



## TRANSPORTATION DISTRICT 140 DISTRICT DES TRANSPORTS 140

International Association of Machinists and Aerospace Workers  
Association internationale des machinistes et des travailleurs et travailleuses de l'aérospatiale

Vancouver, January 8, 2020

Sent via email

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The Honourable Filomena Tassi, Minister of Labour,

We would like to raise to your attention a very worrying situation which has contributed to the deterioration of the working conditions and environment at Canadian airports for many years.

The IAM, representing 22,000 workers spread across all major Canadian airports, has seen the many problems caused by airport contract transfer practices (also known as Contract-Flipping).

Contract-Flipping is the practice of relaunching a contract bidding process in order to find a lower bidder. This creates a dangerous imbalance and opens the way for abuse by some employers.

When an airport service contract is up for tender, workers and their unions have no leverage to protect the working conditions they have built up on the contract over time. This situation means that in a situation of a contract flip, workers who want to practice the same trade are subject to significant setbacks in their working and living conditions by the company that won the contract.

The current conflict at Montreal-Trudeau and Mirabel airports, involving 100 of our members from Local 2301 and Swissport Fueling Services is a good example. When the aircraft supply contract for Montréal-Trudeau and Mirabel airports was awarded to Swissport, the company had no obligation to the group of workers carrying out these operations for the previous employer (CAFAS).

Workers with 25 years of experience found themselves faced with the choice of severing their employment, having to change jobs or to applying for the same job by accepting a major reduction in their working conditions. For example, with regard to salaries, for an experienced refuelling agent, Swissport offers a remuneration of approximately \$16 per hour, whereas, before 2016, performing the same tasks, in the same place, with the same responsibilities, the same schedules and the same equipment were paid \$24 dollars per hour. THIS IS NOT RIGHT!

We believe it is more necessary than ever to restore balance in the negotiations between unions and employers to ensure the working environment at Canadian airports and secure quality jobs. To do this, your government has a duty to act to ensure that the transfer of airport service contracts are NOT used to infringe on the rights of thousands of Canadian airport workers.

In fact, during the last term of your government, we have increased our lobbying efforts with the government to resolve this problem. During the last round of Labour Code reforms, led by your colleague Patty Hajdu, we submitted recommendations to put an end to this unfair practice. Unfortunately, nothing has been done.

We are therefore asking you to put an end to this unfair and disrespectful way of doing business at Canadian airports. In addition to abrogating working conditions and destroying lives, Contract-Flipping also affects the quality, efficiency and safety of the services offered at our airports. If nothing changes, this practice, which only benefits air carriers and managers, will become a growing source of air transportation conflict and disruption in Canada.

We believe that there should be a transfer of workers' rights and the collective agreement when switching from one contract from one employer to another. Bidders should take this into account when participating in a tender. Workers should be able to maintain their basic conditions and not start from scratch in their negotiations. To do this, we recommend:


- That sections 44 and 47.3 of the Canada Labour Code apply to any service provider of the airport authority as well as to airport authorities.
- That the benefits protected by these articles be clearly defined and that it is not left to the employer to determine them.
- That the government develop and implement a mechanism that fosters a relationship based on accountability and transparency towards the government, the Minister of Infrastructure or Transport Canada and that it ensures accountability and respect of legislation.
- A committee at each provincial and territorial level to review contracts and Contract-Flipping to ensure workers are protected.

Our position is that compensation, full-time positions, seniority, vacation, health benefits, leave and the pension plan should, at a minimum, be maintained. Collective agreements and union accreditations should not be cancelled following a contract transfer. Otherwise our airports will become precarious and dangerous workplaces.

Yours very respectfully,



Fred Hospes  
President and Directing General Chairperson  
Transportation District 140, IAMAW

FH/mb 

C.C. Canadian Prime Minister, Justin Trudeau (Papineau)  
C.C. Minister of Transport, Marc Garneau (Westmount)