

**KEN LEWENZA** National President Prèsident national JEAN-PIERRE FORTIN Quebec Director Directeur québécois PETER KENNEDY National Secretary-Treasurer Secrétaire-trésorier national

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October 20, 2011

Sent by mail and e-mail - calin.rovinescu@aircanada.ca

Mr. Calin Rovinescu President and CEO Air Canada 7373 Cote Vertu West St Laurent, QC H4Y

Dear Calin,

I take note of Air Canada's decision to seek judicial review of the arbitration award of Mr. Burkett and his colleagues dated September 16, 2011.

I must say that in my many years as an elected CAW-Canada trade union representative there are few other employer decisions which I can identify as being as harmful and destructive to a collective bargaining relationship as this decision.

The interest arbitration process was one proposed by Air Canada. It was plainly understood that the parties would select a neutral adjudicator with expertise, experience and credibility in this area of work, and that the parties would entrust a resolution to our dispute to that adjudicator. There is no question that Mr. Kevin Burkett was the appropriate choice, in terms of all the factors noted above. That the parties agreed Mr. Burkett and his colleagues would make the **final** resolution and bring a complete end to our differences is demonstrated by paragraph 7 of the Memorandum of Agreement (Appendix 4) which states:

"The parties agree as follows:.....

7. That the award of the Chair will be **final, binding** and not subject to further approval or ratification by either party, so long as the Office of the Superintendent of Financial Institutions approves of the changes required to give effect to his award, if required by law."

There was **no** contemplation of appeals or review or anything of that nature, no matter who "won" or "lost". For Air Canada to launch such an action now really calls into question how the CAW-Canada and its Local 2002 and the affected membership can rely on Air Canada's word going forward. This move to judicial review by Air Canada violates our agreement and should be rescinded forthwith.

Second, it is astonishing to find that one of the grounds for review set out in the company's paper is the allegation that the CAW-Canada had no right to amend the offer that it included in the union's written submission of July 15, 2011.

The Air Canada representatives in attendance at the mediation meeting of July 22, 2011 must own up to the fact as stated in Mr. Burkett's award that Air Canada orally agreed to permit the offers submitted prior to July 22, 2011 to be replaced by another offer made after the July 22, 2011 meeting. Indeed as reported in Mr. Burkett's decision, Air Canada amended its own offer post-July 22, 2011 to include an allowance for a future conversion to a target pension plan should the legal and regulatory framework be amended to permit such a change. After the CAW-Canada's amended offered was delivered, Air Canada was expressly invited to seek an adjournment of the August 4, 2011 hearing day, if it so desired to consider the union's amended offer and act accordingly. Air Canada explicitly declined to ask for an adjournment.

The company's current legal action is unprecedented in character and should be withdrawn.

Your immediate attention to this problem is necessary.

Yours truly,

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KEN LEWENZA National President

kl:rlcope343

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