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TERM.	2000	12	31
No. OF EMPLOYEES	10		
NOMBRE D'EMPLOYÉS	10		

CANADA

ALITALIA LINEE AEREE ITALIANE S.p.A.

hereinafter referred to as the "Company"

and

**THE INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

hereinafter referred to as the "Union"

1999 - 2000

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ARTICLE 1 - PURPOSE OF AGREEMENT

- 1.1 This Agreement is made between Alitalia Linee Aeree Italiane S.p.A., hereinafter referred to as the "Company", and the International Association of Machinists and Aerospace Workers, hereinafter referred to as the "Union".
- 1.2 The purpose of this Agreement is to set forth those working conditions to which the parties have agreed with respect to those employees covered by this Agreement.
- 1.3 The Company may enact and enforce rules, regulations, policies and procedures provided the same are consistent with the provisions of this Agreement.
- 1.4 Should any part of this Agreement be rendered invalid by reason of legislation enacted by the Government of Canada, such invalidation of such part of the Agreement will not invalidate the remaining portions thereof, and they shall remain in full force and effect.
- 1.5 It is agreed that the Company shall not declare or cause a lockout, that no employee shall participate in a strike, and that the Union shall not declare or authorize a strike by the employees during the term of this Agreement and until all the applicable requirements provided in the *Canada Labour Code* have been met.

ARTICLE 2 - UNION RECOGNITION

- 2.1 The Company recognizes the Union as the sole bargaining agent for employees of the Company covered by this Agreement.

2.2 The duties associated with the classifications stated herein shall be performed solely by employees covered under this Collective Agreement. In the event of an emergency, **heavy** work load or training, which will be determined by **the Company**, management and supervisory staff may perform the duties associated with these classifications. The Company shall **inform** the shop steward within reasonable time of the approximate duration of the emergency, heavy **work** load or training necessary. Prior to any layoff with recall rights, or if a reduction of the hours of work is anticipated, all duties associated to the bargaining unit shall be performed solely by employees covered under this Collective Agreement.

2.3 If a technology change **or** new duties occur that will impact the employees within the Collective Agreement, the Company will attempt to minimize the impact of these changes on the employees affected.

In the event of these changes, the Company will, as far in advance of ~~& changes~~ changes as possible, enter into discussion with the Union.

2.4 The duties associated to the following classifications include:

(1) Customer Service Representative (CSR)

Position summary:

Ensure efficient investigation **and** effective resolution of all customer complaints **and** claims related to Alitalia.

Major responsibilities:

The duties of a CSR include:

- process claims pertaining to passengers **and** baggage according to established procedures;
- determine liability and process settlements accordingly;
- maintain files, manuals and all sources of information, **and produce** required reports;
- process inquiries by Canadian authorities and provide necessary follow-up;
- attend court hearings pertinent to claims;
- perform all related functions including clerical support **as necessary to** ensure the efficient operation of Customer Relations; and
- perform **all** other associated or incidental duties **and** responsibilities.

Position specifications include:

- good communication skills for dealing effectively with people;
- fluency in English, French and Italian, spoken **and** written.

(2) Ticket Office Agent (TOA)

Position **summary:**

Successfully promote and sell the Company's products and provide quality service to potential customers by efficiently processing passenger sales and issuing tickets.

Major responsibilities:

The duties of a TOA include:

- provide information **and** answer enquiries ~~from~~ the general public, commercial accounts, travel agents, airline employees **and the** Company's offices;
- through direct contact and/or the effective use of available telecommunication equipment, book reservations and all auxiliary services, construct fares, issue, reissue and revalidate tickets **and** related accountable documents, process applications for prepaid tickets and refunds, and forward refund documents to the appropriate department;
- monitor, follow up and complete documentation on group activities **and** charter flights, compile sales reports, summaries and management information reports;

maintain ticket stock and inventories;

- maintain current manuals and pertinent sources of information;
- attend public functions **as a** uniformed representative of the Company when required;
- perform all related clerical functions necessary to ensure the efficient operation of the department;
- handle functions related to payment of services provided; **and**
- perform all other associated or incidental duties **and** responsibilities.

Position specifications include:

- knowledge of passenger ticket **and** IATA regulations;
- good** communication skills for dealing effectively with people;
- fluency in English, French **and Italian**.

(3) Accounting Representative, Cashier and Budget Control Representative

Major responsibilities:

The duties of an Accounting Representative, Cashier and Budget Control Representative include:

Revenue Accounting Passenger:

Ensure that passenger sales reports are correct, make proper adjustment for any discrepancies, expedite payment of refunds for unused and prepaid tickets and retroactive Commissions, and maintain accurate records of all work assigned.

Credit and Collection:

Ensure efficient processing of credit payments and collection of outstanding claims according to procedure, and maintain accurate records of all work assigned.

General Accounting:

Effectively perform designated responsibility, ensure compliance to generally accepted accounting principles and Company policy in checking and verifying bank statements and tabulations; efficiently discharge associated duties including bank deposits, withdrawals and transfers. Perform cashier duties as required. Perform budget control duties as per established procedure. Management of IP and override commission procedures. Maintain ticket stock and inventories.

Accounts Payable:

Ensure that Company account payable transactions and related activities including purchasing are correctly and expeditiously processed according to procedures, and maintain accurate records of all work assigned. Update and handle contracts.

Revenue Accounting Cargo:

Ensure that cargo sales invoices and supporting documents are correctly issued, make appropriate adjustments for any discrepancies in accordance ~~with~~ IATA regulations and Company policy, and maintain accurate records of all ~~work~~ assigned.

Perform all other associated or incidental duties and responsibilities relating to this classification.

Position specifications include:

- good** knowledge of accounting and administrative procedures;
 - aptitude for detail;
 - basic knowledge of passenger ticket, AWB and IATA regulations;
 - familiarity with credit and collection procedures;
- fluency in English, French and Italian.

3 - I **MENT RIGHTS**

- 3.1 The Union acknowledges that the Company has the exclusive power to manage, direct and control its business and workforce subject only to the specific limitations imposed upon the Company by the provisions ~~of~~ this Agreement.

II **4 - HOURS OF SERVICE**

- 4.1 (a) The term "workweek" applies to five **(5)** consecutive workdays and two **(2)** consecutive **days off** occurring within a seven **(7)** day period except when required for operational reasons, the days off may be split to allow two **(2)** non-consecutive days off within a seven **(7)** day period.
- (b) The term "workday" applies to a twenty-four **(24)** hour period beginning at the start of the work shift.
- (c) The work schedule will be of a three **(3)** month duration and will be posted at each location thirty **(30)** days prior to implementation. The schedule may be changed with posting or **at** any time by mutual agreement between **the** Union and **the** Company.
- 4.2 (a) **A** work ~~shift~~ consists of eight **(8)** consecutive hours inclusive of a meal period.
- (b) **A** meal period will consist of forty-five **(45)** minutes. Employees may be required to postpone ~~their~~ scheduled meal period.
- (c) Employees will be entitled to two **(2)** breaks of no more ~~than~~ fifteen **(15)** minutes

each per eight (8) ~~hour~~ work shift, each such break to be taken during the ~~first and~~ second half of the shift in accordance with the requirements of the service as determined by the immediate superior.

- (d) A rest period of no less than ten **(10)** hours will be scheduled in ~~between~~ two **(2)** work shifts.

4.3 The current practices of shift trading shall be maintained ~~with~~ Company coordination.

4.4 When department requirements permit, employees may select daily working hours starting between the hours of 8:30 a.m. and 9:30 **a.m.**, and ending between 4:30 p.m. and 5:30 p.m. However, each employee will be required to start at a specific regular time within ~~the~~ 8:30-9:30 interval.

ARTICLE 5 - OVERTIME

5.1 Overtime at the rate of time ~~and~~ one-half the regular straight time hourly rate, adjusted to the nearest quarter of an hour, shall be paid for all ~~work~~ performed either prior to or after the employee's regularly scheduled hours for up to four **(4)** hours.

5.2 Overtime at the rate of double the regular straight time hourly rate, adjusted to ~~the~~ nearest quarter of ~~an~~ hour, shall be paid for all work in excess of twelve **(12)** hours in any work day.

5.3 Overtime ~~at the~~ rate of time ~~and~~ one-half ~~the~~ regular straight time hourly rate, adjusted to ~~the~~ nearest quarter of ~~an~~ hour, shall be paid for all work performed on

a holiday and on the **first** scheduled day off for up to eight **(8)** hours.

- 5.4 Overtime at the rate of double the regular straight time hourly rate, adjusted to the nearest quarter of **an** hour, shall be paid **for** all work **in** excess of eight **(8)** hours performed on a holiday **and** on the first regularly scheduled day off.
- 5.5 Overtime at the rate of time and one-half the regular straight time hourly rate, adjusted to the nearest **quarter** of **an hour**, shall be paid for all work performed on the second regularly scheduled day off for up to four **(4)** hours.
- 5.6 Overtime at **the** rate of double the regular straight time hourly rate, **adjusted** to the nearest quarter of an hour, shall be paid for all work in excess of four **(4)** hours performed on the second day off.
- 5.7 Paragraphs 5.5 **and** 5.6 will apply **only** when **an** employee **works** on the first regularly scheduled day **off**.
- 5.8 **In** alternative to paragraphs 5.1, 5.2, 5.3, **5.4**, 5.5 or 5.6, the Company **may** elect to compensate overtime up to ten (10) hours per quarter, **with** time off with pay at the rate of one **(1)** hour of overtime **with** one and one-half **(1½)** hour **of** time **off** with pay.
- 5.9 No overtime shall be worked except **by** direction of **an** authorized representative of the Company.
- 5.10 **Distribution of Overtime**
- (a) Employees available to work overtime will post their **names** on the Overtime

Availability List.

- (b) Employees **on** the Overtime Availability List with the least **amount** of hours of overtime will be chosen. In case of equality, overtime will be assigned by seniority.
- (c) **In** the event that no employee **posted** his name on the Overtime Availability List, the employee with the least amount of hours will be required to work overtime. In case of equality, overtime will be assigned to the senior employee.
- (d) Employees will not be required to work more than four **(4)** hours in addition to their regular work shift **and** no more **than** eight **(8)** hours on a regular scheduled day off or holiday.
- (e) Advance notice for overtime will be no less **than** two **(2)** hours except in case of emergency.
- (f) Part-time **and** seasonal employees will not be given preference in the distribution of overtime.
- (g) An employee **will** not be considered bypassed under **any** of the following conditions:
 - (1) when he refuses overtime;
 - (2) when he has no telephone or has not supplied the Company with a telephone number;

- (3) when the work would have been completed before he can report after being called;
 - (4) when he is presently on duty while the overtime is being worked;
 - (5) when he is on vacation, leave of absence, sick or injury leave;
 - (6) when he is not called for overtime **work** on a scheduled day **off** in **any** workweek in which he has not worked five **(5)** days due to **his having** been absent for illness;
 - (7) when he is not offered overtime work on any day in which he does not have ten **(10)** hours' rest;
 - (8) when the difference in the overtime hours accrued **is** less than one (1) hour between him and the employee who has worked it.
- (h) There shall be no pyramiding of overtime.

6 - SENIORITY DATE

Seniority

6.1 Subject to successful completion of the probationary **period**, seniority will be measured by the **date** an employee begins **work** in a classification covered by this Agreement.

All present employees will be given a seniority date in accordance with their **latest**

entry date ~~with~~ the Company.

6.2 Seniority ~~as~~ specified in paragraph 6.1 shall be applied in determining preference for shift and vacation bidding, leaves of absence and schedule changes.

6.3 ~~During~~ the probationary period, ~~an~~ employee cannot invoke his seniority.

6.4 Employees will lose their seniority under the following conditions:

- (a) resignation;
- (b) justified dismissal;
- (c) layoff for more than thirty ~~(30) months~~ or for a period equal to the employees' seniority, whichever is shorter;
- (d) failure to ~~report~~ to work for three (3) consecutive workdays unless prevented to do so by circumstances beyond their control;
- (e) retirement with or without pension;
- (f) failure to notify the Company in writing of the intention to return to ~~work~~ within seven ~~(7)~~ days of a recall to work;
- (g) failure to return to work on the date specified by the Company in a notice of recall to work ~~as~~ per paragraph **8.5**;
- (h) absence due to illness or injury not related to the job for ~~an~~ unpaid period

of twelve (12) months or for **an** unpaid period equal **to** the employee's seniority, whichever is shorter;

- (i) expiration of the time provided for reintegration into the job by the applicable law because of absence due to compensable illness or injury related to the job.

6.5 The Company **will** maintain a seniority list for all the employees covered by **this** Agreement.

The seniority list will be posted annually and updated whenever a change occurs, **A** seniority list shall be furnished to the shop steward and shall be posted. Unless grieved within twenty **(20)**days, posted seniority lists shall be deemed accurate.

6.6 In the case of employees beginning **work** on the same day, the employee with the highest last three digits in his/her social security number will be senior.

Credited Service

6.7 (a) Credited service shall be the length of full-time service with the **Company from** ~~the~~ date of hire.

(b) Accrual of credited service shall be tolled when **an** employee is on:

- (1)** a personal or unpaid medical leave of absence over thirty **(30)**days;
- (2)** a layoff with a duration of over thirty **(30)**days.

- (c) The service credit date determines the following:
- (1) vacation allotments;
 - (2) other forms of compensation.

ARTICLE 7 - FILLING POSITIONS

- 7.1 All positions within the terms of this Agreement which the Company decides to fill shall be posted for seven (7) consecutive calendar days at Company offices in the city where the job is located.
- 7.2 The filling of all such positions will be decided on the basis of performance, qualifications **and** the ability to perform the job in question. If these criteria are equal, seniority shall govern in job selection. If the above procedure does not produce a suitable candidate, the Company will decide a suitable action.
- 7.3 Vacant positions ~~may~~ nevertheless be filled temporarily for up **to** three (3) ~~months~~ while the recruiting process is being conducted.
- 7.4 If a successful candidate is chosen ~~from~~ within the **Company**, he/she will be required to successfully complete a probationary period which shall commence **on** the date ~~the~~ employee ~~is~~ reclassified in said position and which may extend up to six **(6)** months. Employees ~~who~~ successfully complete their probationary period will retain their previous seniority in **the** new classification.
- 7.5 During the probationary period, employees who choose **to** be reintegrated into their previous position or ~~who~~ are directed **by** the **Company** **to** reintegrate into the

previous position may do so without prejudice to seniority and other working conditions. The employee directed by the Company to be reintegrated into the previous position will be notified in writing of this action.

ARTICLE 8 - LAYOFF AND RECALL PROCEDURE

- 8.1 When a reduction of the workforce occurs in **a** classification, employees will be retained on the basis of seniority, performance, qualifications and the ability to perform the job.
- 8.2 Employees affected by a layoff will be given the opportunity to exercise **their** seniority in another location in the same classification. In such event employees who will not relocate will either receive their severance pay and terminate their employment with the Company or choose to be laid off at their location. Affected employees in the **second** location will be laid off and there will be **no** further bumping.
- 8.3 In case of a layoff, employees to be affected will be given ten (10) days' notice in advance of the layoff date or ten (10) days' base pay in lieu of notice.
- 8.4 When **the** workforce is again increased in **a** classification, employees laid off from **that** classification will **be** recalled to **work on the** basis of seniority, performance, qualifications and the ability to perform the job.

No employee shall be returned to work after **a** layoff out of line with his seniority without **mutual** agreement of **both** parties to the Agreement. Before such action is taken, Alitalia agrees to discuss it with the Union committee without prejudice to the rights of management **as** defined in article 3.

Prior to any **layoff**, notice to layoff, while **an** employee is on layoff with recall rights, or if a reduction **of** the hours **of** work is anticipated, all employees must return **to** their normal classification.

ARTICLE 10 - PROBATIONARY PERIOD

10.1 **A** person being hired or transferred into a classification covered by this Agreement will automatically be placed on probation for a **period** up to **six** (6) months. The probationary period may be extended by mutual agreement of Management and the Union for **an** additional **six** (6) months.

10.2 **A** newly hired employee retained beyond the end of the probationary period will be integrated into the seniority list retroactively to the date of hire.

10.3 **A** newly hired employee may be disciplined and/or terminated without recourse **at any** time during the probationary period.

A _____

11.1 For the purpose of this Agreement, the following leaves of absence are regulated by the provisions of the **Canada Labour Code**:

- (1) maternity leave;
- (2) child **care** leave;
- (3) adoption leave.

The **Company** will keep copies of the above-mentioned Code for employees' reference.

- 11.2** When the requirements of the service will permit and upon written Company approval, employees will be granted a personal leave of absence.
- 11.3 While on personal leave of absence, employees shall not be permitted to engage in any gainful activity related **to** the airline industry, exception made **only and** exclusively for full-time employment with the **Union**.
- 11.4 Upon receiving authorization for the personal leave of absence, the employee **will** be advised **of** the possibility that his current position may not be available upon his return.
- 11.5 Upon the successful completion of their probationary period, employees will accrue paid sick leave at the rate of one (1) **day per month of** service up to a **maximum** of one hundred and twenty (**120**) days to be used in case of sickness **only**.
- 11.6** **In** case of sickness, employees are required **to** notify Company's management prior **to** the beginning of their **work** shift unless prevented to do so by circumstances beyond their control.
- 11.7** Absences due **to** sickness in excess of three (3) consecutive workdays, whether or not in the same workweek, require medical certificates. However, circumstances may require, subject to prior written notice, medical certificates for periods of absenteeism due **to** sickness for less than **three (3) days**.

- 11.8** Employees summoned to serve as jurors are required to notify the Company immediately,
- 11.9** Employees on jury duty will receive the difference between their regular salary and their jury stipend for a maximum of two (2) weeks.
- 11.10** Employees are required to present proof of jury performance.
- 11.11** In the event of death in an employee's immediate family, a three (3) calendar day bereavement leave will be granted following the day of death.
- 11.12** Two (2) travel days will be added to the bereavement leave in case of death occurring in a location more than five (5) hours away, with the fastest means of transportation, from the employee's workplace.
- 11.13** Bereavement leave will include days off, vacation or holiday.
- 11.14** Immediate family is defined as spouse, including common law spouse, parents, parents in law, siblings, children, grandparents and any relative of the employee who resides in the employee's household.

ARTICLE 12 - VACATION

- 12.1** Vacation allotment is determined by the employee's credited service and it will be as follows:

1 - 5 years	2 weeks	11 - 20 years	4 weeks
6 - 10 years	3 weeks	21 years and up	5 weeks

12.2 Vacation allotment for the 1st, 5th, 10th and 20th year of credited service will be as follows:

Number of days earned during year in which employee:

If credited service date is within:	is hired	Completes 5 th yr. of cred. serv.	Completes 10 th yr. of cred. serv.	Completes 20 th yr. of cred. serv.
01 Jan-06 Feb	10	15	20	25
07 Feb-12 Mar	9	15	20	25
13 Mar-18 Apr	8	14	19	24
19 Apr-24 May	7	14	19	24
25 May-01 Jul	6	13	18	23
02 Jul-06 Aug	5	13	18	23
07 Aug-12 Sep	4	12	17	22
13 Sep-18 Oct	3	12	17	22
19 Oct-24 Nov	2	11	16	21
25 Nov-31 Dec	1	11	16	21

12.3 Vacation schedules will be posted within January 31. Bidding will be by classification seniority.

12.4 Annual vacation ~~can~~ be scheduled until the end of February of the following year.

12.5 Yearly vacation could ~~be~~ divided into weekly allotments.

12.6 Vacation pay shall be paid at ~~an~~ employee's rate of current salary at the time of taking such vacation leave, ~~or~~ the %, i.e. 2%, 4%, 6%, 8% or 10%, ~~according~~ to the vacation the employee is entitled, whichever is higher. The employees shall receive their vacation pay at ~~the~~ regular pay ~~date~~. Calculation for the additional days shall be **4%** per day.

- 12.7 The Company will make a best effort to distribute vacation openings as evenly as possible throughout the year according to the requirements of the service **and to the** individual preference.
- 12.8 Employees will receive their vacation pay prior to **taking** their vacation if they **make** such request at least three (3) weeks in advance.
- 12.9 Any vacation cancelled for rescheduling shall first **be** offered to the most senior employee who could not obtain this period by his first or subsequent choice.

ARTICLE 13 - STATUTORY HOLIDAYS

13.1 The following holidays will be granted:

- New Year's Day
- Good Friday
- Victoria **Day**
- St. John **the** Baptist Day (Quebec)
- Civic Holiday (rest of Canada)
- Canada Day
- **Labour** Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- **Boxing** Day
- One **floating** holiday

- 13.2 In the event that a holiday falls on a regularly scheduled day **off**, it will be observed on the preceding or following working day according to **Company** schedule. However, if the employee requests in advance, the holiday may be scheduled within seven (7) days of the actual holiday, The scheduling supervisor will make every effort to **satisfy** the employee's request,
- 13.3 An employee who does not work on a general holiday is not entitled to be paid for the general holiday if, during the thirty **(30) days immediately** preceding the general holiday, the employee is not entitled to wages for at least fifteen **(15) days**.

ARTICLE 14 - GRIEVANCE PROCEDURE

- 14.1 For **the** purpose of this Agreement, a grievance is defined as **any** difference concerning the interpretation, application, administration or alleged violation of this Agreement, including disciplinary action and discharge.
- 14.2 A grievance under **this** article may be initiated by the affected employee or group of employees who consider themselves unjustly dealt with under the terms of this Agreement within seventy-five **(75)** calendar days of **the** occurrence of the incident. The grievant shall **first** attempt to **obtain** satisfactory adjustment by meeting his/her immediate superior or designated personnel.
- He/she **may** be accompanied by a shop steward if so desired. If the matter is not handled in a satisfactory manner by the superior or designated personnel within ten (10) calendar days, such grievance is to be filed in writing to the General Manager for Canada within ten (10) calendar days **from** the response of the superior or of the designated personnel.

- 14.3 The General Manager for Canada will take the necessary measures to meet with the grievant, accompanied by a shop steward if desired, to discuss ~~the~~ grievance within ten (10) calendar days of the referral of the grievance.
- 14.4 Company decisions shall ~~be~~ rendered within ten (10) calendar days of the hearing ~~and~~ shall be communicated in writing to the grievant.
- 14.5 Appeals ~~must~~ be submitted in writing to the Personnel Manager for ~~North~~ America within ten (10) calendar ~~days~~ of the answer as provided in paragraph 14.4. The Personnel Manager for North America at this ~~stage~~ will review and discuss it with the designated Union representative and render a decision ~~within~~ thirty (30) calendar days of such reviewing process.
- 14.6 The ~~Company must~~ notify the Union of any changes pertaining to the management responsible for the grievance procedure, along with the appropriate mailing address, as soon ~~as~~ possible.
- 14.7 Should the Company fail to render a decision within the time limits, all grievances will be appealed to the following step, up ~~to and~~ including arbitration, unless the Company has notified the Union for the delay and that this delay ~~has~~ been mutually agreed to.
- 14.8 Where the grievance procedure has been exhausted, ~~the~~ Union ~~may~~ initiate ~~the~~ arbitration procedure in accordance with article 15, ~~within~~ thirty (30) calendar days of receipt of the Company's ~~final~~ decision.

ARTICLE 15 - ARBITRATION PROCEDURE

- 15.1 No grievance shall be submitted for arbitration unless the grievance procedure as provided in article 14 has been exhausted.
- 15.2 Should the parties fail to agree upon the name of **an** arbitrator within ten (10) days of the intended date of arbitration, either party **can** request the Minister of Labour to appoint an arbitrator.
- 15.3 The decision of the arbitrator rendered in conformity with **this** Agreement shall be final and binding upon the Company, the employees **and** the **Union**.
- 15.4 The fees and expenses of the arbitrator shall be the equal responsibility of **the** parties.
- 15.5 The arbitrator shall not render any decision inconsistent with the provisions of this Agreement, nor shall any alterations, modifications or amendments be made to **any** part of this Agreement.
- 15.6 The Company will not use disciplinary letters issued more than forty-two **(42)** months prior to the date of the incident subject to the arbitration.

ARTICLE 16 - SUBCONTRACTING

- 16.1 The Company shall have the right **to** subcontract bargaining unit work **and** agrees to advise **the** Union in writing where it **has** decided to subcontract work.

16.2 The **Union** shall be notified of the Company's decision **no less than sixty (60) days** prior to the implementation of the subcontracting of **bargaining unit work**.

16.3 Employees who **are** terminated because of subcontracting will receive a severance pay according to the following schedule:

Years of service	Days of pay
less than 1	0
from 1 to 2	5
2	10
3	15
4	20
5	25
6	30
7	35
8	40
9	45
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

16.4 Employees **who** successfully completed their probationary period upon effective date of this Agreement, to the extent possible, will not be terminated because of subcontracting.

Full-time employees who agreed to work **on** a part-time basis before **the** date of

signing of **this** Agreement **will** accrue their seniority **as** per paragraph 6.1, their credited service **as** per paragraph 6.7, and to the extent possible, will not **be** terminated because of subcontracting.

ARTICLE 17 - UNION REPRESENTATION

17.1 (a) The Company shall recognize the Union representatives whose names the Union will have previously notified in writing to the Company. However, it is understood that only one Union representative per city will perform **Union business** at any given time.

(b) **As** the sole exception, **the** Company will recognize **a** negotiating committee of three (3) Union employees for the purpose of renewal of **this** Agreement.

17.2 (a) Up to ten (10) days' leave of absence without compensation to be **shared** by the entire Union membership **working** under this Agreement shall be granted annually to be **used** for Union activities.

Up to ten **(10)** days' leave of absence without compensation to be shared by the entire Union membership working under **this** Agreement shall be granted annually to be **used** for **Union** training purposes.

While the Company will make reasonable **efforts** to grant such leaves of absence on the occasions requested, it is understood that circumstances and the needs of the Company's business **may** render certain occasions unavailable to employees for **such** absence.

(b) When such leaves of absence **are** granted, employees will receive their **regular**

compensation from the Company for the period of absence **and** the Company will bill the Union for the reimbursement of employees' salary.

- (c) It is understood that the Union's request for such leave will be made at least seven **(7)** days in advance in writing to ~~the~~ employee's immediate superior.

Moreover, **no** more ~~than~~ two (2) employees may be absent for such reason at ~~the~~ same time, except for departments with eight **(8)** or more unionized employees.

- 17.3 (a) The work-related functions of a Union representative are understood to be limited ~~to~~ the grievance procedure and activity related to health and safety matters as provided in this Agreement, and negotiation of the renewal of this Agreement.

- (b) Subject to obtaining prior authorization, a Union representative **may**, during working hours, **act** in accordance with these functions. It is understood that such Union representative shall return to duty immediately thereafter.

- (c) It is understood that a Union representative may attend the ~~above-mentioned~~ functions on the Company's premises without loss of regular salary except for the negotiation of the renewal of this Agreement.

- (d) It is **also** understood that the Union is responsible to pay all expenses for meetings concerning **any pre-negotiation**, conciliation and/or mediation. Both the Union **and the Company** will share any costs incurred during direct negotiations.

E 18 - GENERAL

- 18.1 The parties agree that they shall exercise their rights in a nondiscriminatory manner in accordance with the provisions of the *Canadian Human Rights Act*.
- 18.2 No employee covered by this Agreement will be discriminated against, intimidated, restrained or coerced by either party to this Agreement with respect to the affiliation with the Union or participation or lack of participation concerning Union activities.
- 18.3 The Company, the Union and the employees shall cooperate to maintain safe working conditions and shall take reasonable precautions to protect the safety and health of all persons in the Company's offices.
- 18.4 For employees required by the Company to wear uniforms, the issuing and care of uniforms will be in accordance with the Company's world-wide uniform regulations. A copy of these regulations will be provided.
- 18.5 Employees will be permitted to inspect their own personal file in the presence of a Company representative at least once a year, upon written request.
- 18.6 Employees shall not engage in any activity detrimental to the Company.
- 18.7 Employees will be notified in advance when audio monitoring is performed.
- 18.8 The Company will continue to provide Supplemental Pension Plan as specified in Plan document no. 215430-C or equivalent.

Group Insurance coverage will be provided as specified in AETNA Plan no. 20378, in effect since September 1st, 1992, or equivalent.

The **cost** share will be of 50% for employees and 50% for the Company.

ARTICLE 19 - UNION MEMBERSHIP AND CHECK-OFF OF UNION DUES

- 19.1 The Company recognizes that membership in the Union shall be available to **any** employee covered herein who is eligible pursuant to the constitution **and** by-laws of the Union **on** payment of the initiation fees required of all applicants.
- 19.2 **As** a condition of employment of every employee covered herein, the Company will deduct **from** the wages of the employee an amount equal to the Union dues payable **to** the Union.
- 19.3 The amount applicable to Union dues will be deducted commencing with the last pay period of the calendar month **following** the completion of the first **thirty (30)** calendar **days** of service.
- 19.4 The Company will remit the **Union** dues **to** the **Union** with a list of the employees' names and **the** amounts deducted, no later than the fifteenth **(15)** day of **the** following month
- 19.5 The Union agrees to defend **and** indemnify the Company **from** all actions taken **by** **an** employee which arise as a result of the deductions made by the Company **and** the **Union** assumes full responsibility for the use of the deducted sums once they have been remitted to the Union.

19.6 The Company will have **no** financial or other responsibility towards the **Union** or any employee in the case where there has not been **a** deduction made or remitted and if they should be incorrect. In the case of **an** error in the deduction of **Union** dues **from** an employee's pay, the Company will correct the error **directly with** the employee. In the case where the Company has made **an** error in the **sums** to be remitted to **the** Union, this difference will be corrected in a subsequent remittance.

1 | 20 - E

EMPLO

- 20.1 (a) Part-time employees are defined as employees that **may** be scheduled to **work** less **than** the number of **hours** set forth in article 4. **Part-time** employees may be employed on a seasonal or regular basis.
- (b) Part-time employees shall be paid at **an** equivalent hourly rate of the entry level salary of the classification they are employed in.
- 20.2 (a) **Seasonal** employees **are** defined **as** employees that may be scheduled to work for a specified period of **the** on either a part-time or full-time basis.
- (b) Seasonal employees shall be paid at the equivalent hourly rate of the entry level salary of the classification they **are** employed in.
- (c) Seasonal employees will not be employed for more **than** eight **(8)** consecutive **months**.
- 20.3 **No** full-time employees will be laid **off** if part-time or seasonal employees are employed.

20.4 Laid off full-time employees will be given the possibility to work part-time or as a seasonal if part-time or seasonal employment is available.

ARTICLE 21 - SEVERANCE PAY

21.1 In the event an employee is terminated due to a reduction in staff, he will be given a severance pay according to the following schedule:

Seniority years	Days of pay
1	5
2	5
3	6
4	8
5	10
6	12
7	14
8	16
9	18
10	20
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 and more	100

ARTICLE 22 - RATES OF PAY AND SALARY ADMINISTRATION SYSTEM

22.1 Employees will be paid according to Schedule A.

22.2 The Company may at its discretion pay higher rates and/or premiums **than** those established by **this** Agreement.

22.3 A shift differential of 21 **cents will** be paid to those employees scheduled to work a shift commencing between 12:00 noon and 19:59 inclusive.

A shift differential of 28 cents will be paid to those employees scheduled to work a **shift commencing between 20:00 and 05.59** inclusive.

ARTICLE 23 - BULLETIN BOARDS

23.1 The Company agrees to provide the **Union** with two **(2)** bulletin boards, one (1) in the Montreal **office** and one (1) in the Toronto office to post notices of Union meetings, Union elections, designation of committee **members as well as** notices of related matter to **this** bargaining unit.

Other notices or material **may** be posted but **only** if they are approved by the **Company**.

ARTICLE 24 - GEOGRAPHICAL RELOCATION OF THE COMPANY

24.1 **In the** event of a geographical relocation of **the Company**, employees will be given five **(5)** months' notice with specific date of relocation.

24.2 Employees who **are willing** to relocate to the new location will **be** able to exercise **their** seniority in their classification.



24.3 Those employees who are not willing to relocate will receive a severance pay as specified in article 21 **and** will terminate their employment **with** the Company.

ARTICLE 25 - TRAVEL PRIVILEGES

25.1 Travel privileges are regulated by Alitalia **as** stated in the current service order regarding industry discount privileges for Alitalia personnel.

Such privileges may be amended at any time.

ARTICLE 26 - DURATION


26.1 (a) This Agreement shall become effective on the **date** of signing and shall continue in force up to **and** including December 31, 2000. It shall automatically renew itself **from** year to year thereafter **unless** written notice of desire to terminate or **amend** this Agreement or **any** part thereof is given by either party to the other not less than ninety (90) days prior to the expiration date.

(b) If notice is given to amend **as** provided **above**, negotiations for the amended Agreement shall begin no later than **thirty (30)** days prior to the expiration date of **this** Agreement. During such negotiations, this Agreement shall **remain** in full force **and** effect until all **the** procedures of the *Canada Labour Code* have been exhausted.

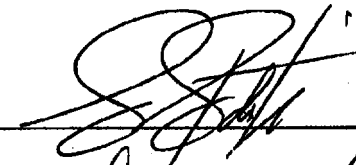
SIGNED IN TORONTO, THIS / DAY OF *Nov*, 1999.

ALITALIA LINEE AEREE ITALIANE
S.p.A.

THE INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS



Luca Mariani

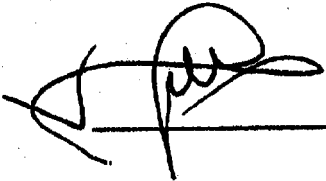


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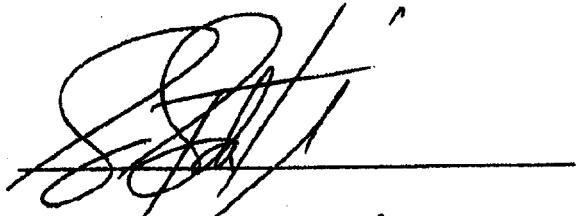
SCHEDULE A

Customer Service Representative - Ticket Office Agent - Accounting Representative - Cashier - Budget Control Representative

1. Every employee of the Company, as of August 17, 1999, will receive a two per cent (2%) wage increase to become effective September 1, 1999 or the date of signing of this Agreement, whichever occurs last, provided he/she is still on the Company's payroll as of the effective date of the wage increase.
2. Any new employee hired within the above-mentioned classifications during the term of this Agreement will be paid on the basis of a minimum of \$1,600 per month.



Witnessed:
01 NOV 99



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