



FEBRUARY 17, 2015

# Changes to shift trade processes

**This bulletin applies to employees who work in Airports, Call Centres, Cargo, Crew Scheduling and Planning, Customer Journey Management, Customer Relations and Weight & Balance.**

Dear Colleague,

Air Canada now has the means to better track hours worked by its employees which will facilitate our compliance with applicable laws. As with most laws, failure to comply can result in significant fines and penalties for Air Canada and possibly employees. The requirement to be in compliance prevails over the current Air Canada UNIFOR and Air Canada IAMAW Collective Agreements and so we are taking this opportunity to improve our practices at Air Canada.

While a generous shift trading policy will continue to be in effect at Air Canada, changes are required based on the following factors:

**Employment Standards** - Air Canada must control the hours employees work to meet employment standards as defined by the Canada Labour Code.

**Health and Safety** - Excessive work in a given timeframe may result in harm to employees, customers, or suppliers and/or cause a liability for Air Canada.

**Taxes and other deductions** – Air Canada needs to accurately perform source deductions and provide accurate information to authorities such as the Canada Revenue Agency (and to Revenue Quebec, if applicable).

## Hours of work

As of April 1, the additional hours that an employee is permitted to work in a quarter will be:

- Full-time employees – IAMAW and UNIFOR
  - 104 additional hours every 13 weeks, or the equivalent of 13 full-time days.
- Part-time employees – IAMAW
  - 208 additional hours every 13 weeks or the equivalent of 26 full-time days.
- Part-time employees – UNIFOR
  - 312 additional hours every 13 weeks or the equivalent of 39 full-time days

This would include both overtime and shifts received. Additional hours is defined as the hours that are not originally scheduled such as overtime and shifts received.

The Canada Labour Code (CLC) requires companies to limit the number of hours worked to the prescribed maximum of 48 hours a week – regardless of whether the employee is working full time or part time. The Code requires that the time accumulated in shift trades be included in the calculation of 48 hours weekly.

At Air Canada, due to our various shift patterns and compressed work weeks, we define the prescribed maximum of 48 hours over “quarters” or 13 week periods. Employees whether holding part-time or full-time status can work up to 624 hours per quarter.

Using full-time as an example, Air Canada employees are scheduled to work an average of 40 hours a week which leaves 8 hours of prescribed hours per week under the CLC standard. Since we divide the year into 13 week periods, we multiply the 13 weeks by the 8 hours per week to arrive at 104 hours per quarter. This includes overtime and shift trades in that period.

## **Maximum allowable hours an employee can be absent from the workplace as a result of donating shifts**

Full time employees may donate a maximum 520 hours during the year and part time may donate a maximum of 260 hours. These numbers represent a quarter of the annual scheduled shifts for a full time or part time employee respectively.

## **Contract scheduling parameters**

In addition to complying with applicable federal laws, we must also respect the shift schedule parameters contained in the Air Canada-IAMAW and Air Canada-UNIFOR Collective Agreements. Each Agreement clearly states the shift schedule parameters, including the required number of hours an employee is to be free from duty between leaving work and reporting for duty for the next scheduled shift. This includes scheduled shifts, overtime and any shifts an employee trades or receives. Upgraded technology provides us with oversight and monitoring of work schedule parameters and assists in complying with applicable laws and Collective Agreements. The required number of hours free from duty are:

- Air Canada-IAMAW Collective Agreement: 8 hours
- Air Canada-UNIFOR Collective Agreement: 9 hours

## Positive pay

In the spring of 2015, any employee who works a shift, whether it's their originally scheduled shift or a shift traded, will be the person who is paid by Air Canada for that shift. This is referred to as positive pay. As this change is currently in development with I.T., we anticipate the positive pay process will start on or after April 1; we will advise you well in advance of the actual start date.

Attached to this bulletin is a table that helps you better understand the changes taking place and when along with an FAQ.

While applicable legislation places some limits on us, employees can continue to enjoy significant shift trade opportunities. If you have any other questions, we encourage you to speak with your manager.

Sincerely,

A handwritten signature in black ink, appearing to read 'Klaus Goersch', written in a cursive style.

Klaus Goersch  
Executive Vice President and COO



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Rule	UNIFOR	IAMAW	As per the ..	Effective
Contract scheduling parameters	From the start of a duty day, an employee must have 9 hours of uninterrupted rest within the next 24 hours.	From the start of a duty day, an employee must have 8 hours of uninterrupted rest within the next 24 hours.	Collective Agreement	IAMAW: In effect UNIFOR: Starts April 1, 2015
<b>Full Time</b> <b>UNIFOR and IAMAW</b> Up to 104 additional hours in a quarter (13 weeks)	Each quarter, a full time employee can work no more than 104 hours (8 hours x 13 weeks) 104 hours over their scheduled average of 40 hour per week.		Canada Labour Code	April 1, 2015
<b>Part Time</b> <b>UNIFOR:</b> Up to 312 hrs additional hours in a quarter (13 weeks)  <b>IAMAW:</b> up to 208 additional hours in a quarter (13 weeks)	Each quarter, a part time UNIFOR employee can work no more than 312 additional hours.  <b>AC Average Work Week</b> 24 hrs x 13 wks = 312 hrs and <b>Canada Labour Code</b> 48hrs x 13wks = 624 hrs so the difference of 208 would be their limit every quarter	Each quarter, a part time IAMAW employee can work no more than 208 additional hours.  <b>AC Average Work Week</b> 32 hrs x 13 wks = 416 hrs and <b>Canada Labour Code</b> 48hrs x 13wks = 624 hrs so the difference of 208 would be their limit every quarter	Canada Labour Code	April 1, 2015
Positive Pay	The employee who works the shift will be paid for the shift.		Tax and other laws	No sooner than April 1, 2015. Advance notice will be provided
Threshold for shifts donated	Full time – up to 520 hours per year Part time – up to 260 hours per year.		Air Canada	In Effect

