

THE SNAG SHEET

MONTHLY NEWSLETTER OF CANADIAN
AIRWAYS LODGE 764

Apr 2008



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

President's Message

The April General Monthly Meeting saw the nomination of members for the positions of Negotiations Representatives for LL764. There were nominations for three (3) Negots Reps in preparation for the 2009 round of Collective Bargaining with Air Canada.

Brothers John Gorman and Albert Moncion accepted nominations as the Representative for the Technical Operations and Logistic and Supply Branch. Brothers Terry Grunerud, Steve Prinz, Rod Ramsey and Blair Walker accepted nominations for the Airports and Cargo Branch.

Brother Ron McKelvie was acclaimed as the Clerical Negotiations Representative. Brother McKelvie was also acclaimed as the new Chief Shop Steward Clerical under the terms of the new Clerical Collective Agreement. On behalf of the entire Executive and membership, I offer congratulations to Ron and wish him every success in these positions.

The elections of the Technical Operations and Logistics and Supply plus the Airports and Cargo Negotiations Representatives will be held on Wednesday, May 14th, 2008. The polling hours are 06:00 to 18:00 and the polling station will be located at the LL764 offices on River Road in Richmond.

The importance of these positions and individuals cannot be over emphasized. Each Local Lodge in the Air Canada system is current undertaking this same nomination and election process for their representatives as well. Once elected, all of these representatives will come together to form the 2009 Air Canada Collective Bargaining Committee in accordance with Article XIII of the DL140 By-laws.

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These are the people who will sit at the bargaining table across from the Company in 2009 and collectively represent us and our future. The members who have offered themselves up for nomination and election are all worthy of your serious consideration. This is a huge and extremely important vote. Please take the time over the next month to seek out the nominees and find out who they are and why they feel they would best represent you. Take the time to make an informed decision and know who you are voting for and most importantly why you are voting for them.

Most important of all, please, please, please turn out and vote for your Negots Rep. These are the people who we will all be pestering with our wish lists and our "Don't dare come back to us without ..." items for the next 14+ months. They will determine what kind of a Collective Agreement we will ultimately end up with and they will need our undivided support to get the best deal possible.

All of these candidates are agreeing to undertake a huge commitment of time and energy and to spend a very large part of 2009 sequestered away from their friends and families. I offer best wishes to each of them and I thank each one of them for their willingness and commitment to undertake this responsibility.

Just as importantly, if not more so, I thank their families for their understanding of the commitment this will take and the importance of the task they are volunteering to do. Without the support of our families, none of us would be able to undertake the necessary time commitments to represent the membership in a proper fashion.

Christopher Hiscock
President
Canadian Airways Lodge 764

AC Mainline Pension Report

The committee met with the company March 20, 2008. The fourth quarter un-audited investment results were as follows:

	Dec 31, 2007	Dec 31 2006
Master pension trust fund	\$10.879 Billion	\$11.145 Billion
Main pension trust fund	\$5.957 Billion	\$6.155 Billion

The downturn in investment performance was mainly due to the sub-prime crisis, the decline in the long term bond rate and the strong CDN dollar having a severe impact on foreign equity return.

Invitations have been sent out by the company to those eligible for the next wave of pre-retirement seminars planned for April 2008. Once confirmed those members will be posted on the portal by employee number. You are reminded if you cannot make it, to notify the company immediately so someone else may take the vacant seat. The next wave will be held in the fall of 2008.

Annual Pension statements will be released at the end of June and for the first time will also be posted on the portal, one view Mercer site.

The company contributed \$130.037 million to the Main pension plan in 2007, in both service costs and special payments.

There were no Ad-hoc adjustments to any retiree pensions in January 2008. This includes all groups.

Next meeting is tentatively June 2008.

Respectfully submitted,
AC IAMAW Pension Committee

LL764 Pension Report

The YMPE and you, or everything you ever wanted to know about the YMPE but were afraid to ask. Like, first of all, what the hell is a YMPE and why do I care? The **Year's Maximum Pensionable Earnings (YMPE)** is defined by the Canada Revenue Agency (CRA) as follows - "*The YMPE is the maximum amount of earnings on which contributions to the Canada Pension Plan (CPP) are based.*" It is set annually by the CRA and is a measure of the average industrial wage in Canada based on the previous year's Income Tax returns.

As a comparison, in 1990 the YMPE was \$28,900. In 2000 it was \$37,600 and in 2008 it is \$44,900. This is significant to all of us for several reasons. First, as defined, it determines how much of your salary you make CPP contributions on as well as being part of the benefit formula used to calculate your CPP benefit.

Secondly, and of primary importance to us, it is used to define the benefit formulas of all Pension Plans in Canada. Pension Plans are governed by 2 Federal statutes. The Income Tax Act (ITA) determines the maximum values of pension plan contributions and benefits and the Pension Benefit Standards Act (1986) (PBSA) sets the values for the minimums.

Because you pay contributions on your salary up to the YMPE limit every year, you will receive a CPP benefit based on those dollar amounts when you retire. This is factored into the funding formulas of pension plans such that they pay you less on earnings up to the YMPE limit and a higher pension benefit on your Average Annual Compensation (best 36 months) on earnings in excess of the YMPE. Our pension plan is structured to maximize the benefit you receive on earnings in excess of the YMPE.

The ITA sets the maximum pension benefit payable at 2% per year of service to a maximum of 35 years of service for a total maximum pension of 70% of your pensionable earnings. In our funding formula, we receive 2% for all earnings in excess of the YMPE and our contribution rate is set at 6% of our gross earnings above the YMPE. For all earnings below the YMPE limit, we pay 5.25% and our pension benefit is 1.75%.

For service pre-transition (merger) the CAIL Plan was set at 4.5% contribution rate and 1.4% benefit up to the YMPE and

6% / 2% above the YMPE. This is the major difference between the pension benefits paid for service pre and post transition. We paid less money in so we get less money out on that portion of our final average earnings below the YMPE. Both plans had identical contributions and benefits above the YMPE limit.

The net result of all of this is that the higher the value of the YMPE, the larger the amount of your pension that is calculated at the lower benefit rate (1.4% and 1.75%). I will explain the funding formulas in more detail in a future pension report. Email is the most effective way to reach me. I may be contacted at pres764@telus.net with any questions or concerns that you may have.

Respectfully Submitted,
Christopher Hiscock
Chairman, LL764 Pension Committee

Clerical Report

We have a new Contract and meetings commence on March 31st.

We wait and observe if the Company begins to replace all the people that left the Company.

Assisted a member with their medical/MSP problems with the Company.

Fielded many questions about the new Contract.

Questions were asked as to which people would move to the upcoming vacant positions - a couple of people would have this option first.

I would like to thank Sister Fran Manhard and Sister Laurie Ferguson-Marsh and the other members of the Negotiations Team for all their hard work during this Contract.

In Solidarity,
Ron McKelvie
Chief Shop Steward
Local Lodge 764 Clerical

United Airlines Report

Two outstanding grievances proceeding to Step Three.

One outstanding grievance at Step Two.

Bargaining surveys were handed out to the membership for completion by March 28, 2008. The completed surveys have been returned to Tania Caniff and the District.

The Negotiating Committee will meet with the Company for the start of direct Bargaining April 21st.

Since the advent of Ken Brown last year one change the membership has seen is the introduction of semi-regular briefings by management. The intention of these briefings is purported to be operational, but at recent briefings, management members have referred to a nebulous need to make 'cuts' of 5-10%, supposedly to offset high oil prices. They have not defined what cuts they have in mind, but it should be noted overtime skyrocketed to cover staffing shortages during spring break. We will see where this goes.

April marks the return of another RON aircraft, and three 757's a day. The last bid starting March 30th saw the return of one full time member from Furlough, three others regained their full time status and 2 more members were upgraded permanently to regular full time.

To address the lack of EAP support at United in YVR, John Zegar from SFOMD is making a brief trip up on April 7. It is hoped he will provide information on how employees can discreetly access the program.

In Solidarity,
Janet Andrews
Senior Steward, UAL

Airports/Cargo Report

Arbitrations

Next meeting with Mr. Teplitsky is for April 15, 2008 in YYZ.

Baggage Agents

The Promo for 1 Agent closed on the 18th of March but has not been awarded yet.

There is also a new Promo Bulletin out that closes on April 28,2008.

The Shift Committee and the Shop Committee met with the Company on April 07, 2008 and were presented with the requirements for the summer.

Cabins

The summer shift is awaiting a 3rd level discussion between District 140 and Labour Relations.

The Shop Committee and the Shift Committee have been successful in integrating all of the contracts that were previously held by the Non Union company Avex into the summer schedule.

There is a Promo for L.C.S.C.A. that closes on April 18, 2008.

The summer schedule also gave us an uplift of 12 temporary C.S.C.A that go until September 30, 2008.

Overtime: 1396 hours for the month of March, which equates to 9 full time jobs.

Cargo

The Arbitration for the 2 bids at one time has been put on hold.

Ramp

The Shift Committee is currently working on a summer schedule.

Overtime: **5658 hours** for the month of March, which equates to **35 full time jobs**.

General Info.

The Shop Committee would like to thank Brother Ken Hagen and the Education Committee for training 11 of the new Airports/Cargo Shop Stewards.

The Airports/ Cargo 2008 Seniority list is out, a copy of which is available for viewing in the Shop Committee Office. Employees have until May 05, 2008 to file an appeal.

Retirements

George Herbrich, Station Attendant
Ron Maichin, Station Attendant
Larry McCart, Station Attendant
Mike Sauberli, Cargo Agent

Respectfully Submitted,
Kevin Cox, Chair Craig Chard, Member

The Britannias

British Aircraft manufacturer Bristol partnered with the British Government at the end of World War II to develop a next generation turboprop to meet national and military needs. The result was the Bristol Britannia.

A total of eighty-five Britannias were built, with deliveries beginning in 1958. There were a wide number of models and variants produced, based on military or commercial carrier specifications. Canadian Pacific Airlines (CPA) needed a fast, comfortable turboprop to compete against the Air Canada Vanguard, and ordered six Britannia –314 model and two –324 long range variants for service on its domestic and international routes. The order also prompted CPA to build a new larger hangar on the Vancouver Airport south side to accommodate Britannia overhauls.

The CPA Britannias were an instant hit with customers, with their in-flight comfort and Proteus turboprop quietness. But operationally, the –314 model on long haul flights with high fuel loads required restricted seating which reduced revenue. The –324 model had a higher operational weight and payload, which improved revenues on the South American and

Pacific routes, but it was not available until 1959.

By 1960, the Douglas turbojets were commercially available, and the Britannias simply could not compete against DC8 speed, payload and distance advantages.

CPA ordered six DC8-43 for delivery starting in 1961. As passenger volumes grew, there were two DC8 leases in 1966, one in 1967, and an ill-fated Boeing 707 lease (the Standard Airways aircraft) in the same year. The leases were to fill in for the delayed delivery from Douglas Aircraft of the CPA new DC8-63's which did not arrive until 1968.

By 1966, the DC8's were dominant and the CPA Britannias had been pushed out the door and sold. Most of the CPA Britannias were sold to British charter carriers – Air Links, Caledonian, and Cunard Eagle. Today, only a few Britannias survive. Three are on static display in various British air museums or derelict in African scrap yards. The last operational British-made Bristol Britannia completed its final scheduled flight in 1997.

The Bristol Britannia design received a life extension courtesy of the Canadian Government. Again, it was a military need that prompted the initiative.

The Federal Government of Canada partnered with Canadair of Montreal to develop a replacement for the DC4-M military North Star. The Bristol Britannia design was deemed suitable, with some modifications, for an anti-submarine aircraft and a military transport. Canadair obtained a license from Bristol to modify and manufacture the Britannia design for Canadian needs, and produced both a commercial and a military version.

Canadair modifications focused on durability, dependability, longer range and greater payload. The Britannia design was re-engineered for a stronger superstructure and additional length. More powerful Wright R-3350 radial engines replaced the Proteus turbines to enable better handling at slower patrol speeds and greater lift.

The first variant produced was the Argus anti-submarine patrol aircraft. Canadair produced twelve Argus aircraft packed with military hardware and a bomb bay. These aircraft oper-

ated until 1972 and none survive today. For security reasons, the Federal Government had all twelve aircraft dismantled and melted down on the spot in Toronto.

There were also thirty-nine commercial transport variants manufactured. Twelve were ordered for the RCAF and were called "Yukons". The Yukon came with a front and aft upper deck side cargo door and served as military transports. When retired from the RCAF, many of these aircraft became "freight dogs" in third world countries.

The remaining twenty-seven were sold to passenger airlines or commercial freight carriers and were designated as the "CL-44". These aircraft were powered by Rolls-Royce Tyne turboprops to meet commercial needs.

There were several variants of the CL-44. The passenger version had a fifteen foot stretch to the fuselage (CL44J), and four were ordered and operated by Loftedir Iceland on their New York – Reykjavik route. For a short period, these aircraft offered the most seats of any aircraft crossing the Atlantic Ocean until the intercontinental Boeing 707 model was introduced.

The cargo version was the CL44D and could be ordered in combination with upper deck freight doors and a swing-tail. This model was very popular with the cargo airlines, as the design made a scheduled two hour turn-around possible. Seaboard World and Flying Tigers were the major purchasers.

By 1970 Boeing and McDonnell-Douglas were offering competitive cargo turbojets. The Canadair CL44's and Yukons moved down the used air transport market to smaller operators in third world countries. Today, only one CL44 remains operational, and only one Yukon, still intact, sits derelict in South America, the object of an on-going rescue mission by a historical society in Canada. All the remaining aircraft have either been scrapped or destroyed by air accidents. None are currently found in an air museum.

There was only one Britannia tragedy for CPA. It happened in Honolulu in 1962. CPA Britannia CF-CZB, fin 522 departed Honolulu enroute to Fiji, Auckland and Sydney, Australia. Shortly after take-off, the aircraft signalled a fire warning indication on No. 1 engine. The pilot initiated a fuel dump and requested emergency landing priority from the Honolulu airport. The landing was long and the pilot attempted a go-around. There was insufficient airspeed and the left wing caught the ground, causing the aircraft to cartwheel. Seven

crew members and twenty passenger were killed. Four crew members and nine passengers survived. The pilot died. I was fifteen years old then. The pilot of that aircraft was the father of my best friend.

David Varnes, Chair, History Cttee. and ST LL764

Tech-Ops Report

Arbitration Hearings: The next scheduled date with Chief Arbitrator Martin Teplitsky is April 15th, 2008 in Toronto.

UMCM Meeting: The next UMCM Meeting is scheduled for May 5th to 9th, 2008 in Toronto. The Shop Committee will be attending for the role down portion scheduled for the end of the week.

Seniority Lists: The Shop Committee has been informed by the Company that the 2008 Seniority Lists should be available on April 11th, 2008. The Membership is advised to review these lists for accuracy. All seniority queries should be submitted in accordance with Article 16.18.01 of the Collective Agreement.

Deferred Payment Leave Plan (DPLP): The Shop Committee will be entering into discussions with Local Line Maintenance and Heavy Maintenance Management in reinstating the Deferred Payment Leave Plans (DPLP) that were cancelled by the Company. The Shop Committee will apprise the affected Members as more information becomes available.

Gantt Chart Meetings: District 140 General Chairpersons and Shop Committee Representatives from Vancouver, Winnipeg and Montreal met on April 2nd, 2008 in Montreal to review the constant changes that are occurring regarding the planning/scheduling of aircraft maintenance throughout the system in 2008.

Heavy Maintenance Category 3 N.D.T. Shop Shifts: The Shop Committee along with Local Union Representatives have entered into discussions pertaining to shifts affecting the Category 3 N.D.T. Technicians working within the Heavy Maintenance Formation. The Shop Committee will apprise the affected Members as more information becomes available.

MTU-C Report

Heavy Maintenance Category 31 Tool Issuer Shifts: The Shop Committee has been notified that the Company wishes to enter into shift discussions regarding a new Shift Agreement for the Tool room Issuers. The Shop Committee will apprise the affected Members as more information becomes available.

YVR Base Inter-Formation Transfers: Any Member wishing to submit an Inter-Formation transfer between the Line Maintenance and Heavy Maintenance Formations is reminded to ensure that the Tech Ops Shop Committee receives a faxed copy of their desire to transfer between these Formations. This will ensure that all transfers are captured on the Shop Committee's Inter-Formation Transfer List. The fax numbers are as follow: Tech Ops Shop Committee: (604) 273-0896, Line Mtce. Administration: (604) 231-6871 and Heavy Mtce. Administration: (604) 276-4627. The Membership is advised to ensure that they retain a copy of their fax receipt in the event that any issues arise.

System Recalls/Transfers: The Company is continuing to attempt to fill approved staffing requests in several Categories and Classifications across the system. The Membership is reminded to ensure their contact information is current with the Union and the Company. Any Member receiving recall or transfer paperwork from Air Canada is reminded to ensure that the Tech Ops Shop Committee receives a faxed copy of their selection to accept/decline recall or transfer. The Tech Ops Shop Committee Office fax number is (604) 273-0896.

Basic Shop Steward Training: The Education Committee provided all new Tech Ops Shop Stewards with a one (1) day Basic Shop Steward Training Course. The Shop Committee would like to thank the Education Committee for providing this much needed training.

ACTS Monetization - Letter of Intent (LOI) Discussions: The Union and the Company met on April 2nd, 2008 in Montreal. The Membership is reminded to monitor the Local and District Lodge web sites and the Local Union Bulletin Boards for updates pertaining to these ongoing discussions.

In Solidarity,
Joe Toth, L/L 764, Tech Ops Chair
Glenn Cooper, L/L 764, Tech Ops Member
Glenn Girard, L/L 764, Tech Ops Member

GRIEVANCE STATUS

Policy Complaints

Article 5 – Mandatory O/T
Article 2 – CIP (In Progress)
Article 4 – Stat Entitlement (DL 140)
Article 10 – Perf. Assessments (DL 140)

Personal/Group Grievances

1 O/T denial (step one)
Termination (Arb. decision pending)
Discipline. (forced O/T Step 3)
Borescope blending (step one)
Acc. Shop Apprenticeship (Step one)

The Company has concluded their selection of individuals for the AOG team. Ten individuals have been selected. The next step will require an interview with the American Consulate for a working Visa.

Upgrades are continuing to be performed in the facility. The gearbox area has been completely revamped. Modular area is currently receiving 4 new cranes and a shop layout redo.

The employer hosted a quarterly meeting this month with their employees. Highlights were overtime, employee satisfaction and engine induction. Also the employer highlighted that last year we lost money but due mostly to the implementation of SAP.

This year is MTU Canada's 10 year anniversary. The Social Committee has been tasked with coming up with an event that will celebrate this occasion. If any employees would like to provide suggestions please contact Angela Roxborough, Joe Di Fabio, Alero Martins, Pam McKinlay or Neil Carter.

In Solidarity,
Neil Carter Senior Steward

Next General Meeting

May 14, 2008

5 PM

7980 River Road
Richmond, B.C.



WE'RE ON THE WEB!
WWW.IAM764.CA

IN MEMORIAM

BROTHER
HENRY D. THIBAUT

Local 764 Executive Board

Chris Hiscock – President

Mike Sanghera – Vice-President

David Varnes – Secretary Treasurer

Laura Sharpe -Recording Secretary

Steve Daechsel -Trustee

Wes Sim – Trustee, Educator

Cam McDonald -Trustee

Dan Cooke – Conductor/Sentinel

Gordon Taylor – Communicator

Neil Carter – Senior Steward MTU

Janet Andrews – Senior Steward UAL

Ron McKelvie – Clerical Chief Shop Steward

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