

July 7th, 2009

BULLETIN

TMOS

COLLECTIVE AGREEMENT AND PENSION FUNDING AGREEMENT

The Executive of Local Lodge 764 has been extensively involved in this negotiation and ratification process from the very beginning. We have attended a large number of meetings and have been involved in detailed discussions with our members, retirees, Negotiation Committee members, District Lodge 140 representatives as well as the IAM&AW Strategic Planning Department and our legal representatives. We have given these agreements an enormous amount of thought, scrutiny and debate. We have considered the risks and rewards associated with both a "No" vote and a "Yes" vote on the Collective Agreement Extension and the Pension Funding Moratorium. We have had the risks and rewards explained to us by all of our legal and financial experts – and they are experts in their respective fields.

This issue is personal for us as well. Eleven of the fourteen Executive members are directly associated with Air Canada. This agreement is not a detached entity. This is our livelihoods and pensions as well. We have all endured the years of threatened insolvency, forced share purchases and being coerced into buying our jobs at great personal cost just as all of you have. Our benefits have also been eroded and our wages frozen. That time has come once again and we know exactly how most of our members feel because we are in the same boat with you. We are all rowing like crazy to keep it on track and now we are being asked to bail it out one more time to keep it from sinking. Do we like it? Not one iota. Do we have to do it? Without doubt. 100% unreservedly. YES WE DO! There is absolutely no viable alternative solution that can be derived from rejecting this agreement. There is no money. There is no Saviour waiting in the wings; just more vulture capitalists waiting to put their hands in your wallets. They – Air Canada and Aveos – will go into CCAA immediately and our pension plans will be wound up at immediate 24% loss to each and everyone of us. There is only one place they will look to trim their costs and alleviate their debt obligations in CCAA – our Collective Agreements and Pension Plans.

If you have read these agreements carefully you will be aware that while life does not come with a guarantee, these agreements are as close as we can get. They will provide 21 months of job security, out-sourcing protection, increased financial and commercial scrutiny of Aveos prior to a single member being transferred and it prevents any changes to either our Collective Agreement or Pension Plans while these agreements are in effect - **even if they go into CCAA after these agreements are ratified.**

For all of these reasons the Executive members of Local Lodge 764 recommend the acceptance of the Collective Agreement Extension and the Pension Funding Moratorium by our members as the best possible solution to secure our jobs and our pensions for the foreseeable future and live to fight another day. Discretion is the better part of valour.

Respectfully,

**** PLEASE POST ****

Christopher Hiscock, President
Canadian Airways Lodge 764

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