

News Releases Air Canada Receives Strike Notice from CUPE

Airline revises ticketing policy so customers can change bookings free of charge

MONTREAL, Oct. 9, 2011 /CNW Telbec/ - Air Canada has been advised by CUPE, the union representing the airline's 6,800 flight attendants, that the new tentative agreement reached by the Company and the union's negotiating committee on September 20, 2011 was not ratified by the union membership. Subsequently, Air Canada has been given a strike notice by CUPE confirming the union's intention to begin a strike at 00:01 a.m. ET Thursday October 13, 2011. In the interim, Air Canada's operations are not affected and the airline will continue to operate its normal schedule.

"We are perplexed and disappointed that two tentative agreements negotiated in good faith with and unanimously recommended by the democratically elected representatives of our flight attendants have failed to be ratified," said Duncan Dee, Executive Vice President and Chief Operating Officer. "Air Canada remains hopeful that a disruption can be avoided."

In recognition of the uncertainty for customers this situation may cause, Air Canada has introduced a flexible rebooking policy to enable customers booked for travel over the next six days on a rolling window basis (October 10-15, 11-16, etc.) to change dates free of charge until December 15, 2011, subject to seat availability.

Customers wishing to change Air Canada- and Air Canada Express-operated flights on tickets purchased directly through Air Canada are requested to use the airline's on-line Self Service Rebooking Tool available at <u>www.aircanada.com</u>. Customers who booked travel through a travel agent must contact their agent directly. Customers can also contact the Air Canada call centre, however wait times are longer than usual due to increased call volumes.

In the event of a work disruption, Air Canada will implement a partial schedule including Air Canada Express flights operated by its regional partner airlines (Jazz Air, Sky Regional Airlines, Air Georgian and EVAS Air). Further details of the partial schedule would be communicated prior to implementation. Regularly scheduled Air Canada Express service between Toronto City Centre and Montreal Trudeau airport, as well as codeshare flights operated by Star Alliance partner airlines on international and U.S. transborder routes, would remain unaffected.

Air Canada will continue to provide updates as developments warrant.

For more information and the most recent updates, please consult <u>aircanada.com</u>. You can also follow <u>@AirCanada</u> on Twitter and Facebook.

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, including those described below. 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 forwardlooking 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 <u>www.sedar.com</u>. Any forward-looking statements contained in this news release represent Air Canada's expectations as of the 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.

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