

# THE SNAG SHEET

MONTHLY NEWSLETTER OF CANADIAN  
AIRWAYS LODGE 764

Jun 2009



International Association  
of Machinists and  
Aerospace Workers  
Representing Air Transport  
Workers in  
British Columbia and the  
Yukon

## President's Message

Our Members at Air Canada have a lot of reading to do this month so I will keep this report brief. As everyone must surely be aware by now DL140 and the Company have reached a tentative deal on a 21 month Collective Agreement extension and an agreement on the Pension deficit funding payments.

**There is a ratification vote scheduled for Vancouver for Monday, 29 June 2009. The exact times and location of the meetings and vote are still to be determined. That information will be posted on the LL764 website and the Bulletin Boards as soon as it is finalized.**

I urge each and every member to attend one of these meetings and cast your ballot. There will be no absentee ballots as they are not permitted under the IAMAW constitution. Please read the documents that are being circulated in the workplace and posted on the LL764 and DL140 websites prior to attending the meetings. Representatives from the Negotiations Committee will be present at all of the ratification meetings to answer any questions you have and to provide detailed explanations of the various clauses of the agreements.

I do not counsel members on which way to vote, I simply urge you to come out and vote but please make sure that you have informed yourself of exactly what the agreements do and do not

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contain. Make sure that you understand all of the issues before you vote. Please get the information first hand and do not rely on the people you work with telling you what they think the agreements say. The ratification meetings are held for exactly that purpose. Please attend the meeting time that is most convenient for you.

As is customary, LL764 will not be conducting our regular monthly meetings during July and August however the office is open and staffed in accordance with the hours posted on our website. I would like to wish everyone a safe and happy summer. For those of us with summer vacation, enjoy the time off with your families and friends; you have earned it and deserve it. I would like to urge everyone to work safe, follow all SOPs and wear your PPE. Please ensure your own safety and the safety of your colleagues. Please extend those safe habits into your vacation to protect you and your family.

To make sure you get correct, timely and pertinent information, check the Union Bulletin boards, our website or even better, sign up for our email list and we will send it directly to you as soon as we get it. To sign up, simply go to the LL764 website [www.iam764.ca](http://www.iam764.ca) home page. At the bottom of the right hand column there is a link "**Join IAM 764 mailing list**". Simply click on the link and input your personal email address that you wish to use. Do not use your Air Canada, MTU or United Airlines email address. We will not send any information or communications to Company email accounts and risk members being disciplined for misuse of company email.

Christopher Hiscock  
President

**Canadian Airways Lodge 764**

## LL764 Pension Report—CPP

A major financial consideration in everyone's retirement calculations is the Canada Pension Plan. I talked about CPP in the October 2008 Pension Report and now I am going to talk about it again. This time I want to tell you about changes that the Federal Government will be making to the CPP benefits. The changes will impact 4 aspects of the CPP benefits and the way they are paid. You will think some of these changes are good and some are bad. Which are good and which are bad depend on you and your particular circumstances. One man's pill is another man's poison. The CPP is designed to replace 25% of your employment income up to the YMPE (\$46,300 in 2009). The CPP is designed such that you contribute on all employment income reported in box 14 of your T4 slips that you earn between ages 18 and 65 (up to the YMPE in each of those years). That makes a maximum contributory period of 47 years. These changes are scheduled to start in 2012 to coincide with the first year that anyone will have been able to pay into the CPP for 47 years – it came into being in 1965.

The first change is the elimination of the work cessation test. Currently you must have 2 months of reduced or no income to apply for CPP. Starting in January 2012, this will no longer be the case. In fact, you can apply for and receive CPP while continuing to work in your current job.

Current CPP rules allow for a *General Low Earnings Drop-Out* of 15% of your CPP contributions to a maximum of 7 years. This allows years of low earnings early in your career, child rearing etc. to be dropped from the final calculation of your CPP benefit so that you can get a larger CPP benefit. The proposed change is to increase this drop-out to 16% (7.5 years) in 2012 and 17% (8 years) in 2014 further increasing your CPP benefit if you are below the maximum benefit level.

The third change meshes with the first. If you continue to work while receiving CPP benefits it is mandatory for you and your employer to continue making CPP contributions on all of

your wages up to the YMPE until you reach your 65<sup>th</sup> birthday. If you continue to work after age 65, CPP contributions become optional until age 70. The upside of this is that when you finally retire completely, your CPP will be recalculated taking into account these extra years of work and contributions and your CPP will be increased accordingly from the amount you originally received. Contributions made after age 65 will increase your CPP by 1/40<sup>th</sup> per extra year of contribution.

The fourth change will perhaps be the most controversial. It is a change to increase the actuarial fairness for early and late uptake of your CPP benefits. What this means is that the current reduction 0.5% per month for each month early you take your CPP before your 65<sup>th</sup> birthday will increase to 0.6% per month starting in January 2012. Conversely if you elect to wait and take your CPP after age 65 you currently get an extra 0.5% per month after that date. The new rules will increase that to 0.7% per month starting in January 2011. This change is to more closely reflect the actuarial cost / benefit to the plan of when you elect to receive your benefit. Currently they feel that those who elect to take CPP early (min age 60) are being unfairly subsidized by those who wait to age 65 or later (max age 70).

**Anyone who is at least age 60 and elects to start collecting their CPP benefit prior to January 1<sup>st</sup>, 2012 will do so under the current rules and will not be affected by these changes.**

Email is the most effective way to reach me. I may be contacted at [pres764@telus.net](mailto:pres764@telus.net) with any questions or concerns that you may have.

Respectfully Submitted,

Christopher Hiscock, Chairman, LL764 Pension Committee

## Canadian Airways Lodge 764

Our Local Lodge was chartered in September 1941 in Winnipeg. Its official name became Canadian Airways Lodge 764. That name will soon celebrate its 70<sup>th</sup> anniversary.

The Lodge's first members were the employees of Canadian Airways, the creation of grain merchant James Richardson of Kingston, Ontario who later moved to Winnipeg. Mr. Richardson accumulated enormous wealth from grain storage, transport, and sales in the early 1900's, as the Canadian Prairies were opened up and settled. Richardson invested part of his profits in a finance company (James Richardson Securities (1926), later merged as Richardson Greenshields (1982), then bought up for \$480 million (1996) by the Royal Bank of Canada). One of his other investments was in the beginnings of the airline industry in Canada.

Richardson's early acquisitions in Canadian aviation started in 1925, when he bought up two small bush plane operations, their aircraft, and operating rights (Pacific Airways and Western Canada Airways), and used the name **Western Canadian Airways (WCA)**, to service the Red Lake gold rush from Winnipeg, Manitoba in 1926. His purchase of a Junkers JU-52 (registration CF-ARM) aircraft provided his company with a cargo plane enabling a three ton lift capacity and wide door access for heavy mining equipment. The WCA Junkers JU-52 was able to carry bulldozers and heavy drilling equipment into remote areas on wheels, skis, or floats, and no other bush operation provider could match that capability. The Junkers was the only aircraft of its kind in Western Canada for many years, and support for the mining business made huge profits for WCA. These profits allowed Richardson to purchase other small bush plane operations across Western Canada after 1930. These operations included Independent Airways (1930), United Air Transport (1935), Bridge River and Cariboo Airways (1935), and Grant McConachie's Yukon and Southern Airways (1940). All of these companies became part of the now renamed **Canadian Airways**. The growing company's agents, mechanics and ground service staff were unionized in 1941 by the International Association of Machinists<sup>1</sup>. The company, by 1940, through acquisitions, had established a cross-Canada network that covered all the provinces and territories, reaching from Carcross in the

Yukon, to Charlottetown in Prince Edward Island. It consisted of seventy-seven different types of aircraft, embracing well proven equipment for regional and bush operations from ten different companies. It was a testament of the mechanical skills of the air engineers of the day that they were able to keep this fleet mixture flying.

However, James Richardson had not assembled this polyglot collection of aircraft and airlines to operate it, but to sell it. Richardson was well aware that the Canadian Pacific Railway (CPR) has decided to branch out into air transportation (like their rival, the CNR, with Trans-Canada Airlines in 1937) and placed a "for sale" sign on his ready-made airline in 1940. Unfortunately for James Richardson, he died in that year, and ownership of Canadian Airways passed to his estate. In 1941, James Richardson's widow sold the company to the CPR. The CPR renamed the company Canadian Pacific Airlines.

Canadian Pacific Airlines acquired not only the pioneering foundation of air transport in Canada, but also some of the greatest operators of that foundation, not the least of which was Grant McConachie. Under the supportive direction of N.W. Neal, CPR Western Regional Vice-President, McConachie, with his salesman-like panache, rose to become the General Manager of Canadian Pacific Airlines in 1947.

Canadian Airways Lodge 764 was obliged to follow the fortunes of Canadian Pacific Airlines and Grant McConachie in later years. When McConachie decided to move CPA headquarters from Winnipeg to Vancouver in 1951, the Lodge also moved.

The first offices were rental premises on South-west Marine Drive and Knight Street in Vancouver. The building was demolished to make way for the Knight Street Bridge in 1971, and the Lodge moved to offices on Victoria Drive. In 1979, the Lodge moved again to offices in an industrial park on River Road in Richmond, near Hazelbridge Way.

When the issue of renting office space versus owning was debated on the Lodge floor in 1989, the membership voted to

purchase a vacant manufacturing plant at 7980 River Road in Richmond. After purchase, the members themselves renovated the building for use as a union hall. The building had much more space than was needed by both the Local Lodge active membership and its Retirees, and the vision was to offer rental space to other labour organizations.

There were plans commissioned after 1989 to enlarge the building and include (then) District Lodge 721, or other unions as tenants, to help defray the purchase, mortgage, and operating costs of the building. None of these plans came to any fruition, because Local Lodge 764 was totally occupied with its new employer, Canadian Airlines International (CAIL), and its financial difficulties and battles with labour during the 1990's.

Then came CAIL bankruptcy and purchase by Air Canada in year 2000.

Finding another tenant for 7980 River Road produced no results until 2007, when CUPE Lodge 4094 (Air Canada Flight Attendants) inquired about available office space. CUPE signed a three year space lease for their Component Executive and their Health and Safety Committee. In June 2009, after some alterations and renovations to office space at the rear of the hall by the Lodge 764 Building Committee, the CUPE 4094 Worker's Compensation (WCB) Advocacy Officers will join their colleagues.

It will be the first time since 1989 that the building has approached full occupancy, as envisioned by the original purchasers. The Lodge has also been successful in attracting other unions to rent the hall for meetings and seminars.

Grant McConachie went on to contribute magnificent chapters to CPA history until his untimely death in 1965.

Canadian Airways has long ago faded into the yellowed pages of corporate archives.

Not so for Canadian Airways Lodge 764 of the Machinists Union. The name proudly embraces our historic evolution as

we approach our seventieth year, and our legacy and our future should remain a bright star in the eyes of our membership.

The Snagsheet will return in September after the July-August break. Have a safe, pleasant summer and enjoy the sunshine. I am always appreciative of your continued comments and readership, and look forward to again writing for you soon.

<sup>1</sup> The Machinists Union did not add the additional title "and Aerospace Workers" to its official name until after the Grand Lodge Convention 1964 Miami Beach



David Varnes,  
ST LL764 and Chair, History  
Committee

## United Airlines Report

### JUNE, 2009 REPORT

One Grievance resolved at Step One, having to do with full time upgrade and shift assigning.

One outstanding Grievance at Step Three with the District for consideration.

The Summer bid was finally completed in May and began on May 31st. The summer flight schedule began June 4. It is very clear the reduction in manpower over previous years is likely to have an impact on this summer's performance. Members are reminded the numbers are set by the Company at their discretion, so have patience and consideration for your brothers and sisters as we all try to get through

the summer together. Safety, always and ever, first.

Members should be aware that the Company, in its current push to have training targets met, can and has rendered levels for uncompleted TL 17s. For this reason, TL 17s and TL17/76 will fall solely under the purview of Supervisor Brian Bird, and the STCs will only be responsible for the FAA mandated recurrent training in Skynet.

The Company has expressed an interest in holding more First Aid training classes. Members interested should speak with a supervisor. Classes will likely take place in the fall.

The Olympic Committee held a meeting with Management. The flight schedule is still being finalized, and Members still interested in being involved should contact Bro. Al Webb.

A Union Management meeting was held May 27th. The minutes, taken by Bro. Glen Stoten, are available in ops. Highlights include:

The Management team is available by phone 24/7 for operational concerns even if they are not physically present, and members should not hesitate to contact them for guidance in the event of IRROPS. Customer concerns should be dealt with by the membership, with the aid of the Leads on shift as this is IAM work.

Concerns about Management performing IAM work were raised. It was pointed out that reduced staffing is not the same as Irrops or an emergency, and does not give the Company the right to violate the CBA.

Safety during the summer operation was raised as a concern, particularly on the Ramp, in Bagwell and in Baggage Service.

Have a safe summer!

In solidarity, Janet Andrews, Senior Steward

## Airports/Cargo Report

### Arbitrations

The next scheduled meeting with chief arbitrator Martin Teplitsky is for June 12 in YYZ.

### Baggage Agents

The Summer Shift Schedule has been bid, and the Shop Committee would like to thank Brother Andrew Chan for building and bidding the shift. The recall process has been completed and training will commence on June 22.

### Cabins

The Company is still in the process of offering Alt employment as well as calling back some of the people that worked last summer.

### Cargo

The Summer Shift has been bid and the Shop Committee would like to thank Brothers Mike Knight, Will Paddock and Bob Sidhu for their assistance. This is a very difficult shift as there are 25 less full time people in Cargo.

### Promos

The Promotional Bulletin for Airport/Cargo Trainer Level 2 closed on April 27, 2009 and the Company is in the process of doing the testing and interviews, they hope to have the award out shortly.

### Ramp

The Ramp Shift has been bid and the Shop Committee would like to thank Brothers Bob Banzet, Rob Croteau and Glenn Morache of the Shift Committee as well as Brother George Koch and Sister Renate Mattatall for their assistance. The Company is still looking for 3 more Permanent and 15 Temporary Station Attendants.

### Retirements July 01, 2009

Rod Brunton, Customer Service Agent – Cargo 35 years.  
Jack Funk, Station Attendant - Ramp 28 years.

Glen Kalmack, Station Attendant – Ramp 29 years.

### Shop Stewards

Shop Stewards are reminded to take accurate notes so the Shop Committee can proceed with any type of appeal.

Respectfully submitted,  
Kevin Cox, Chair Craig Chard, Member

## Tech Ops Report

June 10, 2009

**Arbitration Hearings:** The last scheduled date with Chief Arbitrator Martin Teplitsky was on May 21, 2009 in Toronto.

**YVR Base Permanent Recalls:** The Shop Committee has been working with Local Heavy Maintenance Management to ensure our Members are given every opportunity to accept or decline a recall per the Collective Agreement. Any Member receiving recall paperwork from Air Canada/Aveos is reminded to ensure that the Tech Ops Shop Committee receives a faxed copy of their selection to accept/decline recall. The Tech Ops Shop Committee Office fax number is (604) 273-0896.

**Air Canada/Aveos Transition -** District Lodge 140 Representatives are scheduled to meet with the Company on June 16<sup>th</sup>, 2009 in Montreal to continue discussions pertaining to the many outstanding issues as a result of the Aveos and Air Canada transition. The Membership is reminded to check both websites; District Lodge <http://www.iam140.ca/> and Local Lodge <http://iam764.ca/> on a regular basis for up to date information as this process progresses.

**Collective Bargaining 2009:** Bargaining Committee Representatives from across the system have been meeting in Vancouver over the past several weeks and are currently meeting with Air Canada in Toronto. The Bargaining Committee has been sending out regular updates to keep the Membership apprised of the discussions taking place between the Union and the Company. The Membership is encouraged to visit the District Lodge <http://www.iam140.ca/> and Local Lodge <http://iam764.ca/> web sites on a regular basis for updates.

**Tech Ops Retirements:** The Shop Committee would like to congratulate the following Members who retired on June 1<sup>st</sup>, 2009 and wish them a long, happy and healthy retirement.

The Shop Committee also requests the assistance of all Shop Stewards in notifying the Shop Committee of any Member considering retirement.

Andy Andrews – Category 1  
 Mahendra Thaker – Category 1  
 Sin-Min Chai– Category 1  
 Dominic Lucarino – Category 4  
 Wayne Fofonoff – Category 1  
 Robert Sheppard – Category 13  
 Silvano Girardi – Category 1  
 Barry Bletcher – Category 19  
 Ang Ngah Lai – Category 1  
 Shirley Anderson – Category 33  
 Greg Lee – Category 1  
 Sonny Saelieng – Category 38  
 Peter Luxton – Category 1  
 YK Hui – Category 38  
 Jim Owen – Category 1  
 Len Ammerlaan – Planner  
 Art Palmer – Category 1  
 Martin Jones – Stockkeeper  
 Phil Penney – Category 1

In Solidarity,

Joe Toth, L/L 764, Tech Ops Chair

Glenn Cooper, L/L 764, Tech Ops Member

Glenn Girard, L/L 764, Tech Ops Member

## MTU-C Report

**June 10, 2009 – GENERAL MEETING**

### Grievance Status

#### Policy Complaints

Established minimum wages  
 Conflict of interest (step 3)  
 Denial of recall (step three)  
 Rescinded recall (step three)  
 Failure to recall (step three)

#### Personal/Group Grievances

It has been agreed to between the parties that the negative time bank may be used as intended by the Collective Agreement. The exception to this rule is where work is available, negative time bank will not be permitted to increase. The employer has indicated that they will manually keep records for the purposes of Article 5.07 (f).

It has also been agreed by the parties that for the vacation period of 2009 which ends December 31, 2009 employees may use one (1) week, thirty seven and one half hours (37.5) of their bid vacation and divide it into one hour segments. All employees will use the “request for time off/leave of absence” form and also indicate on that form which bid week they will be reducing their time allotment. This agreement is not intended to be used to pay for workshare Fridays.

Employees anxiously await the announcement of the KC10 contract which will be presented at the end of June.

The second annual Marian Dyck Golf Tournament was held on June 6, 2009. From the feedback given it was another success.

In Solidarity,

Neil Carter

Senior Steward

# Next General Meeting

Sept 9, 2009

5 PM

7980 River Road  
Richmond, B.C.



WE'RE ON THE WEB!  
[WWW.IAM764.CA](http://WWW.IAM764.CA)

IN MEMORIAM

THANKFULLY NONE THAT WE  
KNOW ABOUT

## Local 764 Executive Board

Chris Hiscock – President

Mike Sanghera – Vice-President

David Varnes – Secretary Treasurer

Laura Sharpe -Recording Secretary

Steve Daechsel -Trustee

Wes Sim – Trustee, Educator

Cam McDonald -Trustee

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Gordon Taylor – Communicator

Joe Toth - Tech-Ops Shop Chair

Kevin Cox - Airports/Cargo Shop Chair

Neil Carter – Senior Steward MTU

Janet Andrews – Senior Steward UAL

Ron McKelvie – Clerical Chief Shop Steward

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