

Collective Agreement

BY AND BETWEEN

LABRADOR AIRWAYS LIMITED

AND

INTERNATIONAL ASSOCIATION of

MACHINISTS and AEROSPACE WORKERS

on behalf of Maintenance, Customer Service agents,
Flight Watch Employees, Ramp Attendants and Stores

January 1, 2002 - December 31, 2004

02790 (07)

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Letter of Agreement No. 1 (Arbitrators)

Letter of Agreement No. 2 (Heber Hedderson, Darry Russell,
Rick Adams)

Letter of Agreement No. 3 (Early and Safe Return to Work)

ARTICLE 1. PREAMBLE

- 1.01 This Agreement is made and entered into this 1st day of January, 2002 by and between Labrador Airways Limited, hereinafter referred to as "The Company" and International Association of Machinists and Aerospace Workers, hereinafter referred to as "The Union".
- 1.02 The purpose of this Agreement is in the mutual interest of the Company and the employees, to provide for the operation of the services of the Company under methods which will further to the fullest extent possible, the safety of air transportation, the efficiency and economy of operations and the continuation of employment under conditions of reasonable hours, compensation and working conditions. It is recognized by this Agreement to be the duty of the Company and of the employees to co-operate fully, both individually and collectively, for the advancement of that purpose. The Company assumes the responsibility for ensuring that new employees are provided with orientation and pre-employment training.
- 1.03 If, for any reason, any portion of this Agreement is unenforceable or contrary to law, the Parties hereto agree that such portion is severable and separable from the remainder of the Agreement and that the Agreement in all other respects will continue in full force and effect in accordance with the terms thereof.
- 1.04 The coming into force of this Agreement will not have the effect of lowering any rates presently paid nor of depriving employees of any privileges enjoyed prior to its signing.

ARTICLE 2. RECOGNITION

- 2.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all employees of the Maintenance, Ramp Attendants, Customer Service Agents, Flight Watch, and Stores of the Company as set out in the Certification Order dated June 4th, 1981 and as listed in Article 13 - Seniority.
- 2.02 The Company shall enter into no contract either expressed or implied with any employee or group of employees covered, herein, except through the medium of this Agreement.
- 2.03 Employees excepted from this Agreement shall not perform work normally carried out by employees within the bargaining unit except for instructional, inspection or quality assurance purposes - to assist where required - or in the case of unforeseen nonrecurring operational emergencies where bargaining unit personal are not readily available and the safety of personal, equipment and /or customer property is in immediate danger.
- 2.04 The Company agrees not to contract out work where the effect of such contracting out would result in a lay-off and/or a reduction in seniority or benefits of bargaining unit members.

ARTICLE 3. RESERVATIONS OF MANAGEMENT

- 3.01 Subject to the provisions of this Agreement, the control and direction of the working forces including the right to hire, suspend or discharge for just cause, to promote or set back in classification, to re-assign, to transfer or lay-off because of lack of work or other legitimate reason is vested in the Company provided that in the exercise of these functions, the Company shall not discriminate against any employee because of membership in the Union or lawful activities on its behalf.
- 3.02 Employees coming under the scope of this Agreement shall also be covered by all Company rules and regulations previously or hereinafter issued by the Company that are not in conflict with the terms of this Agreement or the law. The Company agrees to provide to the Union a copy of all rules and policies.

ARTICLE 4. UNION SECURITY

4.01 All employees of the Company covered by this Agreement, whether full time, or part-time, will be required to authorize the deduction of Union Dues - or their equivalent - from their regular wages as a condition of employment in accordance with precedent established by the Rand Formula.

It will be the Company's responsibility to inform employees of this condition upon hiring and the authorization to deduct Union Dues will be completed prior to the employee commencing actual duties. In any event, Union Dues shall be deducted from the employee's first and each and every pay thereafter.

4.02 All Union Dues deducted by the Company shall be forwarded to the Secretary-Treasurer of the IAMAW Lodge 927 within ten (10) days of the completion of the pay-roll period from which the deduction was made, accompanied by a list of employees on whose behalf the deduction was made.

4.03 Any change in the amount of dues to be deducted will only be made after the Company has been notified officially in writing by the Union.

4.04 The Company shall notify the Union in writing 'namely the Lodge recording Secretary and the applicable Union Unit Chairman', in the following matters:

(a) All orders to an employee involving change in assignment, promotion, demotion, discipline, discharge, reduction in staff or re-call to work;

(b) Seniority Lists;

(c) Any other matter affecting an employees status with the Company within the terms of this Agreement.

4.05 One employee, per Employment Group, pre base, to a maximum of four elected by the Union to represent it at any Convention, Conference or School shall be granted necessary leave of absence without pay, provide the Company receives two weeks notice of the required leave. If overtime is incurred as a result of the absence,

the Union shall reimburse the Company for added cost.

- 4.06 Employees on authorized leave of absence to accomplish Union Business of any nature, shall continue to accrue seniority and basic pay during the leave period, provided the Company shall invoice the Union for the lost time of the employee, including payments made on his behalf by the Company.
- 4.07 The Company will recognize and deal with the Shop Stewards and Committeemen as designated by the Union. Stewards and Committeemen - after having first obtained permission - will be allowed time as necessary during working hours and without loss of pay to investigate and/or process grievances and complaints arising out of the interpretation or application of this Agreement.
- 4.08 The Union will keep the Company advised in writing of its authorized Shop Stewards, Committeemen and Representatives.
- 4.09 At all locations where the Union Committees have been constituted, a regular monthly meeting between the Company and the Committee shall be held normally during the third week of each month as arranged by the Committee. These meetings will be held during regular working hours and without time debit or credit to Committee members. Nothing in this provision shall however, detract from either Party to this Agreement conducting mutual discussion with the other in an attempt to resolve a matter which by virtue of its urgency or time element must be discussed or resolved without undue delay.

ARTICLE 5. HOURS OF WORK

- 5.01 The standard working week for the employees covered under this agreement, will be one of forty (40) hours service over five (5) consecutive days of eight (8) hours each.
- 5.02 Shifts will have a fixed starting time which shall be the same each day and no shift will begin or end between the hours of 1:00 am to 5:30 am except by mutual agreement of the Parties hereto.

- 5.03 For purposes of computing overtime, an employees shift will start with the commencement of his assigned shift and continue for 24 hours.
- 5.04 Meal periods will be adjusted to occur approximately midway in an employees regular shift.
- 5.05 Employees will be entitled to two ten minute break periods during a shift, normally after two hours of work and after six hours of work.
- 5.06 Employees may only be required to change their assigned shift after having received twenty-four (24) hours notice of the change.
- 5.07 The Union recognizes that sometimes unusual requirements for work schedules in aircraft servicing operations and agrees to meet at anytime with the Company to mutually determine equitable shift schedules.
- 5.08 Employees shall not be scheduled to work both Christmas Day and New Years Days in one holiday season.
- 5.09 It is agreed that shift schedules and shift cycles will be the joint responsibility of both Parties hereto and it is agreed that existing shift schedules and shift cycles will not be changed without prior consultation.
- 5.10 While it is understood that this Agreement commits Maintenance and Engineering employees to work 2099 hours -less vacation and statutory holiday time - at straight time rates, mutual agreement on rotating shifts may, at times, require as few as 2065 hours annually. Where such mutually determined shifts require less than the maximum of 2099 hours per year, employees will nevertheless, be paid as though they were working the maximum hours.
- 5:11 Part-time employees may be scheduled for two (2) split shifts in a twenty-four (24) hour period, with a minimum shift of three (3) hours.
- 5:12 Part-time employees shall be entitled to two (2) consecutive days of rest per week.
- 5:13 Any employee required to be "on call" on days off, shall

receive three (3) hours pay per day, unless actually called in to work in which case the normal call in rate will apply.

ARTICLE 6. OVERTIME

6.01 Overtime at the rate of time and one-half (1 1/2) the employees's regular hourly rate will be paid in the following instances:

- (1) For the first eight (8) hours worked in excess of and continuous with a scheduled shift except as provide in the case of a Statutory Holiday.
- (2) For the first eight (8) hours worked on any assigned rest day except as otherwise provided.
- (3) For the first eight (8) hours worked on a Statutory Holiday.
- (4) If an employee is called in outside his scheduled shift he shall receive a minimum guarantee call of three hours (3) at the overtime rate referred to above. (An employee need only complete the task for which he was called in order to be entitled to this minimum guarantee.)
- (5) For all hours worked that would cover a rest period where an employee voluntarily relinquishes the benefit of eight (8) hours rest.

6.02 Overtime at the rate of twice (2X) the employee's regular hourly rate will be paid in the following instances:

- (1) For all hours worked in excess of eight (8) hours following and continuous with a scheduled shift.
- (2) For all hours worked on a second or subsequent rest day in the week, where the employee has worked on a previous rest day.
- (3) For all hours worked in excess of eight (8) hours on a Statutory Holiday.
- (4) For all hours worked in excess of eight (8) when an employee is called in outside his scheduled shift.
- (5) For all hours worked prior to a scheduled shift and continuous therewith with a minimum guarantee of one (1)

call in at the overtime rate referred to above.

- 6.03 No employee shall be required to work overtime against his wishes unless no other qualified employee will work the overtime on a voluntary basis through normal canvassing and, in the opinion of the person arranging overtime based on circumstances existing at the time of the decision, the work is urgently required and there is no reasonable alternative. Overtime under these conditions shall be assigned to the employees already on duty in the reverse order of seniority with those involved in shift rotation normally being exempted. Assignments of such overtime shall entitle employees to a minimum of one (1) hours pay at the applicable overtime rate.
- 6.04 Employees working overtime during their regular meal period following each (4) hours of overtime worked, will be provided with a meal based on the scale and hours as per Article 7.01 .
- 6.05 Employees working overtime under any circumstances will be entitled to paid break periods of ten (10) minutes every two hours and meals in accordance with 6.04.
- 6.06 Employees working overtime will be guaranteed a minimum of eight (8) hours rest before reporting for their regular shifts, without loss of pay.

ARTICLE 7. OUT OF BASE ASSIGNMENTS

- 7.01 Employees away from home base will be entitled to the following meal allowances:
- \$ 8.00 (Between 0700-0830)
 - 10.00 (Between 1200-1330)
 - 17.00 (Between 1700-1830)
- 7.02 Travel time will be paid for up to a maximum of eight (8) hours at straight time rates during any twenty-four hour period. Where an employee both works and travels during the same twenty-four (24) hour period, travel time will not be considered as time worked for purposes of computing overtime.
- 7:03 Employees who are on an out-of-base assignment, and

through no fault of their own, are required to stay longer than assigned, shall continue on their normal straight time rate of pay as if they were at home base.

ARTICLE 8. VACATIONS WITH PAY

8.01 Employees will be granted paid vacations in accordance with the schedule outlined below. The Vacation Year is considered to be that period, April 30th to April 29th. Vacation pay will be based upon the appropriate percentage of the employees gross earnings during that period.

Vacation Schedule

	Service	Vacation Entitlement	Appropriate Percentage
(a)	Less than 1 year of service by April 30th	.84 days per month or major portion thereof	4%
(b)	1 year of service by April 30th	10 working days	4%
(c)	5 years of service by April 30th	15 working days	6%
(d)	13 years of service by April 30th	20 working days	8%

8.02 Employees who have been laid-off for periods of less than twenty (20) consecutive working days during the year, will not have their vacation time or pay reduced.

8.03 Where a Statutory Holiday falls during an employees vacation, he will be granted the additional day with pay.

8.04 Employees who have been absent from work due to illness or compensable accident for periods of sixty (60) consecutive working days or less, will not have their

vacation time or pay reduced.

- 8.05 Employees absent from work for reasons covered by 8.02 and 8.04 above will have their vacation pay calculated on the amount they would have earned in straight time earnings, had they not been absent. Periods of absence in excess of those outlined above will be deducted pro rata from the employee's time and pay entitlement.
- 8.06 Not later than March 1st in each year, the Company will post a Vacation Roster for each employment group on which employees in order of Seniority - the most senior employee in point of Company Service having first choice - will indicate their vacation period preference. The Roster will remain posted until April 15th during which employees in each employment group must have made their selection. Where an employee fails to indicate his choice during that period, he may be required to take his vacation at the discretion of the Company.
- 8.07 Employees will be entitled to draw vacation pay before proceeding on vacation.
- 8.08 Employees who resign or who are discharged for cause before completing the required service will be entitled to receive a pro rata cash equivalent of vacation credits earned to date.
- 8.09 Employees who are laid off will have the option of drawing or not drawing their vacation pay earned to date.
- 8:10 (a) Employees may split their vacation credits in the following manner:
- Ten (10) days or less ----- two (2) periods
Fifteen (15) days or more ----- three (3) periods
- (b) The method of selection of the first period chosen, will be as outlined in Article 8:06.
- The method of selection of the second period, will be outlined in Article 8:06 and will be determined after everyone has made their first period choices.
- Third period choices will be made with the same process, after first and second choices are made.
- 8.11 Employees entitled to more paid vacation leave than that

shown for one (1) year of service in this Article may be obliged to take only twelve (12) working days during the designated Summer period of June 1st to September 30th in order to provide more Summer Vacations to other employees.

8.12 The Company will provide vacation relief so as to permit a minimum of two (2) employees from any employment group to be on vacation at any given time except during the period June 1st to September 30th each year, when two (2) employees in any employment group will be permitted vacation during the same period.

Note: This provision does not apply in the Classification of Traffic/Reservation Agent or Flight Watch in which, due to the relative size of each work group, only one employee at a given time shall be on vacation.

ARTICLE 9. STATUTORY HOLIDAYS

9.01 The following Statutory Holidays, with pay, will be granted to all employees covered by this Agreement:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	November 11th
July First	Christmas Day
Civic Day	Boxing Day

Provided the employee worked on his regular working day immediately preceding the Holiday and on his regular working day immediately following the Holiday unless absence was authorized.

9.02 The Civic Day referred to in 9.01 above is the day generally observed as a Holiday in the community in which the Company's base is located. Where no Civic Day is to be observed, an alternate day will be observed, as mutually agreed between the Company and the employees concerned.

9.03 Where a Statutory Holiday falls on an employee's assigned rest day, he/she may elect to add such day (a maximum of two (2) days) to his/her Annual Vacation entitlement or elect to be an additional eight (8) hours straight time pay for the day, provided that he/she advises the Company of his/her option choice within seven (7) calendar days following the Holiday.

9.04 Where an employee works a scheduled shift on a Statutory Holiday, he/she may elect to add the day (a maximum of two (2) days)to his/her Annual Vacation entitlement in lieu of the paid overtime provided by this Agreement. In electing this option, the employee must advise the Company of his/her choice to do so within seven (7) calendar days following the Holiday.

ARTICLE 10. COMPASSIONATE LEAVE AND LEAVE OF ABSENCE

10:01 Employees shall be granted 3 consecutive working days as compassionate leave in the event of death in the immediate family. Immediate family for the purpose of this agreement shall be defined to include the employees spouse, child, parent, sister, brother, brothers in law, sisters in law or grand-parent and include the children, parents, brothers, sisters and grand-parents of the employee's spouse.

10.02 Where the requirements of the service will permit, employees may be granted leave of absence of up to ninety (90) days, during which they will continue to accrue Seniority but shall not accrue Vacation or Sick Leave Benefits.

10.03 Applicants for Leave Of Absence beyond ninety (90) days must be approved by both the Company and the Union.

ARTICLE 11. SICK LEAVE

11.01 Employees covered by this Agreement shall be entitled to accrue and accumulate one (1) working day of sick leave for each calendar month, or major portion thereof for a minimum of ninety-six (96) hours per year, for a maximum of One Hundred five (105) working days.

11.02 Sick Leave with pay will be payable from and including the first day of absence due to illness or off the job accident provided that the Company may require a Medical

Certificate verifying the need for Sick Leave before any Sick Leave benefit is paid. Where the employee has not been asked to produce a medical certificate within seventy-two hours of having returned to work, he will be paid.

11.03 Probationary employees will not be entitled to any Sick Leave benefits except that when they become permanent employees, they will be credited with one days Sick Leave Credit for each month of service as a Probationary employee.

11.04 Employees absent from work due to an Industrial Accident and entitled to Worker's Compensation Benefits, will be entitled to receive from the Company an amount equal to the difference between WCB Benefits and their current regular daily rate for a period equal to their accrued Sick Leave days.

11:05 Employees who choose to exercise their right under the Act to take Maternity Leave, shall continue to accrue all seniority rights under the terms of the Collective Agreement.

11.06 The Company agrees to obtain from the Group Insurance Carrier and transmit to participating employees by February 28th in each year, the following information:

- (a) total premiums paid by Company
- (b) total premiums paid by participating employees
- (c) total claim against policy
- (d) total rebate accruing from the Policy

Any rebate to the Policy Holder as a result of premiums paid in excess of claims will be shared equally by the Company and the participating employees on a share per equity basis.

11.07 The Company agrees to include as part of this agreement, a long term disability plan. A copy of which shall be provides to the Union.

ARTICLE 12. EMPLOYEE RIGHTS, LETTERS, DISCIPLINE

12.01 (a) All correspondence relating to an employee concerning any form of discipline which the Company has placed in an employee's personal records file, shall be

removed from all records of the employee no later than six (6) months from date of issue (1yr. for employees with less than 12 months seniority),in respect to a reprimand and no later than two (2) years from date of issue in respect to a suspension an neither shall be used for any purpose beyond the agreed removal date.

(b) On each occasion where the Company takes action to place correspondence, as described in (a) above, in an employee's personal records file, the employee and the Union (as established by Article Four) shall sign the copy placed on his records file indicating only that he acknowledges receipt and understands the context thereof.

(c) Upon verbal request to Management, each employee shall be permitted to examine and note the contents of his personal records file as compiled and held by the Company.

(d) No action, as it relates to discipline, shall take place unless a shop steward is present.

(e) Before an employee is suspended or terminated, he/she shall be given the reason for such action in writing.

ARTICLE 13. SENIORITY

13.01 Seniority of each employee will be established after a Probationary period of sixty (60) working days served during a period of twelve (12) consecutive months and if the employee is retained in the service of the Company beyond that period, he will be considered permanent and his Seniority - subject to any adjustments for broken service - will date from the first day he was hired. Probationary employees will be entitled to all rights and privileges under this Agreement except as provided elsewhere herein and except that they may be discharged without recourse to the Grievance procedure.

13.02 A Seniority List will be published and posted by the Company not later than the last day of February in each year. Employees will have thirty (30) days during which to verify their respective positions on the List and corrections not brought to the Company's attention during that period will not be considered and the List will stand as correct.

13.03 Employees under this Agreement will accrue Seniority in

two ways, through Total Continuous Company Service and by Classification, which are defined as follows:

(a) **CLASSIFICATION SENIORITY** is based upon the employee's length of service with the Company in a particular Classification as listed in Article 13 and 18 and which will apply in the following matters:

- (1) Lay-off due to reductions in force and re-calls to work
- (2) Transfers
- (3) Pick of shifts

(b) **COMPANY SERVICE SENIORITY** is based upon the employee's length of service with the Company, regardless of classification or work group and will apply in the following matters:

- (1) Vacation Preference and Entitlement
- (2) Leave of Absence
- (3) Any other matter not covered by Classification Seniority.

13.04 For the purpose of this Agreement all employees under the scope of this Agreement shall be grouped into four primary Employment Groups and Classifications within each Group, as follows:

(a) **Maintenance** which will include the Classifications:

Crew Chief
Crew Chief (Unlicensed)
Aircraft Maintenance Engineer
Avionics Technician
Aircraft Mechanic
Junior Aircraft Mechanic
Groomer
Utilitymen
Store Clerks

(b) **Ground Support** which will include the following Classifications:

Ground Equipment Mechanic
Junior Ground Equipment Mechanic
Ramp Attendant

(c) **Operations** which will include the Classifications:

Flight Watch

(d) **Customer Service** which will include the Classifications:

Reservation Agent

Traffic Agent

Freight Agent

- 13.05 Employees promoted or transferred from one Classification to another within the same Primary Employment Group will continue to accrue Seniority in the Classification from which transferred or promoted.
- 13.06 Employees promoted or transferred from one Classification to another in a different Primary Employment Group will retain but shall not continue to accrue Seniority in his former Classification but will appear on the Seniority List of the new Classification as of the day he entered it.
- 13.07 Employees transferred from one Classification to another will be on probation in their new Classification for a period of sixty (60) working days. Should the employee fail to qualify for the new Classification or should he decide not to accept the promotion or transfer, he may revert to his former Classification during the probationary period without loss of Seniority in the Classification from which promoted or transferred.
- 13:08 Employees transferred or promoted to positions outside the bargaining unit will maintain Seniority in the Classification from which transferred or promoted for a period of six (6) months only. During this period the employee may return to his former position in the bargaining unit upon giving the Company two weeks notice.
- 13.09 Employees in Training Groups will be credited with six months Classification Seniority when promoted to a Trade Classification.
- 13.10 In the event that more than one employee in the Classification has the same seniority date, the employee with the greater Company Service will be considered senior. In the event that both Classification and Company

Seniority are equal, the older employee will appear first on the Seniority List.

13.11 It is understood that reductions in force will be accomplished by laying off the junior employee in Classification Seniority and that employees will retain their respective seniority rights and the right to be recalled for a period of eighteen (18) months. The Company agrees to re-call laid-off employees before hiring new employees and re-calls to work will be accomplished in the reverse order of a lay-off with the most senior employee in point of Classification Seniority re-called first.

13.12 When re-calling laid-off employees, the Company will rely on the employee's last address as shown on Company records. Re-called employees must advise of their intention to accept a re-call to work within seven (7) days of being notified and must return to work within a further (7) days or their names will be stricken from the Seniority List and their connections with the Company severed, except, where a recalled employee is unable to return to work for reasons beyond his control as mutually determined by the Company and the Union, in which case, he will be entitled to the next recall to work at which time he will then resume his place on the Seniority List.

13.13 In reducing forces, the Company must advise the Union of the names of the employees affected as soon as the decision is made. Lay-off Notices will be given to employees as follows:

- | | | |
|-----|-----------------------------------------------------|--------------------------------------------------------------|
| (a) | Less than one months service | One Day |
| (b) | One months service but less than sixty working days | One Week |
| (c) | Sixty working days service but less than five years | Two Weeks |
| (d) | Five years of service | One Week for each year of service or greater portion thereof |

13.14 Employees laid-off who hold Seniority in more than one Classification and who wish to exercise displacement rights, may do so and must advise the Company in writing

of their intentions during their notice period. Notice periods of lay-off to those employees displaced by other employees will be in accordance with 13.13 above.

13.15 Employees may waive their rights to return to work in positions or vacancies of less than sixty (60) working days duration, or in positions or vacancies which occur outside the Company location from which they were last laid off; without prejudice.

13.16 Where employees are transferred from one Company base to another as a result of filling a vacancy or reduction in force only, the expense of moving their immediate family and household effects, will be borne by the Company. The cost will be by the most economical means as determined by the Company. At any rate, the employee shall not be required to wait longer than thirty (30) days for the delivery of such household effects.

13.17 Employees with twelve (12) continuous months of service or more who have been laid-off, will be entitled to severance pay equal to two (2) days pay at their current rate for each year of service with a minimum of five (5) days pay.

ARTICLE 14. JOB VACANCY BULLETINS

14.01 All new positions or vacancies occurring within the Company will be posted throughout the Company for a period of seven (7) days. All employees, regardless of position or classification, will have the right to apply for any posted vacancy. Copies of Job Vacancy Bulletins will be forwarded to the shop steward and to all employees on leave of absence, laid-off status, vacation or sick leave at the time of posting. Where operational urgency governs, the seven (7) day notice period may be waived provide both Parties are satisfied that all employees have been made aware of the new position or vacancy. Under such waiver, employees must apply within twenty-four (24) hours of notification to be eligible for consideration.

14.02 Vacancies for positions that are considered temporary and that will likely last for a period of sixty (60) working days or less, need not be posted and may be filled by the Company at its discretion. Should the position subsequently become a permanent one, the Company will

advise employees through a Bulletin in accordance with 14.01 above.

14.03 Promotions and Vacancies occurring within the bargaining unit will be made and filled using the principle of Classification Seniority for those applying as a first consideration. Where promotions are not made and vacancies not filled on the basis of Classification Seniority, the affected employee will have the right to question the Company's decision with respect to his qualifications relative to the successful applicants, through the Grievance Procedure.

ARTICLE 15. GENERAL

15.01 The Company agrees to provide a Notice Board at each of its bases where employees covered by this Agreement are stationed, where notices concerning Union affairs may be posted.

15.02 Employees who serve as Jurors will be entitled to receive from the Company, for the duration of their duty, an amount equal to the difference between their regular and that provided by the Crown.

15.03 Standard Dress - The following items of clothing will be purchased by the Company and provided to all technical employees and others whose duties require them to work out of doors, as follows:

(a) **Coveralls** Three (3) sets per year (two summer, one winter) provide free upon return of unserviceable garments.

(b) **Rainwear** One set provided free upon return of unserviceable garment

(c) **Work gloves** The Company shall provide two (2) pair

of work gloves every six (6) months

(d) **Parkas** One (1) standard parka per year towards which the Company will contribute of Fifty percent (50%) of the total cost, or the employee has the option to purchase a Resolute Parka Fifty percent (50%) of the total cost, once every three years. Parkas will be provided on or before October 1 of each year.

(e) **Winter boots** The Company will provide to each employee, a pair of winter safety boots (CSA Approved) at Fifty per cent (50%) of the cost on or before October 1 of each year.

15:04 (a) **Uniforms** The Company will pay Fifty (50%) percent of the cost of Uniforms for employees required to wear them. Uniforms shall be of standard design and colour and may be purchased individually by the employee. The Company agrees to pay \$50.00 per year for the cost of drycleaning of uniforms upon presentation of receipts.

(b) **Summer boots/shoes** The Company will provide to each employee, a pair of summer safety boots (CSA Approved)(shoes for Agents) at fifty per cent (50%) of the cost on or before May 1 of each year.

(c) The Company requires all items of standard dress referred to in the above to be used and worn by the employees while on duty with the Company.

In making payroll deductions to cover the employee's share of the cost of a garment, the Company shall not deduct an amount greater than \$15.00 dollars from any bi-weekly pay unless the employee authorizes a greater amount.

15.04 The Company and the Union will mutually agree on the quality and style of standard dress items.

15.05 The Company will be responsible for weekly laundry of coveralls referred to in Article 15.03. All employees will be required to turn in dirty coveralls at the end of each week with the coveralls to be returned to the employees with the following week.

- 15.06 Employees will be paid every second Thursday at noon and where reasonably possible, employees completing a night shift on that day, will be paid at the termination of their shift. On all occasions where Friday is a Chartered Bank Holiday, the bi-weekly pay per shall be advanced one (1) day to Wednesday at noon. The employees cheque stub will indicate all deductions and will show shift differential hours, overtime hours, etc.
- 15.07 The Company will provide and maintain the following facilities for the use of employees covered by this Agreement at each Company location staffed by such employees.
- (a) A lunch room or suitably segregated enclosed area, equipped with self controlled lighting, electrical outlets, sink and water supply service, a garbage container with cover, and a seating capacity and table area to accommodate the number of employees normally on duty at any one time. In addition, the room or area must lend itself sufficient space for placement of a fridge and stove.
- (b) A locker room or other enclosed area, separate from that designated as an eating place, and furnished with a sufficient number of full length lockers so as to provide one locker for each employee with space to permit clothing change.
- (c) Washroom facilities, separate from those used by the general public, if available and in place.
- (d) Parking space for employee vehicles. In addition, two plug-ins shall be provided for employees working at the Goose Bay terminal.
- 15.08 The Company will pay employees who work at the airstrip in St. Anthony a travel allowance of Ten Dollars (\$10.00) per day to a maximum of Fifty dollars (\$50.00) per week, if the employee uses his/her own transportation.
- 15.09 A tool allowance of one hundred and fifty (\$150) dollars will be paid, upon the submission of receipts, to each junior mechanic/avionic, mechanic/avionic technician and engineer in January, each year of the agreement. Tools shall be included but not limited to trouble lights.

15.10 The Company agrees that for the purpose of this agreement "Spouse" will be defined to include common law spouse and the common law spouse shall enjoy all the benefits, rights and privileges referred to in this agreement as equalling to the spouse of an employee.

15.11 The Company agrees to participate on a cost shared basis (50/50) in a dental plan for the employees covered by this agreement.

ARTICLE 16. SAFETY

16.01 The Parties hereto recognize and agree to be bound by all provisions of Canada Labour Standards (Safety) Code Part IV.

ARTICLE 17. ADJUSTMENT OF GRIEVANCES

17.01 The Company will recognize and deal with Shop Stewards in work areas and at Company bases determined and appointed by the Union. It will be responsibility of Shop Stewards to assist in the adjustment of Grievances arising out of the interpretation, application, or alleged violation of this Agreement.

17.02 Where an employee feels that there has been a violation or misinterpretation of any part of this Agreement, he, or a Shop Steward, or any Officer of the Union on his behalf, will discuss the matter within seven (7) calendar days with the immediate supervisor who will, within twenty-four (24) hours (save Saturday, Sunday and Statutory Holidays), give his/her decision thereof.

17.03 Where the decision of the immediate supervisor is unsatisfactory to the employee concerned or to the Union, or, failing a decision being received from the immediate supervisor as required by 17.01, 17.02 above, the matter will be reduced to writing within a further seven (7) calendar days and submitted to the Department Head who will, within forty-eight (48) hours (save Saturday, Sunday and Statutory Holidays), attach his written reply thereto.

17.04 Failing a reply from the Department Head or where the reply is unsatisfactory to the employee or to the Union,

the matter will be referred to Arbitration in accordance with 17.06 below.

17.05 Where employees are to be suspended or discharged, a Shop Steward shall be notified before the employee leaves his work area. Where the Shop Steward is unable to affect a settlement -if a dispute exists - at the time, a written Grievance may be filed directly with the Department Head within seven (7) calendar days.

17.06 Either Party to this Agreement may, within fourteen (14) calendar days of the date when the matter was or should have been disposed of in above, notify the other Party in writing of its decision to submit the matter in dispute to Arbitration.

17.07 Where notice has been given by either Party to refer a matter in dispute to Arbitration, the selection of an Arbitrator shall be made numerically from a List of persons previously agreed to by the Parties. Should the first person named on the List be unable to hear the matter within thirty (30) calendar day or such other time as the Parties may agree, the next person named will be selected and so on.

(a) The Arbitrator to hear each case will be the person whose name on the List, which is attached hereto, follows that of the person who heard the pervious case.

(b) While the List of Arbitrators will be comprised of those persons agreed upon during Collective bargaining, either Party may propose to add or delete persons from the List at any time. Additions to, or deletions from, the List may only be made by mutual agreement of the Parties.

17.08 The Arbitrator will make his award as the matter in dispute known to the Parties within thirty (30) calender days of the last hearing and in making such award, shall not have the power to amend, delete from, or add to, any provision of this Agreement.

17.09 The award so made shall be final and binding upon the Company, the Union, and the Employee. In making awards connected with financial settlement, it is agreed that the Arbitrator shall remain seized on the matter until the Parties are Satisfied that the award so rendered has

Stores Clerk

1 st year	\$7.41	\$7.56	\$7.71
2 nd year	7.93	8.08	8.23
3 rd year	8.76	8.91	9.06
4 th year	9.71	9.86	10.01
5 th year	10.76	10.91	11.06
6 th year	12.39	12.54	12.69

Ground Support Group**Ground Equipment Mechanic**

1 st year	\$10.76	\$10.91	\$11.06
2 nd year	11.02	11.17	11.32
3 rd year	11.98	12.13	12.28
4 th year	13.76	13.91	14.06
5 th year	14.34	14.49	14.64
6 th year	16.17	16.32	16.47

Junior Ground Equipment Mechanic

1 st year	\$8.19	\$8.34	\$8.49
2 nd year	9.05	9.20	9.35
3 rd year	10.45	10.60	10.75
4 th year	11.56	11.71	11.86
5 th year	13.79	13.94	14.09

Ramp AttendantJan 01 2002Jan 01 2003Jan 012004

1 st year	\$7.41	\$7.56	\$7.71
2 nd year	7.93	8.08	8.23
3 rd year	8.76	8.91	9.06
4 th year	9.71	9.86	10.01
5 th year	10.76	10.91	11.06
6 th year	12.39	12.54	12.69

Operations Group**Flight Watch**

1 st year	\$7.93	\$8.08	\$8.23
2 nd year	9.01	9.16	9.31
3 rd year	9.71	9.86	10.01
4 th year	10.88	11.03	11.18
5 th year	11.47	11.62	11.77

6 th year	13.16	13.31	13.46
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Customer Service Group

Traffic/Reservation Agent, Freight Agent

1 st year	\$7.93	\$8.08	\$8.23
2 nd year	9.01	9.16	9.31
3 rd year	9.71	9.86	10.01
4 th year	10.88	11.03	11.18
5 th year	11.47	11.62	11.77
6 th year	13.16	13.31	13.46

18.02 Progression through steps in each Classification will be automatic upon completion of the necessary service.

18.03 Classification Seniority will apply to an employees length of Company Service in the Classification without regard to rating in the Classification.

18.04 Employees who obtain an AME licence will not automatically be paid the AME rate, but must bid on vacancies in such classification. The Company has the right to determine the required number of AME's. If the Company deems the present number of AME's to be in excess of it's requirements, the Company has the right to open discussions regarding the status of the required number of AME's

18.05 Where new Classifications are to be created which logically fall within the scope of the bargaining unit, or where Classifications shown in Article Thirteen (13) are currently dormant in respect to Company use become re-activated during the life of this Agreement, the rates of pay and conditions of employment will become the subject of negotiations with the Union. Where no agreement is reached, the rates of pay and whether or not the position justifies a new Classification may become the subject of a Grievance and subsequent Arbitration.

18.06 **Crew Chief:** A Crew Chief is an employee who holds a valid AME Category "A" Licence and who has the ability to lead and direct those assigned to him.

A.M.E. An A.M.E. is an employee who holds a valid Aircraft Maintenance Engineer's Licence, Category "A"

Junior Aircraft/Avionics Mechanics/Technicians:

A **Junior Aircraft Mechanic** or **Avionics Technician** is an employee engaged by the Company to acquire the skills to become a tradesman. Advancement from one step to the next highest step will be automatic upon completion of the necessary service.

A **Junior Aircraft Mechanic** or **Avionics Technician** will be promoted to Aircraft Mechanic or Avionics Technician (at the next highests pay level) upon the successful completion of a written and practical examination as devised mutually by the Company and the Union.

Junior Aircraft Mechanics or **Avionics Technicians** who have completed a recognized training course in aircraft maintenance and repair, will be given a service credit as a Junior mechanic or Avionics Technician to permit them to write the M.O.T. licensing exams following a combined three years of courses and practical experience or such longer period as M.O.T. regulation require.

ARTICLE 19. SHIFTS, SHIFT PREMIUMS AND ALLOWANCES

- (a) A **Morning Shift** is any eight (8) consecutive hours of regular scheduled work commencing between 5:00 a.m. and 7:00 a.m.
- (b) A **Day Shift** is any eight (8) consecutive hour of regular scheduled work commencing between 7:00 a.m. and 8:30 a.m.
- (c) An **Afternoon Shift** is any eight (8) consecutive hours of regular scheduled work commencing between 3:00 p.m. and 5:00 p.m.
- (d) A **Night Shift** is any eight (8) consecutive hours of regular scheduled work commencing between 11:00 p.m. and 1:00 a.m.
- (e) A **Shift Premium** of .45 an hour will be paid to all employees working between the hours of 4 pm and 8 am but, such premium will not be added to the hourly

rate for the purpose of computing overtime.

- (f) **Ticket Agents** will receive a seventy-five cent (\$.75) increase to their normal pay when the Supervisor is on vacation or sick, if the Ticket Agent is call upon by the company to do Supervisor's work.
- (g) **Crew Chief** shall receive Fifty-Five (\$0.55) cents per hour.
- (h) **Lead Hand** shall receive Forty-Five (\$0.45) cents per hour.

ARTICLE 20 PENSION

A. Commencing the **first** day of **January, 2002**, and for the duration of this Collective Agreement, the Company agrees to make payments to the I.A.M. Labour Management Pension Fund (Canada) ("the Pension Fund") for each employee performing work in a job classification covered by this Collective Agreement as follows:

1. For all hours or portion thereof worked for which an employee receives pay, the Company shall make a contribution
 - (a) of **\$0.15 per hour**, but not more than **\$6.00** per week for any one employee (40 x hourly contribution rate).
2. For the purpose of this Article, each hour paid for, as well as, hours of paid holidays and other hours for which pay is received by the employee, in accordance with the Collective Agreement, shall be counted as hours for which contributions are payable.
3. Contributions for new, probationary, part-time and full-time are payable from the first day of employment.

B The Company and Union further agree as follows:

1. The payments to the Pension Fund shall be made to the I.A.M. Labour-Management Pension Fund (Canada) which

was established in Canada under the Trust Agreement dated February 1, 1970 and has been signed by the Company and the Union.

2. The Pension Plan adopted by the Trustees of the said Pension Fund shall at all times conform with the requirements of the Ontario Pension Benefits Act and the Income Tax Act so as to enable the Company at all times to treat contributions to the Pension Fund as a deduction for Federal income tax purposes.
3. All contributions shall be made at such times and in such manner as the Trustees require; and the Trustees shall have authority to have an independent Certified Public Accountant audit the payroll and wage records of the Company for the purpose of determining the accuracy of the contributions to the Pension Fund.
4. If the Company shall fail to make its contributions to the Pension Fund by the fifteenth day of the following month and such default shall continue for thirty (30) working days, the Company shall be liable for all expenses incurred in the enforcing payments of the contribution, including reasonable attorney's fees and arbitration fees.

C The Parties further acknowledge that no other agreement between the Company and the Union regarding pensions or retirement is in effect or will be effective during the period covered by the said Collective Agreement without the written consent of the I.A.M. Labour Management Pension Fund (Canada). Signed copies of any renewal or extension agreements will be promptly furnished to the Pension Fund office and if not consistent with this Agreement, can be used by the Trustees as a basis for termination of participation of the Company.

D It is understood and agreed by both parties that, upon making its contributions to the Pension Fund in accordance with the Collective Agreement and the Trust Agreement, the Company is relieved of any and all obligations in regard to the Pension Fund.

ARTICLE 21. DURATION OF AGREEMENT

21.01 This Agreement shall come into full force and effect as of the 1st day of January, 2002 and shall remain in effect until midnight on the 31st day of December, 2004 following which it shall renew itself from year to year unless notice is given by either Party to the other of a desire to amend or terminate the Agreement thirty (30) days prior to its expiration date in any year. In the event notice is given, the Agreement will continue in effect while negotiations are being carried on for the conclusion of a new agreement.

Signed this _____ day of _____, 20 ____.

LABRADOR AIRWAYS LIMITED

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS

LETTER OF AGREEMENT #1

This letter of Agreement constitutes "the list" referred to in Article 17.07 and is entered into for the purpose of identifying those persons whom the Parties have agreed are acceptable to act as Arbitrators to hear and decide disputes arising out of the interpretation or application of the Collective Agreement.

OFFICE

HOME

Ian Bruce	Classic Dept Memorial University St. John's 737-8113	26 Johnson Cres. St. John's 722-6645
John Scott	Philosophy Dept. Memorial University St. John's 737 8332	Box 503 Tolt Road St. Philips, NF 895 3256

Fax 895 2496

James Oakley

Halley Roberts Barry 8 Princess Ann St.
One Church Hill St. John's
St. John's
726-6124 753-6037

Signed for the Parties hereto this _____ day of _____, 20

FOR THE COMPANY

FOR UNION

Letter of Understanding #2

Re: Heber Hedderson, Darry Russell, Rick Adams

The Parties agree that, the above mentioned employees shall be "red circled" at the top of the ramp attendants rate while in the current classification, and further, shall enjoy all wage increases negotiated for the ramp attendants classification during the term of this agreement.

Dated:

For the Company

For the Union

Letter of Understanding #3

Re: Early and Safe Return to Work

The Parties agree to set up a committee of two, one from management and one from the Union, to implement the E&SRW

program.

The committee will meet in January of 2002 to begin the process of adopting language as per the Act.

Dated:

For the Company

For the Union
