

Collective Agreement

BY AND BETWEEN

**LABRADOR AIRWAYS LIMITED
(AIR LABRADOR)**

AND

**INTERNATIONAL ASSOCIATION of
MACHINISTS and AEROSPACE WORKERS**

on behalf of Pilots

January 1st, 2007 – December 31st, 2009

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COLLECTIVE AGREEMENT

by and between

LABRADOR AIRWAYS LIMITED (AIR LABRADOR) hereinafter referred to as “The Company” of the first part.

And

INTERNATIONAL ASSOCIATION OF MACHINISTS and **AEROSPACE WORKERS** hereinafter referred to as “The Union” of the second part.

The Company and The Union wish to cooperate to favor the efficiency and full output of the operations, to maintain harmonious relations between the Company and the employees, to establish a method permitting the amicable settlement of the disputes that may arise, and to establish working conditions to which the Company and the employees will have to abide by, the parties have agreed to the following:

ARTICLE 1 – JURISDICTION

- 1.01 On the authority of the certificates of recognition issued by the Canada Labour Relations Board, the Company recognized the Union as the sole bargaining agent for the employees as to wages, hours of work, grievance procedure and other employment conditions contained in this agreement.
- 1.02 The Union recognizes that is the exclusive responsibility and right of the Company to conduct, direct and manage the Company according to the stipulations of the present agreement, and notwithstanding the generality of the preceding, these rights will include the introduction of technical improvements, new ways of operations, the right to, promote, demote, transfer, suspend, dismiss, discipline or discharge the employees for cause.
- 1.03 It is understood that nothing that is said above in the article limits the right of an employee to make a grievance according to the provisions of this agreement.
- 1.04 If, for any reason, any portion of this Agreement is unenforceable or contrary to law, the parties hereto agree that such portion is separable from the remainder of the Agreement and that the Agreement in all other respects shall continue in full force and effect in accordance with the terms thereof.

- 1.05 The coming into force of the Agreement shall not result in the reduction of pay for any employee.
- 1.06 The Company shall enter into no contract, either expressed or implied, with any employee or group of employees covered by this Agreement, except through the medium of this agreement.

ARTICLE 2 – DEFINITIONS

- 2.01 In this agreement, the following words have the following meaning:
- (a) **Pilot** means a Captain, a Reserve Captain or a First Officer at the employ of the Company as defined hereunder.
 - (b) **Captain** means the pilot member of the flight crew in command of the flight who is responsible for the manipulation of, or who manipulates the flight controls of an aircraft underway, including take-off and landing of such aircraft, and who is properly qualified and holds current Transport Canada certificates or certificates required by any other government agency authorizing him/her to serve as a Captain. When on duty aboard an aircraft, the Captain will hold complete authority over all crewmembers regarding the passengers and aircraft security.
 - (c) **First Officer** means the pilot in the flight crew who is second in command of the flight and whose duty is to assist or relieve the Captain in the manipulation of controls of an aircraft under way, including take-off and landing of such aircraft, who is properly qualified and holds current Transport Canada certificate or certificates required by any other government by any other government agency authorizing him/her to serve as such.
 - (d) **Reserve Captain** means a pilot who has been checked out and designated by the Company as Reserve Captain, who may serve as Captain or First Officer and who is properly qualified and holds current Transport Canada certificates or certificates required by another government agency authorizing him/her to serve as either, but who is not regularly assigned to run as Captain, reference Article 13:10.
 - (e) **Training Captain** means a line Captain whose name appears on the seniority list, assigned by the Company to give training. Such assignment shall be on a voluntary basis and the pilot shall be completely free to accept or refuse such assignment.
 - (f) **Status** means the rank of the flight crew member (i.e. Captain or First Officer).

- (g) **System** means all flight operations conducted by the Company.
- (h) **Flying Hour** means the elapsed time between actual ramp departure and ramp arrival.
- (i) **Day** means a twenty-four (24) hour period from midnight to midnight unless otherwise indicated in this agreement.
- (j) **Month** means a complete calendar month.
- (k) **Quarter** means a period of three (3) consecutive months.
- (l) **Year** means a complete calendar year.
- (m) **Vacancy** means a pilot's vacant position at a system base station.
- (n) **Home Base** means a station, which is the common domicile of a pilot or a group of pilots affected permanently at the station where airline operations are accomplished.
- (o) **Probation Period** means that period throughout which training and evaluation extend prior to employment on a permanent basis.
- (p)
 - (1) Group A, means equipment under CARs 703 operation;
 - (2) Group B, means equipment under CARs 704 operation;
 - (3) Group C, means equipment under CARs 705 operation.
- (q) **Scheduled Flight** means any flight as published in the chart of service at fixed schedule, as well as chartered flights, registered in the monthly program of chartering including revisions.
- (r) **Non Schedule and Contract Flight** means any flight not covered by the definition of a "scheduled flight".
- (s) **Rest Period** means a continuous rest period at home base or away. When away from the home base, the Company shall supply suitable accommodations and the pilot shall be relieved of all normal responsibilities.
- (t) **Flight Period** means 30/90-day periods as per Transport Canada regulations.
- (u) **Mileage Pilots "standard pay"** will include base pay plus 3 hours fly pay.

ARTICLE 3 – COOPERATION

- 3.01 The Union agrees not to cause or approve a strike during the term of the present agreement.
- 3.02 The Company agrees not to cause or approve a lockout during the term of the present agreement.
- 3.03 The Union shall be permitted to use bulletin boards supplied by the Company to post notices of Union meetings or other notices concerning the Union, provided such notices are signed by an authorized representative of the Union.
- 3.04 With the exception of meeting notices, all other notices shall be sent to Management which reserves the right to authorize or not their posting, which shall be done by the Director of Flight Operations. The bulletin boards remain the property of the Company.
- 3.05 The agreement will be printed at the Company and Union's expense on a 50/50 basis and all employees governed by the agreement will receive a copy.
- 3.06 The Parties agree to form a Labour/Management Committee consisting of three (3) Union members and three (3) Management, with regular scheduled meetings every six (6) weeks.

ARTICLE 4 – UNION SECURITY

- 4.01 As a condition of employment all new pilots including pilots on probation shall become members of the Union on the day of their first revenue flight or the first revenue flight of a pilot who is a member of a group on training. Union dues shall be deducted in the next thirty (30) days.
- 4.02 The amount to be deducted shall be equivalent to the regular dues of the Union and shall not include initiation fees or special assessments. The amount to be deducted shall not be altered during the term of the agreement except to conform to a change in the amount of regular dues of the Union on accordance with its constitutional provisions and rules.
- 4.03 Once a month, the Company shall remit to the Secretary Treasurer of the Local Lodge 927, the amount of dues, which it has been authorized to deduct, accompanied by a list of names of those on whose behalf the deduction was made.

ARTICLE 5 – REPRESENTATION

- 5.01 In this agreement, the term “Accredited Agent” means any member of the Negotiating Committee or the Grievance Committee, which shall be properly composed of by the Union and/or an Officer of the Grand Lodge of the International Association of Machinists and Aerospace Workers.
- 5.02 The Union shall remit to the Company a written list of the members of the Committee, along with any change, which may be made to that list.
- (a) Members of the Committee shall be granted time of work without pay to attend Negotiation and Conciliation meetings with the Company. The number of Committee members shall be limited to three (3).
 - (b) Committee members attending meetings with the Company on behalf of the Union shall be granted free space available passes on Company Aircraft.

ARTICLE 6 – TRANSPORTATION AND EXPENSES

- 6.01 The Company shall pay expenses for separate hotel rooms, meals, and transportation to and from the airport, to pilots away from there assigned base for purposes of regular flight duty, temporary job or assignment, in the case of an emergency, familiarization, training, or when traveling as a passenger at the request of the Company.
- (a) The Company shall select places for suitable lodging. Lodging must be clean, peaceful and well heated, everything in accordance with public health regulations of the province in which the lodgings are located, or better. The Company agrees to provide a list of hotels at various locations. The pilot group has the right to recommend any alternate accommodations, and if approved by the company, the changes will be made.
 - (b) For every five (5) hours away from base, from the time of departure, an employee shall receive eleven (\$11) dollars meal allowance.
 - (c)(i) if the pilot wishes to arrange his/her own accommodation during a layover, he/she will receive one half (1/2) of the cost of the hotel or other company accommodations through the pilots expense claim.

(c) (ii) arrangements for section (i) of the articles must be made with the company dispatch department no later than twenty-four (24) hours prior to the pilot's scheduled shift departure time.

(d) Starting on the departing day from the home base for an overnight trip the following maximum meal allowance will be paid at normal meal times

Breakfast	\$8.00 (between 0700-0830)
Lunch	\$10.00 (between 1200-1330)
Dinner	\$17.00 (between 1700-1830)
Snack	\$5.00 (between 2000-0200)

(e) Upon returning from an overnight trip, the Company has the option of assigning the employee another trip. Should the company decide to do so, then Article 601 (c) shall apply.

(f) Should an employee be forced to overnight because of a lack of flight or duty time than only Article 6.01 (c) shall apply.

(g) During annual visits to the simulator for training, employees will be entitled to an additional \$5.00 for each of the following meals, Breakfast, Lunch and Dinner.

6.02 The Company shall pay for expenses of the pilot being transferred from one station to another on a permanent or temporary basis at the request of the Company.

6.03 (a) If due to a change in the operations of the Company a pilot is forced to bid on a posting in order to protect his/her present status and if selected by the Company following such posting, he/she shall be considered as having been transferred at the request of the Company.

(b) A pilot, transferred from one station to another at the request of the Company, shall have his/her transportation costs paid by the Company. The Union and the Company will agree on a reasonable method of transportation.

6.04 Moving expenses, travel and lodging expenses of the pilot and immediate members of his/her family will be granted for Pilots covered by Article 6.02. The Company will recognize a Common Law Status for Pilots who have maintained common law living quarters for a period of at least six (6) consecutive months.

- 6.05 If a pilot is transferred from one base to another, the Company shall relieve him/her of all duty for a minimum period of seven (7) days, in order to enable the Pilot to find and establish a new home. The scheduling of the relief period will be done by mutual agreement. The Pilot shall be advised in writing of the transfer no less than thirty-one (31) days prior to the date of that transfer.
- 6.06 When a Pilot has not yet passed his/her final check-out in the position at the new base referred to in Article 6.05, the application of that Article shall be deferred while training is provided away from the Pilot's home base prior to the transfer and Article 6.01 shall apply.
- 6.07 The Company shall provide lodging facilities or other accommodations to a pilot who must make an overnight stop during a journey.
- 6.08 When a pilot is assigned a vacancy following a bidding and when such assignment is discontinued by the Company within (12) months, the transfer of said pilot shall be considered at the request of the Company which shall pay his/her expenses as provided for in article 6.02.
- 6.09 The Company reserves the option to provide the Pilot and his/her family with a suitable residence free of charge up to one (1) month, in case of the transfer at the Company's request.

ARTICLE 7 – PAID VACATIONS

- 7.01 Any Pilot who by December 31st of any year has completed less than twelve (12) months of service with the Company shall be granted one day's vacation with pay for each full month of service up to December 31st.
- 7.02 (a) Any Pilot who by December 31st of any year has completed twelve (12) months or more of service with the Company shall be granted fourteen (14) calendar days vacation with pay.
- (b) Any Pilot who by December 31st of any year has completed five (5) years or more of service with the Company shall be granted twenty-one (21) calendar days vacation with pay.
- (c) Any Pilot who by December 31st of any year has completed fifteen (15) years or more service with the Company shall be granted twenty-eight (28) calendar days vacation with pay, except those pilots with ten (10) years or more service by December 31st, 1998, shall be granted twenty-eight (28) calendar days vacation with pay.
- (d) Vacation must be used in the year in which it is accrued. No vacation may be carried over year to year. Refer to Letter of Understanding # 3

- 7.03 It is agreed that a Pilot shall be required to remain on “Duty Status” up to 48 hours prior to the start of his/her vacation.
- 7.04 The Company will accept the fragmentation of vacations in weekly periods for pilots who are entitled to two (2) weeks or more vacation, in accordance with a procedure jointly established between the Company and the Union.
- 7.05 Preference of periods in which pilots shall be permitted to take their vacations shall be granted in order of their seniority.
- 7.06 Any pilot shall be notified, by means of a posting, as soon as possible and in any event not less than Thirty-one (31) days prior to the date of his or her annual vacation. Such notice shall indicate the beginning date and the ending date of his/her vacation period.
- 7.07 Vacation pay shall be based upon the appropriate percentage of gross earnings for the previous year up to and including December 31st, in accordance with the following schedule:
- | | |
|----------------------------------------------|----|
| Less than two (2) weeks vacation entitlement | 4% |
| Two (2) weeks vacation entitlement | 4% |
| Three (3) weeks vacation entitlement | 6% |
| Four (4) weeks vacation entitlement | 8% |
- 7.08 Accumulated Statutory Holidays taken in conjunction with annual vacation will be paid for using the formula in article 9.02(b).
- 7.09 The proportion of pilots by status and equipment entitled to simultaneous periods of vacations will be at least fifteen percent (15%) - the minimum number of Pilots equaling the number of bases for that aircraft type – choosing their vacation periods between May 1st and October 31st of each year. Twenty percent (20%) between November 1st to April 30th - the minimum number of Pilots equaling the number of bases for that aircraft type.
- 7.10 (a) If a vacation period of a pilot must be cancelled by the Company, he/she shall have the right to choose any other vacation period even if it coincides with the vacation periods already assigned to other pilots. The second period shall not be subject to cancellation except in case of written understanding between the Company and the Union. It is understood that following such a change of vacation period, no other pilot’s period shall be changed.
- (b) The Company further agrees to reimburse Pilots for all out of pocket expenses associated with the cost of vacation tours booked and

cancelled due to the Company's action. To be reimbursed, a Pilot has to provide the proper receipts.

- 7.11 An Employee may receive his/her vacation pay immediately prior to his/her departure, provided the Chief Pilot receives his/her request at least fourteen (14) days prior to the date of said departure.
- 7.12 The choice of vacation periods shall be completed and posted at the latest on March 31st of each year, in accordance with a system established between the Company and the Union.

ARTICLE 8 – SICK LEAVE

- 8.01 Employees covered by this Agreement shall be entitled to accrue and accumulate one working day of Sick Leave for each calendar month-or major portion thereof- worked to a maximum of one hundred and five (105) working days.
- 8.02 (a) Sick Leave will be paid on a daily bases; for mileage Pilots, at the rate of base pay plus three (3) hours flight pay at their applicable rate and for salary pilots, at the rate of one (1) salary day at their applicable rate. This rate will be payable from and including the first day of illness or off the job accident.

(b) 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 (72) hours of him/her having returned to work, he/she will be paid.
- 8.03 Probationary employees will not be entitled to Sick Leave benefits except that when they become permanent employees they will be credited with one day of sick leave for each month of service as a probationary employee.
- 8.04 Sick Leave will be paid and deducted from the employees "bank" at the rate of one (1) day for each twenty-four (24) hour period during which the Pilot was scheduled to fly as indicated by the flight schedule. The maximum number of days payable and deductible from the employees "bank" shall be ten (10) in any pay period.
- 8.05 A Pilot shall not accumulate Sick Leave credits during a layoff or leave of absence, which exceeds one month.
- 8.06 Where a Pilot is entitles to Weekly Indemnity Benefits and has Sick Leave available, the Pilot may elect to take either. If the Pilot elects to use the weekly indemnity program, the Company will pay the Pilot (upon his/her return to work and subject to the amount available in the Pilots sick leave bank) an

amount that gives the Pilot an equivalent total pay to what he/she would have received on Company sick leave.

- 8.07 It is agreed that employees will pay one hundred (100%) percent of the premiums for the Weekly Indemnity and Long Term Disability portions of the Group Insurance Plan and will pay such additional amounts required to make up fifty (50%) percent of the total premiums required to maintain the Plan, with the company paying the remaining fifty (50%) percent.
- 8.08 Subject to any adjustment required by Article 8.07, it is agreed that premiums for the Group Insurance Plan will be shared equally between the company and the employees.
- 8.09 Any pilot in the employ of the Company who, during the course of a flight outside Canada is injured or takes sick because of conditions existing in a different country, shall be hospitalized and receive treatment at the expense of the Company. The Company shall pay all costs of treatment in case of reoccurrence or for convalescence resulting of such occurrence as long as the pilot is in the employ of the Company.

ARTICLE 9 – STATUTORY HOLIDAYS

- 9.01 The following holidays are recognized by the company:

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

- 9.02 (a) When a pilot works on a statutory holiday, the pilot shall receive either the regular pay for that day plus a day off in lieu; or shall receive; for mileage pilots, pay at the rate of one and one-half (1½) times both base pay and their applicable hourly rate for all hours worked or a minimum of four (4) hours whichever is greater; and for salary pilots, one and one-half (1½) times their applicable hourly rate for all hours worked or minimum of four (4) hours, whichever is greater
- (b) When a statutory holiday occurs on a pilot's scheduled day off, the pilot will be scheduled for another day off, or in lieu, will receive; for mileage pilots, standard pay and their applicable hourly rate for eight (8) hours; and for salary pilots, their applicable hourly rate for eight (8) hours.

ARTICLE 10 – HOURS OF FLIGHT AND FLIGHT CREDITS

- 10.01 (a) “For the purpose of this agreement an on duty period shall be in accordance with Transport Canada regulations”.
- (b) Rest periods between flights shall be in accordance with Transport Canada regulations.
- 10.02 Flight Time and Duty Time shall be in accordance with the approved Transport Canada Regulations.
- 10.03 (a) Flight schedules shall be so arranged as to provide pilots with two (2) consecutive days off in a series of seven (7) days.
- (b) If required, the pilot may work up to twenty (20) days straight in a twenty-eight (28) day period only when away from base.
- (c) Best efforts will be made to ensure pilots who are engaged in a single pilot IFR operation shall only exceed thirty (30) hours flight time in a seven (7) day period on a voluntary basis.
- (d) Twenty-four (24) hours notice will be required in order to make any changes to the pilot’s schedule. Any changes required inside this period will require the pilot’s consent.
- (e) Once the pilot’s schedule has been issued, there will be no change to the scheduled days off without the pilot’s consent.
- 10.04 (a) With the exception of Charter Flights, the Company will post a Pilot’s Schedule for the following week by 4.00 p.m. on Thursday
- (b) Monthly schedules shall be posted no later than five (5) days prior to the start day of the schedule provided that, the scheduling committee has submitted their proposed schedule no later than ten (10) days prior to start day.
- 10.05 The Company recognizes the Union’s position of requiring pilots to have a better knowledge of their work schedule and agrees to set up a joint committee between the Company and the Pilot group to improve the work schedule.
- 10.06 Reserve Duty will be scheduled in advance, will not normally commence prior to 0500 hours, and will terminate at 1700 hours, except that if a pilot is advised not later than 1600 hours, the reserve coverage can be extended to fourteen (14) hours total.

- 10.07 The Company agrees to establish a system for the compilation of flight hours for each pilot during the current month and to supply, upon request, a copy of the said report to each pilot and to the accredited representative of the Union.
- 10.08 The Company agrees that when a pilot reaches his/her maximum flight hours for any period under the regulations, the pilot shall be relieved of all duty, except scheduled pilot ground training, until permitted to fly again under such rules.
- 10.09 When a Captain or First Officer is given time off to avoid exceeding the above limit, the pilot shall be paid; for mileage pilots, base pay; and for salary pilots, normal salary, and shall be advised prior to being relieved of duty the length of the scheduled time off.
- 10.10 A pilot shall be permitted to combine his/her deadheading and on-duty time, but not to exceed the maximum daily hours specified in Article 10.01, except that the company may require pilots to deadhead after completion of their maximum duty hours.
- 10.11 (a) For the purpose of computing flight time mileage, any pilot besides the regular crew on board any flight for the purpose of familiarization with a route or aircraft shall be credited with 50% of his/her, actual flight time mileage.
- (b) It is understood that any pilot on the regular crew of a flight for the purpose of familiarization with a route or an aircraft shall be credited for his/her actual flight time mileage.
- 10.12 (a) A bank of “accumulated days” will be recorded for all pilots, as earned to a maximum of ten (10). Pilots now on staff with these days accumulated will be given an opportunity to use up these days at times mutually agreed between the Company and the pilot. Days not used upon termination of employment will be paid to the pilot at their current value.
- (b) Deductions required from time to time of bank must be requested at least seventy-two (72) hours in advance and will be awarded subject to the requirements of service.
- 10.13 (a) Where a pilot flies on a scheduled day off, the pilot shall receive; for mileage pilots, pay at the rate of one and one-half (1½) times both base pay and their applicable hourly rate for all hours worked or a minimum of three (3) hours, whichever is greater, and for salary pilots one and one-half (1½) times their applicable hourly rate for all hours worked or a minimum of three hours whichever is greater.

- (b) A pilot who agrees to fly on a day off, but who does not fly due to weather or mechanical problems, will receive; for mileage pilots, both base pay and their applicable hourly rate for three (3) hours; and for salary pilots, their applicable hourly rate for three (3) hours.
 - (c) Where a pilot agrees to non-flight duty on a scheduled day off, the Pilot shall receive an accumulated day.
 - (d) Pilot's training and/or ground school shall not normally be done on a pilots scheduled day off. However, if it is required, the pilot shall receive an accumulated day.
 - (e) If a pilot agrees to travel on a scheduled day off for the purpose of duty, training, etc., a pilot shall receive an accumulated day.
- 10.14 (a) Pilots shall be entitled to bereavement leave of three (3) consecutive days in the event of the death of their immediate family. "Immediate family" in this case shall mean: spouse (which shall also mean Common-Law spouse), children, mother, father, brothers and sisters, and parents-in-law.
- (b) Where a Pilot was scheduled to fly on any of these days, he/she shall receive; for mileage pilots, standard pay; and for salary pilots, normal salary. However, if requested, every effort will be made to provide the pilot with the opportunity to regain any scheduled flight hours lost during bereavement leave.
- 10.15 For all flights, the exact "ramp-to-ramp" time shall apply.

ARTICLE 11 – PROBATION PERIOD

- 11.01 (a) A pilot shall be subject to a probation from the commencement of training and continue for a period of six (6) months from the date he/she is assigned and received remuneration as a pilot. The Company reserves the right to dismiss the pilot if his/her services are found unsatisfactory or extend the probation with consent of the pilot and the Union.
- (b) In the event of a lay-off the pilot will be credited for the time already served towards this probationary period.
- 11.02 Nothing in the preceding article shall prevent the Company from reducing the said period and to inform the pilot if his/her services are found satisfactory.

- 11.03 Letters of reprimand regarding safety infractions will remain on file for an indefinite period, other letters of reprimand will be removed after 12 months. The pilot must be notified when any letter/document is added or removed from the pilot's file.

ARTICLE 12 – SENIORITY

- 12.01 The Seniority of a new pilot shall be determined by the date upon which he/she first receives remuneration as a pilot and where two or more employees have the same date, the senior pilot shall be selected by “draw”.
- 12.02 A pilot in the position of Chief Pilot, Deputy Chief Pilot or any management flying position will retain and accrue seniority and will continue to pay Union Dues.
- 12.03 Seniority shall govern all pilots in case of promotion or demotion, their retention in case of lay-off, their assignment due to expansion, reduction or change in scheduled operations, their re-call following a lay-off, their choice of vacancies provided that the pilots qualifications are satisfactory for the good conduct of the operations. Should the Company consider that the pilot lacks certain qualifications he/she shall be furnished with a written statement to that effect, upon request.
- 12.04 Seniority shall be forfeited by the following:
- (a) definite resignation,
 - (b) dismissal or discharge for cause,
 - (c) an illegal strike,
 - (d) failure to return to work fourteen (14) days following notice of recall,
 - (e) an unauthorized prolongation of a leave of absence, or
 - (f) lay-off exceeding 18 months
- 12.05 All pilots in the employ of the Company, having acquired seniority as a line pilot, will be included on the seniority list. The pilots' seniority list shall be revised on June 1st of each year and reported during the same month. Such list shall indicate the rank, name, status and base of the pilot, and also the date of appointment of the pilots on probation period. This list shall be posted by the Company at points accessible to all employees concerned, and a copy shall be given to the Union.

- 12.06 Within thirty (30) days following the posting date or the Pilot's return, in the case of a pilot who is absent, any pilot may protest (in writing) any error or omission made on the pilots behalf. Failure to do so will result in the seniority of each employee considered as permanently established.

ARTICLE 13 – POSITIONS, ASSIGNMENTS, PROMOTION

- 13.01 As soon as a permanent vacancy or new position shall occur, the Company shall post a bulletin on a system wide basis indicating:
1. Status: Captain or First Officer
 2. number of positions,
 3. place of work
 4. equipment concerned,
 5. date to be effective, and
 6. expiration date of posting after a period of seven (7) days.
- 13.02 Bulletins for positions shall be numbered beginning with number one (1) for the first bulletin posted in each calendar year.
- 13.03 The accredited representative of the Union shall be supplied with a copy of each bulletin.
- 13.04 Any Pilots who consider themselves qualified for a bulletin position must submit their bid, in writing, using the special form provided, to the person whose name appears on the bulletin. If the pilot fails to submit their bid before the deadline date indicated, they will be considered as having refused to submit their bid. Any Pilot absent during the period a vacancy is posted, will be advised provided that they have left a point of contact in writing with the Chief Pilot. A reasonable effort will be made to contact the Pilot, however, in the event this is not possible, the Company will not be responsible.
- 13.05 Within ten (10) days following the expiration date of the posting, the Company shall publish the name(s) of the successful candidate(s) on a notice.
- 13.06 Any bidder who is refused a posted position may, upon request, obtain a written reason for which they were not appointed.
- 13.07 In the case where no pilot has submitted a bid for a posted position, the Company may assign the position to the most junior pilot who is qualified for the position.

- 13.08 If the most senior bidder on a permanent vacancy does not have the required qualifications, but has demonstrated the skills, aptitude and maturity necessary for the position as determined by the Company acting reasonably, the Company shall provided the bidder with the opportunity to obtain the necessary qualifications for the type of aircraft involved in accordance with its training program.
- 13.09 From time to time the Company will schedule Captain (left seat) flight training courses to be given to First Officers, in accordance with its training program.
- 13.10 First officers upgraded to, or holding a position as, Reserve Captain will Receive remuneration in accordance with the position flown (that is, Captain or First Officer).
- 13.11 Pilots awarded a posted vacancy will not be permitted to bid on any other posted vacancy for a period of eighteen (18) months from the date the pilot was awarded their last position. Pilots who are awarded bids and subsequently decline the position will be subject to the same criteria.
- 13.12 (a) When a First Officer fails on the first occasion to qualify as Captain, he/she shall be given a second opportunity to successfully complete the exams, training, and tests. This second opportunity shall be granted within three (3) months following the first failure. In the event of a second failure to qualify, the First Officer's future employment will be determined by the Company and he/she will be notified in writing.
- (b) The same criteria shall apply in case of a vacancy for First Officer on a superior type of aircraft.
- (c) The same criteria shall apply in case of a vacancy for Captain on a superior type of aircraft.
- 13.13 Any mileage pilot being trained for another aircraft type in a salaried position will retain his "standard pay" until confirmation to the new position by the company (ie. on completion of first revenue flight).

ARTICLE 14 – LAY-OFF AND RECALL

- 14.01 Lay-offs shall be effected in the reverse order of seniority in order of the status involved.

- 14.02 The pilot concerned shall be notified in writing at least fifteen (15) days in advance of reduction in the number of permanent assignments in his/her status if he/she has completed less than one (1) years' service; thirty days if he/she has completed one (1) year or more of service. In the event of a voluntary resignation, a pilot shall give the same notice. Failure to give the required notice by either party will result in financial compensation in the amount of the number or days short of the required notice.
- 14.03 A pilot affected by a reduction in the number of permanent assignments in his/her status shall have the right to exercise his/her seniority to displace any pilot junior on the seniority list, whatever his/her status may be.
- 14.04 A pilot affected by a reduction in the number of permanent assignments shall have a period of seven (7) days from the date of notification of such reduction to inform the Company of his/her intention to exercise his/her seniority. Failing to exercise this right, the said pilot cannot exercise his/her seniority anywhere else on the system, but shall retain his/her recall rights.
- 14.05 A laid-off pilot shall be recalled when a vacancy occurs.
- 14.06 Recalls shall be affected in the reverse order of lay-offs, taking into consideration the previous status. If the Company requires the services of a First Officer on a certain type aircraft, the Company shall recall the First Officer who had acquired this status before the lay-off.
- 14.07 The parties agree that the status of a pilot is the one acquired while in the employ of the Company.
- 14.08 A pilot affected by a lay-off shall retain his/her seniority for a period of eighteen (18) months after which period his/her recall right shall cease. However, if the Company requires a pilot for which the laid-off pilot is qualified, he/she will get the first consideration to apply.
- 14.09 A laid-off pilot shall file his/her address with the immediate supervisor and shall thereafter promptly advise, by registered mail, of any change of address.

POSITIONS AND TEMPORARY ASSIGNMENTS

- 14.10 Temporary positions of less than three (3) months shall be offered to qualified pilots in the order of seniority and taking into consideration their preference.
- 14.11 The most junior qualified pilot for the position available shall, in accordance with the requirements of operations, if necessary, have to accept the position as provided in article 13.07.
- 14.12 Temporary positions of less than three (3) months need not be posted.

- 14.13 All new pilot positions or vacancies will be bulletined at applicable locations for a period of seven (7) days. The Union shall receive copies of all bulletins. Temporary positions that become permanent vacancies will be posted.
- 14.14 Any pilot who feels he/she is qualified for a posted vacancy may bid on any or all vacancies whether the position sought is of the same, greater or lesser remuneration. However, pilots declining to bid on vacancies or failing to qualify for bulletin positions will not lose their seniority.
- 14.15 If the Company receives no applications for a vacancy then the Company may hire a new pilot to fill the vacancy.

ARTICLE 15 – UNIFORMS

- 15.01 (a) The cost of new or replacement uniforms and parkas will be shared equally between the pilots and the Company. The Pilot's share of such costs shall, if the pilot wishes, be deducted from his/her wages in ten (10) equal installments over an equal number of pay days.
- (b) Uniforms will be limited to one (1) per year.
- (c) Parkas will be limited:
One (1) every three (3) years for Twin Otter Pilots,
One (1) every five (5) years for Dash 8 and Beech pilots
- 15.02 The Company shall reimburse the employee up to \$120.00 dollars each calendar year for the dry cleaning of uniforms and up to \$60.00 dollars each calendar year for the dry cleaning of flight suits, upon presentation of receipts.
- 15.03 It will be the responsibility of the Company to maintain and repair a pilot's headset.

ARTICLE 16 – LEAVE OF ABSENCE

- 16.01 The Company may grant a leave of absence without pay for a period not exceeding ninety (90) days in a calendar year; such leave of absence may be extended to six (6) months or more if the pilot has been working for the Company for more than three (3) years.

- 16.02 Any request for a leave of absence exceeding thirty (30) days must be made in writing to the Chief Pilot, at least four (4) weeks in advance.
- 16.03 A pilot on leave of absence shall maintain and accrue seniority.
- 16.04 In the event of national emergency, any pilot who does voluntary military duty with the consent of the Company or who is called for prolonged military duty, shall maintain and accrue seniority.
- 16.05 A leave of absence shall be granted to Pilots called to serve on a jury and they shall continue to accrue seniority of service during said leave of absence. They shall receive compensation equal to their salary less compensation received as a juror.

ARTICLE 17 – GRIEVANCE PROCEDURE

- 17.01 A grievance is defined as a dispute between the Company and one or more of its' pilots or between the Company and the Union concerning the interpretation or an alleged violation of the stipulations in this agreement. A grievance of general nature may be submitted by one or more members of the Grievance Committee.
- 17.02 If a grievance arises, it will be dealt with in the following manner:
- (a) The Pilot, either accompanied or not by a representative of the Union, shall submit his/her grievance directly to the Chief Pilot within ten (10) business days following the origin of the grievance.
 - (b) If the grievance is not settled within four (4) business days following submission to the Chief Pilot, it shall be submitted in writing to the Director of Flight Operations.
 - (c) If, after seven (7) business days, a satisfactory settlement has not been reached, the grievance shall be referred to the Vice President via the HR department of the Company who shall render his/her decision in writing.
 - (d) If after ten (10) business days a satisfactory settlement has not been reached, either party may process the grievance to Arbitration in accordance with Article 19 of this collective agreement.

ARTICLE 18 – DISCIPLINE AND DISMISSAL

18.01 A pilot may be suspended or discharged only for just cause. The Company shall notify the pilot and Union in writing of his/her discharge, suspension or investigation within seven (7) calendar days of the company being made aware of the event giving rise to such discharge or suspension. If such procedure is not followed, then such actions shall be deemed null and void.

ARTICLE 19 – ARBITRATION

19.01 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 Article 17.02(d) above, notify the other Party in writing, of it's decision to submit the matter in dispute to Arbitration.

19.02 (a) 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 days, or such longer period as the Parties may agree, the next person named will be selected and so on.

(b) The arbitrator to hear each case will be the person whose name on the list follows that of the person who heard the previous case.

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

19.04 The award so made shall be final and binding upon the Company, the Union and the pilot.

19.05 In hearing disputes arising out of the discipline or dismissal of an employee, the Arbitrator, where he/she finds such discipline or dismissal was improper, may modify the penalty.

19.06 The Parties to this Agreement shall jointly share the fee and expenses of the Arbitrator.

ARTICLE 20 – NEW EQUIPMENT

20.01 Rates of pay and working conditions shall apply to any equipment working within the weight categories of Article 2.01(p). For aircraft above those weights, the Company and the Union will meet within ninety (90) days of

obtaining the equipment to establish the rates.

- 20.02 It will be the Pilots choice as to whether or not he/she will accept a position which requires initial training.

This Article applies only to New Hires and Pilots with less than five 5 years of service receiving initial training after March 15, 2007.

The Pilot will be required to sign a binding undertaking with the Company to provide the money required for initial training amortized over twelve 12 months. The Company will make the required payments as long as the Pilot is employed with the Company. The only circumstances, where the Company will not continue payments is if the Pilot voluntary leaves the Company, at which time the Pilot would be responsible to pay the outstanding balance. In the event the Company ceases operations, it is understood that the Company will assume responsibility for the outstanding balance.

ARTICLE 21 – TEMPORARY EMPLOYMENT

- 21.01 (a) When new equipment is put in service, the Company may, without consent of the Union, hire qualified Pilots for a temporary period of up to six (6) consecutive months to fly such aircraft and to train pilots within the bargaining unit, or such longer periods as the Union may agree.

(b) The union must be informed of all contract pilot's being used including the start and end dates of their contract.

- 21.02 The Company may contract for "wet lease" of equipment utilizing non-Company pilots when such equipment is necessary to service the demand of short term nature provided such leases do not exceed six (6) consecutive months for equipment similar to Company owned aircraft, and twelve (12) consecutive months for other aircraft.

ARTICLE 22 – GENERAL

- 22.01 Any instruction or mutual agreement between the Company and the concerned pilot involving a change in base assignment, promotion, demotion, lay-off, change of vacation dates and leave of absence, shall be made in writing.

(a) The pilot shall not be required to pay for the use of any equipment of the Company utilized for training, except as outlined in Item 20.02, nor for the cost of damages to aircraft or equipment damaged while on duty for the Company.

- (b) The pilot shall reimburse the Company for a lost or damaged manual (except normal wear) due to his/her negligence.
- 22.02 If a pilot fails to qualify on a flight for the renewal of his/her instrument rating, the pilot shall be informed in writing with a copy to the Union. The pilot shall receive minimum of one (1) hour flight training on the equipment involved.
- 22.03 Following this training, the pilot concerned shall pass a second test with the Transport Canada. If he/she fails again, the pilot's status will be left at the discretion of the Company which will inform the pilot in writing, with a copy to the Union.
- 22.04 Regardless of where a pilot lives he/she will not be expected to crew extra flights which may come up when he/she is off duty unless it is mutually agreed between the pilot and Flight Operations.
- 22.05 Pilots will not be required to load or unload baggage or cargo, or fuel aircraft at stations where ground handling services are available. If new scheduled runs are created during the term of this agreement, the company may request temporary services of the pilots with approval from the union.
- 22.06 A minimum of one half (½) hour credit will be paid for each test flight unless the test flight exceeds one half hour then the actual flight time shall be paid
- 22.07 An administration fee will be charged to all pilots for space available travel on all Company aircraft as per the Company travel policy. Pilots not at home base as of January 1,2004 will commute at own expense.
- 22.08 At its Goose Bay premises, the Company shall provide a reasonable number of accessible parking spaces with plug-ins for the use of all flight crews at a maximum of twenty (20) dollars per pilot per year.
- 22.09 Grenfell Regional Health Services contract standby crew will receive flight pay for all flying time or a minimum standby credit of two (2) hours per day at their applicable hourly pay rate.
- 22.10
 - (a)
 - (i) Single day charter – Mileage pilots will receive their regular pay plus waiting time at their applicable hourly rate commencing one (1) hour after arrival. Salary pilots will receive their regular pay.
 - (ii) Pilots on single day charters, when stopping in one (1) place for more than five (5) hours, shall be supplied with lodging specified in article 6.02.

(b) Multiple Day Charter-Mileage Pilots will receive their regular pay or their applicable hourly rate for a minimum of three (3) hours per day, whichever is greater. Salary Pilots will receive their regular pay.

22.11 If the Company is at fault and a pilot's PPC or IFR rating expires while in the employ of the company, the pilot shall be paid; for mileage pilots, his/her standard pay; and for salary pilots, regular salary. If the pilot is at fault, the pilot will have the option to use his/her accumulated days, vacation days, or be removed from the payroll.

22.12 The Company will reimburse the Pilot for licensing fees, medical and required publications and amendment fees upon presentation of receipts for payment in accordance with the following:

Less than five (5) years service	50%
Five (5) years service or more	75%
Ten (10) years or more service	100%

22.14 The Company will copy the Union, via the shop steward responsible for the Pilot group of; the current position on the pay scale of all Pilots under the Collective Agreement by the end of each calendar quarter; the name, position, start and end date, for all contract positions; seniority list, job postings and awards, letters of reprimand and all other correspondence between the Company and the Pilot group.

ARTICLE 23 – CLASSIFICATION AND RATES OF PAY

Dash-8 Payscale

	<u>01 Jan 04</u>	<u>01 Jan 05</u>	<u>01 Jan 06</u>
<u>Captain</u>	Salary/Hourly	Salary/Hourly	Salary/Hourly
1 st Year	43,441.50/39.49	44,310.33/40.28	45,196.53/41.08
2 nd Year	46,870.41/42.60	47,807.82/43.46	48,763.97/44.33
3 rd Year	49,213.93/44.73	50,198.21/45.63	51,202.17/46.54
4 th Year	51,443.37/46.76	52,472.23/47.70	53,521.68/48.65
5 th Year	54,873.36/49.88	55,970.82/50.88	57,090.24/51.90
6 th Year	59,445.25/54.04	60,634.15/55.12	61,846.83/56.22
7 th Year	60,589.28/55.08	61,801.07/56.18	63,037.09/57.30
First Officer			
1 st Year	22,863.70/20.78	23,320.98/21.20	23,787.40/21.62
2 nd Year	24,006.88/21.82	24,366.98/22.15	24,854.32/22.59
3 rd Year	25,150.74/22.86	25,653.75/23.32	26,166.83/23.78
4 th Year	27,436.67/24.94	27,985.40/25.44	28,545.11/25.95
5 th Year	30,248.92/27.50	30,852.87/28.04	31,469.93/28.61

First Officers already above the salary level of the 5th year level will be red circled (frozen) at their current salary status plus any general increase until promotion to Captain.

Captains currently below the 3rd year salary level will progress through the payscale with the additional level any current 3rd year Captain will progress through the scale as before.

Beech Payscale

	<u>01 Sept 04</u>	<u>01 Sept 05</u>	<u>01 Sept 06</u>
<u>Captain</u>	Salary/Hourly	Salary/Hourly	Salary/Hourly
1 st Year	42,799.50/38.90	43,655.49/39.68	44,528.60/40.48
2 nd Year	46,177.74/41.97	47,101.30/42.81	48,043.32/43.67
3 rd Year	48,486.62/44.07	49,456.35/44.96	50,445.47/45.85
4 th Year	50,683.12/46.07	51,696.78/46.99	52,730.71/47.93
5 th Year	54,062.42/49.14	55,143.67/50.13	56,246.54/51.13
6 th Year	58,566.74/53.24	59,738.08/54.30	60,932.84/55.39
7 th Year	59,693.87/54.26	60,887.75/55.35	62,104.61/56.45
<u>First Officer</u>			
1 st Year	22,544.59/20.49	22,995.48/20.90	23,455.39/21.32
2 nd Year	23,671.75/21.52	24,026.83/21.84	24,507.36/22.28
3 rd Year	24,779.05/22.52	25,274.63/22.97	25,780.13/23.43
4 th Year	27,031.20/24.57	27,571.83/25.06	28,123.26/25.56
5 th Year	29,734.76/27.03	30,180.35/27.43	30,783.94/27.98

First Officers already above the salary level of the 5th year level will be red circled (frozen) at their current salary status plus any general increase until promotion to Captain.

Captains currently below the 3rd year salary level will progress through the payscale with the additional level any current 3rd year Captain will progress through the scale as before.

DHC-6 Payscale

	<u>01 Sept 04</u>	<u>01 Sept 05</u>	<u>01 Sept 06</u>
<u>Captain</u>	Base/Hourly	Base/Hourly	Base/Hourly
1 st Year	1276.38/17.99	1301.90/18.34	1327.93/18.70
2 nd Year	1560.20/17.99	1591.40/18.34	1623.23/18.70
3 rd Year	1766.68/17.99	1802.01/18.34	1838.05/18.70
4 th Year	1845.65/21.59	1882.56/22.02	1920.21/22.46
5 th Year	2087.75/21.59	2129.50/22.02	2172.09/22.46
6 th Year	2301.73/21.59	2336.26/22.02	2382.98/22.46
7 th Year	2803.96/21.59	2860.04/22.02	2917.24/22.46

First Officer

1 st Year	859.23/11.98	876.41/12.21	893.94/12.45
2 nd Year	945.16/11.98	964.06/12.21	983.34/12.45
3 rd Year	1043.86/11.98	1064.73/12.21	1086.03/12.45
4 th Year	1284.21/14.40	1309.89/14.68	1336.08/14.97
5 th Year	1415.84/14.40	1437.07/14.68	1465.82/14.97

First Officers already above the salary level of the 5th year level will be red circled (frozen) at their current salary status plus any general increase until promotion to Captain.

Captains currently below the 6th year salary level will progress through the payscale with the additional level.

C208B Payscale

	<u>01 Sept 04</u>	<u>01 Sept 05</u>	<u>01 Sept 06</u>
<u>Captain</u>	Base/Hourly	Base/Hourly	Base/Hourly
1 st Year	1276.38/17.98	1301.90/18.33	1327.93/18.69
2 nd Year	1560.20/17.98	1591.41/18.33	1623.24/18.69
3 rd Year	1631.02/17.98	1663.64/18.33	1696.92/18.69
4 th Year	1766.68/20.57	1802.01/20.98	1838.05/21.39
5 th Year	2277.49/20.57	2323.04/20.98	2369.51/21.39

23.02 Overtime will be paid within two (2) pay periods of being accrued.

23.03 **PAY SCALE PROGRESSION**

- (a) A First Officer or Captain's **progression** through aircraft type Scales will be on the anniversary date as established after completing one (1) year of cumulative time after your date of hire. Exception being, when at the Companies discretion, a pilot is started at a pay scale other than the first year level, the pilots length of service must reach the pay scale level of which he/she was hired before further progression up the pay scale. Pilot's hired under this article will enjoy any and all negotiated wage increases negotiated by the Union.
- (b) A First Officer or Captain **upgrading** to other aircraft type will enter the new type of aircraft "pay scale" at the annual rate next highest to his/her current annual rate.
- (c) A new anniversary date will be given with any change in status or aircraft type.
- (d) For First Officers upgrading to Captain in the Beech/Dash 8 pay scale, progression will be as follows: F/O – 4th year to Capt. – 2nd year; F/O – 5th year to Capt. – 3rd year; and F/O – 6th year to Capt. – 4th year. This gives the same progression opportunities as the DHC-6 pay scale.
- (e) The final decision on where the new hire is placed on the payscale, shall be decided at the Labour/Management Committee meeting referred to in Article 3.06.

23.04 Any Captain or First Officer being reassigned to a lower status for any reason shall be paid in accordance with the pay scale for that status for which his/her years of service with the Company entitles them.

ARTICLE 24 – DURATION OF AGREEMENT

- 24.00 This Agreement shall come into full force an effect as of the 1st day of January, 2007, and shall remain in effect until midnight on the 31st day of December, 2009, following which shall renew itself from year to year unless notice is given by either party to the other for 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 shall continue in effect while negotiations are being carried on for the conclusion of the new Agreement.
- 24.01 In witness whereof the said Parties have affixed their signature on this the day of _____, 2007.

Signature:
LABRADOR AIRWAYS LIMITED

Signed For:
INTERNATIONAL
ASSOCIATION OF
MACHINISTS AND
AEROSPACE WORKERS

LETTER AGREEMENT #1

This letter of agreement will continue in effect with the agreement of both parties.

The mileage formula will apply as follows:

1. DHC-6 Mileage Pay = $\frac{\text{Hrly pay} \times \text{Total Statute Miles}}{140}$
plus Landing Pay = $(\text{Hrly pay} \times .125) \text{ Total Landing}$
2. C-208 Mileage Pay = $\frac{\text{Hrly pay} \times \text{Total Statute Miles}}{150}$
plus Landing Pay = $(\text{Hrly pay} \times .125) \text{ Total Landing}$

In no case will formula figures be rounded down to less than four decimal points.

This letter will pertain to DHC-6 and C-208 A/C only.

For the Company

For the Union

Letter of Agreement #2

On January 1st of each year the Company will contribute to employees RRSP as outlined:

5 years of service	\$ 500.00
8 years of service	\$1,000.00
10years of service	\$1,500.00
15years of service	\$2,000.00

For the Company

For the Union

Letter of Agreement # 3
Vacation

Employees that have existing vacation already built up in excess of the years allowance will be permitted to take an additional two weeks vacation per year for 2004 & 2005 in order to use up the “banked” vacation or elect to have a maximum of 2 weeks vacation paid out per year with the intention of clearing up all accrued vacation by the end of 2005.

Additional vacation will be bid after all normal annual vacation has been bid.

Management reserves the right to deal with extenuating circumstances, which may require carry-over on an exception basis.

For the Company

For the Union

**Letter of Agreement
Red Circled Employees**

It is understood that, in case of layoff, current red circled positions will remain available until they are filled with replacements. Once the existing employees have been replaced, red circled pay will discontinue.

Any red circled employee will retain “red circled” pay until able to progress to another position with an increased payscale.