



# BULLETIN

**TRANSPORTATION DISTRICT 140**  
**DISTRICT DES TRANSPORTS 140**

*International Association of Machinists and Aerospace Workers*  
*Association internationale des machinistes et des travailleurs et travailleuses de l'aérospatiale*

## IAM & AW FORMER CAIL MEMBERS CAIL PAID LIFE INSURANCE BENEFIT GRIEVANCE

Dear Brothers and Sisters:

The former Canadian Airlines International Limited (CAIL) Members are receiving a cheque in the amount of \$416.66 due to the finalization of a Life Insurance Benefit grievance that was clean slated during the 2003/2004 Air Canada CCAA Grievance Claims Process. During these proceedings, a large number of grievances between the IAM & AW and Air Canada were adjudicated in accordance with the Court ordered Grievance Claims Procedure.

In the course of the Grievance Claims Process, the Arbitrator dealt with the aforementioned grievance filed by the IAM & AW concerning Air Canada's position that prior service for former CAIL Members would not be recognized by Air Canada for the purpose of accessing post-Retirement Medical and Life Insurance Benefits. The Union's requested Grievance Claims Process settlement, as a remedy, was that Air Canada recognizes the service of the CAIL Members for the purposes of accessing these (former CAIL) post-Retirement Benefits.

In the CCAA proceedings, all grievances were subject to a compromise under the Court process. What this meant was that the Union's claims against Air Canada were recognized only in terms of a monetary value and that the Union actually received a prorated portion of the assessed monetary value of its claims, in accordance with the Plan of Arrangement.

The decision under the CCAA Grievance Claims Procedure concerning the above mentioned grievance allowed the grievance, "for purposes of the plan of arrangement under the CCAA", at a value, "to be agreed upon between the company and the union". Since that time, the Union and Company have engaged in discussions which have led to an agreement that Air Canada would recognize CAIL service for the purpose of access to the medical Benefit and that two (2) million dollars would be allocated. This amount is the full amount originally set aside for this grievance by the Union, based on the initial valuation of the entire grievance, as adjusted by the CCAA compromise.

This grievance / settlement, in no way whatsoever, changes the current post-Retirement Benefits for former CAIL Members and these Members still remain entitled to pay for and receive the Air Canada post-Retirement Benefits.

In Solidarity,

Fred Hospes, President & Directing General Chairperson  
Transportation District 140, IAM & AW

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