



AIR CANADA

[News Releases](#)

Air Canada and CAW Reach Tentative Agreement on New Contract

MONTREAL, June 16, 2011 /CNW Telbec/ - Air Canada today announced that it has reached a tentative collective agreement with the Canadian Auto Workers union (CAW) which ends a three-day walkout of the airline's call centre and airport check-in and gate agents in Canada. Employees are expected to return to work effective Friday morning June 17, 2011.

The parties have reached a tentative agreement on all elements of a new collective agreement, with the exception of the pension arrangements applicable to employees hired after the date of ratification of the collective agreement. This one issue will be referred to binding arbitration for resolution. The tentative agreement maintains a defined benefit pension plan for all current employees. The agreement is subject to final documentation, ratification by union membership and approval by the Air Canada board of directors. Further details of this agreement covering Air Canada's approximately 3,800 call centre and airport customer service agents in Canada will not be released pending this ratification and Board approval.

"We are very pleased to have reached a tentative agreement with the CAW. The agreement will help ensure the long-term sustainability of Air Canada while maintaining industry-leading compensation and benefits for our employees," said Duncan Dee, Executive Vice President and Chief Operating Officer. "It is business as usual at Air Canada. We want to thank our customers for their understanding and loyalty, and we appreciate their ongoing support. We also want to recognize our employees including pilots, flight attendants, maintenance and ramp workers, and especially management personnel for their dedication and support for going 'above and beyond' to keep the airline operating."

Air Canada continues to operate its regular schedule and recommends that customers, prior to leaving for the airport, consult their flight status information online at aircanada.com or on a mobile device where they may also check-in within 24 hours of their flight departure for added convenience.

Air Canada is Canada's largest domestic and international full-service airline providing scheduled and charter air transportation for passengers and cargo to more than 175 destinations on five continents. Canada's flag carrier is the 15th largest commercial airline in the world and serves 33 million customers annually. Air Canada is a founding member of Star Alliance. For more information on Air Canada visit aircanada.com. Follow @AirCanada on Twitter and Facebook.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Air Canada's public communications may include forward-looking statements within the meaning of applicable securities laws. Forward-looking statements, by their nature, are based on assumptions and are subject to important risks and uncertainties. Forward-looking statements cannot be relied upon due to, amongst other things, changing external events and general uncertainties of the business. Actual results may differ materially from results indicated in forward-looking statements due to a number of factors, including without limitation, industry, market, credit and economic conditions, the ability to reduce operating costs and secure financing, pension issues, energy prices, currency exchange and interest rates, employee and labour relations, competition, war, terrorist acts, epidemic diseases, environmental factors (including weather systems and other natural phenomena and factors arising from man-made sources), insurance issues and costs, changes in demand due to the seasonal nature of the business, supply issues, changes in laws, regulatory developments or proceedings, pending and future litigation and actions by third parties as well as the factors identified throughout Air Canada's public disclosure file available at www.sedar.com. Any forward-looking statements contained in this news release represent Air Canada's expectations as of date of this news release and are subject to change after such date. However, Air Canada disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

For further information:

Contacts : Isabelle Arthur (Montréal) 514 422-5788
Peter Fitzpatrick (Toronto) 416 263-5576
Angela Mah (Vancouver) 604 270-5741

Internet : aircanada.com

A STAR ALLIANCE MEMBER

