

## Air Canada and Canadian Auto Workers reach tentative agreement on new contract

First tentative agreement with a Canadian union in 2009 negotiations

MONTREAL, Jan. 14 /CNW Telbec/ - Air Canada announced today that it has reached a tentative, three-year labour contract with the Canadian Auto Workers (CAW) Local 2002.

The agreement is subject to a ratification vote by union members and covers approximately 5,000 CAW represented Customer Service and Sales Agents employed by Air Canada. The proposed agreement also provides for a detailed plan for Air Canada employees currently working in the Aeroplan contact centres to transition to Aeroplan or remain at Air Canada. Similarly, affected Air Canada employees may also be able to request a transfer to Aeroplan. Further details of the agreement will not be released pending ratification.

"This is a very important development because the CAW is the first Canadian union to reach a tentative agreement in a year when all of Air Canada's labour contracts are up for renewal. I would like to express my appreciation for the professionalism of both the union and management bargaining teams, who I know devoted countless hours in tough negotiations over some difficult issues in the current environment," said Montie Brewer, President and Chief Executive Officer of Air Canada.

In December 2008, Air Canada announced it had finalized a three-year agreement with its 650-member, U.S.-based customer service workforce represented by the International Brotherhood of Teamsters.

%SEDAR: 00001324EF

For further information:

For further information: Isabelle Arthur (Montreal), (514) 422-5788: Peter Fitzpatrick (Toronto), (416) 263-5576; Angela Mah (Vancouver), (604)

270-5741: Internet: aircanada.com



