



AIR CANADA

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Air Canada comments on appointment of federal mediator in pension talks

MONTREAL, June 4 /CNW Telbec/ - Air Canada provided the following comment in response to today's appointment by the federal government of the Honourable James Farley, Q.C., as mediator in talks between Air Canada, its unions and its retiree associations to find a pension funding solution:

"As I have stated on numerous occasions over the past two months, our number one priority and focus of our efforts is to work towards an alternative pension funding solution," said Calin Rovinescu, President and Chief Executive Officer. "With the appointment today of the Honourable James Farley, we are hopeful of a rapid resolution of the pension funding issue as well as achieving labour stability, both of which are pre-conditions required to help the company obtain the financing needed to address the company's liquidity constraints. Justice Farley has extensive experience in corporate restructurings and labour negotiations, and we expect that he will make a useful contribution to the resolution of our pension issues in a timely fashion."

Air Canada's pension plan is subject to federal regulation under the Pension Benefits Standards Act, 1985.

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