

BY FAX AND E-MAIL

June 16, 2011

The Honourable Lisa Raitt
Minister of Labour
Human Resources and Skills Development Canada
165 Hôtel-de-Ville Street
GATINEAU, QC
K1A 0J2

Dear Madame Minister Raitt:

On behalf of the 600,000 members of the Canadian Union of Public Employees, including 6,800 CUPE flight attendants at Air Canada, we join with the Canadian Labour Congress and the Canadian Auto Workers to express our strong opposition to your intent to introduce back to work legislation covering CAW customer service and sales agents at Air Canada.

In your public statements and in the House of Commons, you claim that you are acting in the public interest to protect Canadians and to guard against the effect this strike may have on Canada's still fragile economic recovery.

With the greatest of respect, we believe that is not the case. We also believe that you are not fulfilling your responsibilities as Minister of Labour.

Back to work legislation constitutes unjustified interference into the right of workers to free collective bargaining, as described in the preamble to Part I of the Canada Labour Code and international conventions of which Canada is a signatory. Lawful strikes and lockouts are to be conducted subject to the maintenance of activities provisions of Section 87.4 of the Code. We understand that Air Canada has not sought such a maintenance of activities agreement, nor have you or the Canada Industrial Relations Board taken action to seek such designation of services. Further, in the absence of any evidence that this strike constitutes a threat to the economy or that passengers are not able to make alternative travel arrangements, it is unwarranted that Parliament intervene to disturb the collective bargaining regime provided by the Code, including the lawful right to strike or lockout.

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You have stated that it is your preference for the parties to resolve their own labour disputes and to negotiate agreements they can live with. But the introduction of back to work legislation so quickly can only be seen as a pre-emptive action by the federal government to strengthen Air Canada's hand over its workers.

One of the key issues provoking this strike is Air Canada's attempt to achieve significant concessions to the existing workplace defined benefit pension plan for current CAW members, and introduce a defined contribution workplace pension plan for future new hires. These are the same pension concessions on our bargaining table as well.

As you are no doubt aware, your government enacted special pension funding regulations in 2009 to set out a reasonable series of employer payments into these defined benefit pension plans until 2014. Air Canada is meeting these funding obligations. This schedule of payments remains affordable until the expiry of the special regulations. While there is a solvency funding shortfall today, Air Canada refuses to estimate what that shortfall may be in three years time. Instead, they are using 2011 shortfalls to seek significant and permanent pension plan concessions and changes.

We have been consistent critics of your government's failure to address the real and pressing retirement needs of Canadians. In particular, Minister of Finance Flaherty's backtracking on needed improvements to the Canada Pension Plan last December and reliance on voluntaristic contributions to privately run pooled pension plans is the most glaring examples of such ineffective pension policy.

Your decision to introduce back to work legislation is another example of your government's continuing failure to address the retirement needs of Canadians. Such legislation will only strengthen the hand of a large federal employer intent on dismantling and abandoning its defined benefit workplace pension plan, a key ingredient in providing adequate retirement income for working people. Such back to work legislation will also constitute a negative precedent for other federal employers in both the private and public sectors to attack their defined benefit pension plans.

For these reasons, we urge you to resist the temptation to introduce back to work legislation at Air Canada. The federal government should not interfere in the lawful collective bargaining process in this way. There are other tools at your disposal under the Code. Your government should not so openly and provocatively take the side of an employer seeking major pension concessions and the ultimate abolition of its workplace defined benefit pension plan.

I would be happy to meet with you and your staff to discuss our concerns in greater detail.

Yours truly,

A handwritten signature in black ink that reads "Paul Moist". The signature is written in a cursive, flowing style.

PAUL MOIST
National President

:jvp/ceu

cc: S. Harper, Prime Minister; J. Layton, Leader, New Democratic Party; Y. Godin, Opposition Labour Critic;
B. Rae, Interim Leader, Liberal Party; R. Cuzner, Liberal Labour Critic; E. May, Leader, Green Party