

IN THE MATTER OF AN ARBITRATION

B E T W E E N :

AIR CANADA

- and -

AVEOS

- and -

IAMAW

Re: Preferential Hiring

MARTIN TEPLITSKY, Q.C.
Arbitrator

APPEARANCES:

On behalf of Air Canada: Denis Boucher
Mike Bissonnette

On behalf of Aveos: Frank Szemenyei
Antonietta Marro
Denis Villeneuve
Eric Tremblay

On behalf of IAMAW: Georges Bujold
Tony Didoshak
Gary Sinclair
Fred Hospes
John Bialowas

Hearing held via Video Conference and Telephone Conference on November 11, 2011

Preferential Hire

The employer grieves that there is illegal concerted action directed toward undermining its “preferential hire” programme.

There is always a tension between freedom of expression and illegal concerted action. Based on the evidence adduced, I am not satisfied that there is illegal concerted action. It is equally possible that employees are confused about the implications of preferential hire in their recall rights. The IAM bargained successfully for an extremely advantageous “preferential hire” initiative for its members. I have no doubt that the IAM, as an organization, is not engaged in any “undermining”. Accordingly, I dismiss the grievance but without prejudice to its renewal on better material. If the employer can identify the persons involved in illegal concerted efforts, the matter can be brought back on.

In the interim, I make the following award:

- 1) This award (English and French versions) shall be posted system wide. The preferential hire letter shall be attached to the posting.
- 2) For 5 days after the posting in both languages, employees who did not send in confirmation letters will have an opportunity to do so.
- 3) The employer may commence a hiring off the street initiative if it is short of employees.

I hope that employees will carefully consider this opportunity. As was discussed in published Q & A’s, accepting a preferential hire does not impact recall rights to Air Canada.

Employees should have no concerns in this respect. It is not the same as the selection process where employees selected 1-5 or VBiii.

Employees should also consider that a refusal to accept preferential hire may affect their entitlement to EI.

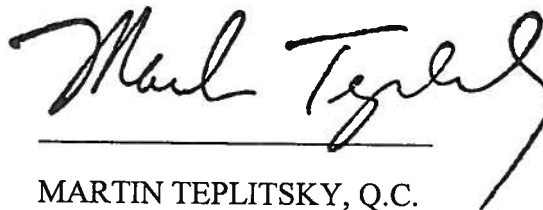
Finally, a shortfall in employees may result in contracting out of work which Aveos wishes to perform.

If there are individuals who counsel that a refusal to accept preferential hire will somehow cause Air Canada to resume heavy maintenance, components and engines, I suggest that employees disregard such advice. It is not more than foolish wishful thinking.

It seems self-evident that accepting preferential hire is preferable to having no employment. Apart from the risk to EI, there is also a risk that a refusal of preferential hire may affect the issue of severance payments.

I remain seized.

DATED the 11th day of November, 2011.

A handwritten signature in black ink, appearing to read "Martin Teplitsky", written over a horizontal line.

MARTIN TEPLITSKY, Q.C.

Arbitrator