

IN THE MATTER OF AN ARBITRATION

BETWEEN:

WestJet, an Alberta Partnership ("WestJet")

and

SWOOP Inc. ("Swoop")

and

Air Line Pilots Association, International ("ALPA")

INTRODUCTION

By Minutes of Settlement dated May 25, 2018, the parties agreed upon a process to reach a first collective agreement including the recognition of ALPA as the bargaining agent for Swoop Pilots and terms and conditions of employment for Swoop Pilots. That process provided for the referral of the outstanding issues in dispute to mediation/arbitration.

At the commencement of this process, both parties highlighted a critical issue that needed immediate resolution given its time sensitive nature: the integration of seniority of existing Swoop and WestJet pilots.

The Parties agree that WestJet and Swoop are related or associated undertakings operated by two or more employers having common control or direction within the meaning of section 35 of the Canada Labour Code and that a bargaining unit encompassing pilots employed by both WestJet and Swoop is appropriate for collective bargaining.

Swoop recognizes ALPA as the exclusive bargaining agent of its pilots, with the same level of exclusions as contemplated by the existing certificate issued by the Canada Industrial Relations Board (CIRB) dated May 12, 2017 which currently states: all pilots employed by WestJet, An Alberta Partnership, excluding managers, S3, standards crew management, chief pilot, directors, supervisors and persons above the rank of supervisor.

With respect to the above, the Parties have also agreed that no later than September 1, 2018, the Parties will make a joint application pursuant to sections 18 and 18.1 of the Canada Labour Code to the Canada Industrial Relations Board (CIRB) and request the Board amend ALPA's bargaining certificate dated May 12, 2017, to recognize ALPA as the bargaining agent of the pilots of Swoop in addition to the pilots of WestJet, with the same level of exclusions in accordance with the certificate referenced above.

The parties agree to discontinue CIRB proceedings (File Numbers XX) related to allegations of unfair labour practices with respect to the hiring of Swoop Pilots.

DECISION

The impending launch of Swoop on June 20, 2018, has necessitated an interim determination. The parties filed extensive written submissions that were exchanged in advance. After giving due consideration to these written submissions, along with those made at the mediation/arbitration that took place in Calgary on June 3, 6 & 7, 2018, I make the following determination.

This is an interim award pending final resolution of the Collective Agreement, including a Letter of Understanding ("LOU") on terms and conditions of employment with respect to Swoop Pilots. The final resolution of the Collective Agreement will be completed by as soon as practicable as directed by the Mediator/Arbitrator.

A. Interim Freeze

As at the date of this interim award, and for so long as it remains in effect, Existing Swoop Pilots ("Existing Swoop Pilots") will remain in their current rank and base ("Position") and will not be subject to displacement from their current Position until directed otherwise by the Mediator/Arbitrator.

B. Upcoming Vacancies and Hiring

WestJet is directed to hold a Vacancy Bid for 38 permanent vacancies at Swoop for the following classes (number of Positions/Base subject to change):

- a. June 25th, 2018 class – 10 First Officer Positions (Hamilton)
- b. August 13th, 2018 class – 7 Captain & 7 First Officer Positions (Edmonton or Abbotsford)
- c. September 3rd, 2018 class – 7 Captains & 7 First Officer Positions (Edmonton or Abbotsford)

Notwithstanding anything to the contrary in the current terms and conditions at WestJet, the Vacancy Bid process for the classes above will be conducted as follows:

- a. The Vacancy Bid will be released no later than Friday, June 8th, 2018.
- b. A pilot shall be responsible for submitting a Preferential Standing Bid ("PSB") which reflects his preferences.
- c. The bid will close at 0900 on Friday, June 15th, 2018.
Successful awards will be published by 0900 on June 17th, 2018.

For pilots awarded an above Vacancy, any bidding freeze or restrictions will be determined by the final resolution of the Collective Agreement. Additionally, should the Swoop pay rates as determined by final resolution of the Collective Agreement be greater than the current Swoop pay rates, a pilot awarded one of the above vacancy bids shall be retroactively paid the difference between the pay rates for the amount of credits he has earned at Swoop from the date of completion of his successful line check at Swoop to the date the Collective Agreement comes into effect.

Vacancies arising from this Vacancy Bid process will be backfilled with the normal processes already in place.

Should Swoop receive insufficient bids from WestJet Pilots to fill the positions outlined above, Swoop and WestJet may hire externally to fill the remaining positions. Swoop and WestJet may commence external posting of positions on June 11th, 2018; however, WestJet Pilots shall have priority over any external candidate.

Once the Collective Agreement between the Parties becomes effective, any future pilot Vacancies at Swoop will be filled in accordance with the Collective Agreement.

C. Captain Opportunities

In addition to those 38 Positions outlined above, 26 Captain bypass positions ("Captain Bypass Positions") at Swoop's Hamilton base will also be awarded. WestJet Pilots awarded Captain Bypass Positions must commit to take the next available Swoop Captain vacancies at Swoop's Hamilton base.

WestJet is directed to hold a Captain bypass position bid for WestJet pilots in accordance with the timelines for the Vacancy bid in B above.

Effective upon awarding of these Captain Bypass Positions, WestJet Pilots holding Captain Bypass Positions shall be paid the Step 1 Swoop Captain base rate of pay and shall continue to work in their current WestJet Positions. All other terms and conditions of employment at WestJet shall apply until the Pilot is transitioned into the Swoop Captain Position at Swoop's Hamilton base.

WestJet Pilots who bid and are awarded Captain Bypass Positions shall, upon transition into a Swoop Captain Position at Swoop's Hamilton base, shall be unable to bid into another position for a 12 - month period of active employment following successful completion of the Swoop Captain Line Check.

As subsequent permanent Captain vacancies occur in Swoop's Hamilton base, the senior WestJet Pilot holding a Captain Bypass Position at Swoop's Hamilton base shall transition.

As each WestJet Pilot holding a Captain Bypass Position is transitioned into a Swoop Captain Position at Swoop's Hamilton base, the now vacated Captain Bypass Position shall be awarded via further Preferential Standing Bid as may be required.

26 Captain Bypass Positions shall be reduced under any of the following conditions:

- a. Should an insufficient number of WestJet Pilots bid on positions on the original 26 Captain Bypass Positions, the number of Captain Bypass Positions will be reduced on a one-for-one basis.

- b. Should a WestJet pilot with a date of hire equal to or junior to an Existing Swoop Captain be awarded a Swoop Captain Position, one Captain Bypass Position shall be reduced accordingly. As a result, the junior WestJet Pilot holding a Captain Bypass Position will have the pay outlined above discontinued upon award.
- c. Should the employment of an Existing Swoop Captain with Swoop cease, a Captain Bypass Position shall be reduced accordingly.

Should the Swoop pay rates as determined by final resolution of the Collective Agreement be greater than the current Swoop pay rates, such pilots holding Captain Bypass Positions shall be retroactively paid the difference between the Step 1 Swoop Captain base rate of pay and applicable Captain base rate of pay as determined by final resolution of the Collective Agreement for the amount of credits he has earned at Swoop from the date of the successful completion of his line check at Swoop to the date the Collective Agreement comes into effect.

D. Seniority of Pilots Currently Occupying Captain and First Officer Positions at Swoop as of the Date of this Award or who are Hired at Swoop

Any pilot currently occupying Captain and First Officer positions at Swoop as of the date of this Award will be placed onto the WestJet Pilot Seniority List with his Date of Hire at Swoop in order of seniority he held at Swoop.

If any pilot is hired subsequent to this interim award will be placed onto the WestJet Pilot Seniority List in accordance with his Date of Hire.

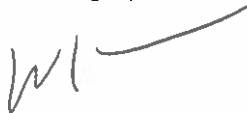
E. Additional Directives

I further direct the Association to immediately remove the existing recruitment ban against all Swoop Pilots, past and present, and communicate the same via those mechanisms used to initially implement the recruitment ban.

F. Retroactivity

In addition to the retroactivity provisions set out above, the mediator/arbitrator may direct any further retroactive adjustments he deems appropriate. However, no such adjustments may be made for any period prior to the date of this Award.

Dated at Calgary this 8th day of June 2018.



William Kaplan