

IMPORTANT MESSAGE

NOTICE TO ALL MEMBERS AND FORMER MEMBERS OF THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (IAMAW)

WHO OPTED TO RETIRE/RESIGN FROM AIR CANADA AND REHIRE BY AVEOS

RE: DISTRIBUTION OF EXCESS FUNDS UNDER CIRB ORDER 9996-U AND THE SEPTEMBER 12, 2012 ARBITRATION DECISION

Dear Brothers and Sisters,

Further to Bulletin #32 issued October 23, 2014 and #4 issued January 19, 2015 please be advised that Transportation District 140 of the IAMAW has received a <u>unanimous</u> decision from the Canadian Industrial Relations Board (CIRB) which states, in part, the following:

"The Board understands that the transition process affecting the former Aveos employees has been long and difficult for many individuals. The complainants clearly disagree with the interpretation that the union is giving to parts of the arbitration decision. However, the complainants' disagreement with the union's interpretation is not sufficient to find a breach of the union's duty of fair representation towards the complainants. The union provided the complainants with its rationale and explanation for its interpretation. It explained that the complainants have received the maximum amount that they were eligible to receive pursuant to the Separation Program. The facts and circumstances that are put forward in these complaints do not demonstrate evidence of malfeasance, negligence or bad faith on the part of the union. On the contrary, the union was faced with the difficult task of balancing the interests of all its members and provided an indication in October 2012, shortly after the arbitration decision was issued, that it would assist other employees if excess funds were left after payment of the separation packages to all eligible employees. The complainants express a clear disagreement with the interpretation to be given to the arbitration decision as it relates to the surplus funds that remain after the payments of all separation packages but the Board is not in a position to substitute its own interpretation of the arbitrator's decision. That is best left to the union who participated as a party in the arbitration proceedings.

The Board is unable to find that the IAMAW breached its duty of fair representation toward the complainants and therefore, concludes that there has been no violation of section 37 of the Code. The complaints are hereby dismissed."

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In light of this decision, Transportation District 140 is now in a legal position to distribute certain surplus funds that remain in its possession in accordance with the terms of the September 12, 2012 Arbitration Decision that assigned \$55M to the Union to cover the cost of the Air Canada Separation Packages under Order 9996-U to former Aveos Members who were employed at Air Canada on January 31, 2011, who opted to retire or resign from Air Canada as part of the Aveos transition process, and who were still working at Aveos at the time of its closure.

In the interests of equity and fairness, basic fundamental Union philosophy and principle, Transportation District 140 will be, within the coming months, equally distributing the surplus funds, less statutory deductions, to former Aveos Members who were employed at Air Canada on January 31, 2011, who opted to retire or resign from Air Canada as part of the Aveos transition process, and who were still working at Aveos at the time of its closure, since they have not received any compensation for their losses resulting from transitioning to Aveos in the context of its insolvency and closure.

In Solidarity,

Fred Hospes, President & Directing General Chairperson

Transportation District 140, IAMAW

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