



# BULLETIN

## 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*

### TO ALL AIR CANADA MEMBERS CIRB UPDATE - AIR CANADA/AVEOS

Dear Brothers and Sisters:

A case management meeting and further hearings were conducted at the Canada Industrial Relations Board (CIRB) on January 17 and 18, 2011. Below is a report from our lawyers:

As the CIRB set out in its letter of December 23, 2010, on December 20, 2010 the Board advised the parties of its concern that the litigation would not "address a number of the substantive labour relations issues", and directed all parties into confidential discussions with the side panel about possible amendments to the Transition Agreement. These discussions took place during the hearing dates scheduled for December 2010.

On December 23 the Board was advised that no agreement could be reached, and the Board issued its letter of December 23, 2010 recommending to Air Canada that it put forward a formal proposal before January 17, 2011.

On January 6, 2011 the Board issued a bottom line decision excluding the Union's Expert Report. The decision gave 10 days for the parties to request reasons, and a request has been filed on behalf of the Union.

Also in January Air Canada put forward a formal proposal on a confidential basis. At the case management hearing on January 17, 2011 Air Canada advised that it was putting this proposal forward to the Board on the record. The basic outline of the proposal was a separation package substantially the same as the one put forward and rejected by the Union in December. The Union advised that its position remained as in December.

At the case management hearing the companies (Air Canada/Aveos) advised that, in light of the Board's decision rejecting the Union's Expert Report and the urgency of their need for a decision, they had decided not to call further evidence. The Union then outlined the further evidence it planned to put forward, including evidence from our members in the workplace concerning Aveos' current financial position. This evidence was admissible, because it dealt with current facts not future viability. The Companies then admitted the facts that the Union proposed to demonstrate through witnesses, with the result that the Board did not need to hear those witnesses. As set out in the pleadings available on the Union's website, the Union's case that Aveos and Air Canada form a single employer under Air Canada's direction and control depends on documentary evidence about the legal and financial relationship between Air Canada and Aveos. The majority of these documents have been before the Board since October, and the Union was able to get all its additional documents into evidence before the Board.

The Board then directed the parties to move to final argument on the merits and on the proposal on January 18, 2011 and to complete arguments through written submissions to be filed by January 21, 2011, with any rebuttals due by the close of business on January 24, 2011.

We are posting the proposal put forward by Air Canada to the CIRB for your information. **(Attached)**

We will also post the Union's submissions, subject to the extent that the confidentiality order will allow.

This has been a very difficult process and is not finished yet, your Union appreciates the continued unwavering support of the membership.

In solidarity,

Chuck Atkinson  
President & Directing General Chairperson  
CA:cp



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