understanding No. 1 – Pension Plan, items 13 and 14 and the Pension Plan rules as follows:

13. Effective January 1, 2001, the rules of the Air Canada Pension Plan will be amended to change the formula for eligible employees covered by this Collective Agreement from 1.75%/2% to 1.90%/2% in respect of allowable service after January 1, 2001. In respect of service between January 1, 1966 and June 30, 2000, the formula will remain at 1.4%/2%; for service between July 1, 2000 and December 31, 2000, the formula will remain at 1.75%/2%. All sections of the Plan text wherever reference is made to 1.75% will be amended by replacing 1.75% with 1.90% in respect of service after January 1, 2001. These are sections 6.1 dealing with normal retirement pension, section 6.3 dealing with disability retirement pension and section 7.1 dealing with the higher pension to age 65 option. In section 7.1a), the reference to ¼% should also be replaced by 0.10% in respect of service after January 1, 2001.

14. Employee contributions under section 4.1 of the rules of the Air Canada Pension Plan will be increased from 5.25% to 5.70% on pensionable earnings up to the employee's Yearly Maximum Pensionable Earnings and remain at 6% on the part of the employee's compensation in excess thereof effective January 1, 2001. This contribution rate will be used as a basis for the recognition of any period of allowable service in respect of service after January 1, 2001.

The Pension Plan rules will be amended so that in the first month following advice of ratification, provisions for the Maximum Pensionable Earnings will be increased to \$68,000.00.

2. **Voluntary Severance Program (VSP):** A minimum of three hundred (300) employees will be allowed to take the Voluntary Severance Program during the life of the Agreement. System seniority will apply in the granting of VSP's. It is understood by the parties that employees applying for the Program will indicate their preference for a last day at work and in some cases may wish an expeditious departure. Every effort will be made by the Company to honor the employee's requested date, however, the Company reserves the right, subject to business and operational requirements, to determine the employee's last day of work. However, in any event those employees confirmed for acceptance in this program will be guaranteed a last day of work no later than October 31st of the applicable year. The minimum commitment will be distributed as follows:

Minimum of 200 VSP – January 31, 2001 – October 31, 2001

Minimum of 100 VSP – January 31, 2003 – December 31, 2004

For the above two periods the Company will solicit the required number of employees prior to December 31, 2000.

The Voluntary Severance Program will be amended as follows:

Eligibility:

Permanent active employees who have completed a minimum of one (1) year of continuous company service are eligible to volunteer under this program if:

- they have been in receipt of wages from Air Canada (not a wage replacement benefit) for ninety (90) days (excluding vacation leave) prior to December 31, 2000.
- they are presently participating in a voluntary mitigation program agreed to between Air Canada and CAW-Canada, Local 1990.
- they are presently on a approved maternity or child care leave of absence and have indicated their intention to return to work for Air Canada.
- they are presently on a leave of absence due to illness (GIDIP).

To determine their eligibility, employees should consult their local Personnel & Employee Relations representative.

3. **Seniority:** The seniority issue is of great concern to employees and needs to be resolved. This issue will be resolved either pursuant to an arbitration protocol between Local 2213 and Local 1990, or failing such a protocol, by the CIRB pursuant to Section 18.1(4) of the Code.
4. **Scope:** In accordance with the parties agreement contained in Article 3c) of the Memorandum of Understanding dated May 4, 2000 to refer the jurisdictional issues to a third party for resolution, it has been subsequently agreed to defer to the CIRB to determine in which bargaining unit (IAMAW – main bargaining unit or CAW-Sales and Service Unit) the following functions/classifications should be included:
 - Operations Agents (Turn Coordinators)
 - Central Cargo Loadplan
 - Cargo Services
 - Baggage Services
5. **Work Schedules:** The work schedules, in accordance with Article 6.03, for the Winter 2000/2001 Flight Schedule will be developed and allocated for the new requirements respecting the relative ratio of each employee groups' access to available functions, and available shift start times. Such functions/shifts will be bid utilizing the separate seniority lists. Where there is a disagreement on the allocation of shifts within the application of Article 6.03 at the local level, the matter will be referred to the parties at the Headquarters level for expedited resolution.
6. **Transfers and Change of Status:** In the event vacancies are declared and pending resolution of the seniority issue such vacancies will be filled following discussion with Local 2213 and Local 1990 at the Headquarters level.
7. **Vacations:** Bid vacations for the year 2000 will be taken as awarded. In the event there is no decision from the arbitrator in time for the annual vacation bid process, vacations for the year 2001 will be bid separately in accordance with the provisions of Article 14.
8. **Health and Safety Committees:** In recognition of the additional health and safety issues that have been raised as a result of construction projects in certain locations (i.e. Toronto, Vancouver and Edmonton), the Company agrees that additional Health and Safety Committee members will be added, as agreed locally based upon the local requirements. It is understood that these additional positions would be temporary and cease to exist when the local construction projects are completed.
9. **Saving Clause:** Any other issues not specifically covered within this transition document will be addressed as required amongst the parties at the Headquarters level.

This Memorandum of Understanding is without prejudice to any position the CAW-Canada, Local 2213 or CAW-Canada, Local 1990 may take in the seniority arbitration process.

This Memorandum of Understanding also formalizes the agreement reached between Air Canada and CAW-Canada Local 1990 already ratified by the membership of Local 1990.

Dated in _____ this ____th day of _____ 2000.

For Air Canada:

For CAW-Canada, Local 1990:

September 28, 2000

A. Davidson
President
CAW-Canada, Local 1990

Dear Ann:

In the event of a sale of all or part of the Aeroplan business or operations to one or more third party(ies) [the "Successor(s)"], and pursuant to Air Canada's intention to retain majority ownership over the Successor entity, Air Canada agrees and guarantees that:

1. The Collective Agreement between Air Canada and the CAW-Canada and its Local 1990 [the "Collective Agreement"] will remain in full force and effect and will continue to apply to the Successor(s). Should the Successor(s) be governed by provincial law, all terms and conditions of the Collective Agreement will continue to be honoured by the Successor(s) under provincial law.
2. The Union's bargaining rights will continue to be recognized by the Successor(s). Should the Successor(s) be governed by provincial law, the Successor(s) shall voluntarily recognize the Union's representation rights and/or not oppose the establishment of representation rights through provincial certification.
3. Notwithstanding paragraphs 1 and 2 above, until the expiry of the Collective Agreement, work at the Successor entity performed by Customer Sales and Service Agents covered by the Collective Agreement will continue to be performed by employees at Air Canada represented by the CAW-Canada.
4. In the event that the Successor entity does not remain a wholly-owned subsidiary of Air Canada until the expiry of the Collective Agreement, the parties agree to discuss any labour matters associated with the transaction.

For the purpose of the above guarantees, the term "sale" shall be interpreted as it is contemplated by the Canada *Labour Code*.

Yours truly,

P.E. Cooley
Director, Labour Relations –
Customer Service