



A MESSAGE FROM THE PRESIDENT



RETROACTIVE PROFIT SHARING SETTLEMENT

Dear members,

The profit sharing arbitration (Grievances CHQ-15-23 and 15-24) took place in Montreal on October 18 & 19, 2016. The hearing was scheduled to arbitrate the preliminary objection raised by Air Canada that both grievances should be dismissed because they were out of time.

The arbitrator dealt with the grievances separately. Grievance CHQ-15-23 was dismissed on the basis that it was untimely. As for CHQ-15-24, the parties reached a confidential settlement with the assistance of the arbitrator. As such, we're happy to inform you all that Air Canada agreed to pay, on a without prejudice and precedent basis, a compensation of \$6 million dollars, to be distributed amongst all affected members. If possible, Air Canada will distribute this amount by the end of the calendar year.

The compensation will be distributed pro rata on earnings for 2012, 2013 and 2014 to cabin personnel who were on the payroll at either Mainline or Rouge during those years, including members who retired during this period. There will be no deductions for union dues or for WIP contributions. As part of the arbitrated settlement, an additional \$125,000 will be obtained to cover a portion of the legal fees which were incurred by the Union throughout this process.

We wish we could have shared this good news with you all earlier, but there were several mandatory conditions requiring mutual (Air Canada and the Union's) consent in order to satisfy the MOS (Memorandum Of Settlement) before this news could be communicated at large.

In solidarity,

Michel Cournoyer
President, Air Canada Component of CUPE