

May 1st, 2021

UNIFOR VACATION, GENERAL HOLIDAYS, & VACATION PURCHASE PROGRAM TERMS & CONDITIONS

Dear Colleague,

The purpose of this document is to layout the terms and conditions applicable to the 2022 Vacation, General Holiday Option (GHO) and Vacation Purchase Program (VPP) offered to the employees covered by the Air Canada-Unifor Collective Agreement.

Timelines for the 2022 Program

Application Start Date: May 1, 2021

Application Deadline: September 15, 2021
Deadline for Changes to an Application: September 15, 2021
Confirmation of VPP/GHO Applications: October 15, 2021

VPP Time Bank Deductions:

VPP Paycheque Deductions:

Paycheque of November 10, 2021

First paycheque of January 2022

GHO hours added to Time Bank: (paycheque January 05, 2022)

First paycheque of January 2

GHO hours added to Time Bank: First paycheque of January 2022 (paycheque January 05, 2022)

Application

Employees can apply for the program using the online application tool available on:

ACaeronet under <u>HR Connex > Go to eHR Kiosk > Unifor AC General Holidays & VPP.</u>

Late applications will <u>not</u> be accepted after the September 15, 2021 deadline.

General Holidays (GHO)

GHO General Information:

- Employees can convert their nine (9) Statutory Holidays into ten (10) General Holidays (GHO) for use as biddable vacation or having the hours added to their Time Bank.
- GHO will provide eighty (80) paid hours of time off for full-time employees & forty (40) paid hours for part-time employees.
- GHO will automatically be granted for any employee who opts for it. All employees will receive a confirmation email regarding their GHO application.
- For employees choosing General Holidays, all Statutory Holidays will be treated as regular working days.
- General Holiday entitlement will be prorated for employees absent from the workplace for more than thirty (30) consecutive days.

GHO Options:

All employees who opt for GHO will have the option of in accordance with the below options:

| GHO Option | Details | | |
|--------------------------|---|--|--|
| Option A Vacation Bid | Eighty (80) hours for full-time Employees, forty (40) hours for part-time employees, to be bid in conjunction with the annual vacation bid | | |
| Option B Time Bank | Eighty (80) hours for full-time employees, forty (40) hours for part-time employees, deposited into the employees' time bank for use throughout the calendar year | | |
| Option C Hybrid | Combination of Option A and Option B: Half of the hours to be bid in conjunction with the annual vacation bid and the other half of the hours to be deposited into the employees' time bank. | | |

NOTE on Time Bank Options (Options B & C):

- If an employee would like the hours to appear in their Time Bank, they will be deposited and able to be viewed on their first paycheque of January 2022 (paycheque January 05, 2022).
- If an employee does not have a Time Bank, one will be opened for them to deposit the GHO hours.
- If the hours to be deposited due to Option B or C bring the employee over their Time Bank ceiling, these hours will be paid out.



GHO for LOU16s & Contact Centre Specialized Functions:

Employees working on a LOU16, the Company will review if the work can be performed during the Statutory Holiday. If so, the employee(s) will be given the option to work on the Statutory Holiday or to take a RO day. If the work cannot be accomplished on the Statutory Holiday, the employee working on the LOU will be offered to take a RO day or to work in their original location for the holiday.

The same principle will be applied to Contact Centres employees working in the specialized functions normally closed on the holidays. These employees will be offered the option between working in general reservations or taking a RO day.

Regular Statutory Holidays (Non-GHO)

The default position for employees who do not make any selection in the eTool will be status quo (Non-GHO) and will maintain their nine (9) Statutory Holidays as per the existing process.

Employees using regular statutory holidays or non-GHO will <u>not</u> be eligible for VPP.

Statutory Holiday Credits:

An employee that remains status quo will receive the applicable stat credits in accordance with the following:

- If a Statutory Holiday falls on employee's scheduled days off, an 8-hour Stat credit will automatically be generated.
- For employees working a compressed work schedule, if total hours worked is greater than 9 hours (i.e. scheduled hours less any part shift absences), a stat credit of 12 hours will be generated. If total hours worked is less than 8 hours, then the stat credit will represent hours worked payable at time + ½. In all cases, employees working compressed work schedules will receive a stat credit not exceeding twelve (12) hours.
- For part-time employees, holiday pay on days-off will be based on the hours scheduled in the four (4) week period immediately preceding the week in which the holiday falls and will be one twentieth (1/20) of those hours.
- If a Statutory Holiday falls on an employee's vacation, employees are entitled to take a day off in lieu of the stat or can opt for a Stat credit. During the reconciliation process, employees may not ask for a reversal. For example, an employee who received a Stat credit cannot ask for a day in lieu once the credit has been paid.

NOTE on Time Bank:

Employees with an active Time Bank will see all Stat credits added to their Time Bank up to their allowable max option. Those who did not opt for a Time Bank will



Vacation Purchase Program (VPP)

VPP Eligibility:

VPP is considered a secondary source of Additional Time Off and is <u>only</u> offered to employees who have selected the first GHO option (Option A – bid in conjunction with the annual vacation bid).

Employees participating in the 2022 VPP program will automatically be approved one (1) additional week of vacation. The second week is based on operational requirements.

One-week VPP equates to forty (40) hours for full-time employees and twenty (20) hours for part-time employees.

The following will not be eligible for VPP:

- Employees who maintain their Statutory Holidays
- Employees who selected Option B or C of the General Holiday program
- Inactive employees who do not have a confirmed return to work date in 2021 as of October 1, 2021
- Temporary employees

NOTE for RPI:

In accordance with Article 14.10.10, should an employee accept a change of status to participate in the Part-Time Retirement Phase-In Program (PT RPI) during the program year (i.e. 2022), participation in the VPP program will be breached and reconciled with the final time process at time of retirement.

VPP Payment Options:

| Payment Option | Details |
|----------------|---|
| Time Bank | Should an employee elect to use the Time Bank option for their VPP, this will be based on available hours as of pay period ending October 30, 2021 and they will see this deduction on their paycheck of November 10, 2021. |
| | Employees who have insufficient hours at the time of the deduction will be automatically moved to a payroll deduction. |



| Payroll | Deductions will begin on the first pay period of 2022 (paycheque of |
|---------|---|
| | January 5, 2022). |
| Hybrid | Employees who have opted for two (2) weeks of VPP, may opt for |
| | a hybrid payment option (half paycheque and half time bank). |

Annual Vacation Bids

- GHO and VPP weeks can only be selected following the third (3rd) round of annual vacation bids.
- Employees will be able to split their vacation equally by the number of weeks to which they are entitled, up to a maximum of six (6) blocks if they participate in the General Holiday and VPP program.
- The weeks selected for the second (2nd) and subsequent splits will be allocated in the same way as the first, only after all the original seniority process of allocation vacation weeks has taken place.

Vacation Entitlement

Vacation Entitlements are in accordance with Article 14.02.01:

| Years of Service | Entitlement (in weeks) | Entitlement Part-time Employees (in hours) | Entitlement Full-time Employees (in hours) |
|---------------------|---------------------------|--|--|
| 1 through 4 years | 2 | 40 | 80 |
| 5 through 14 years | 3 | 60 | 120 |
| 15 through 24 years | 4 | 80 | 160 |
| 25 years and over | 5 | 100 | 200 |

Annual Vacation Reconciliation

On an annual basis, the Company will reconcile all Time Off including GHO and VPP taken from the previous year.

During the 2022 vacation year, no employee will see any deduction made from their pay check for any Time Off that was taken, even if this Time Off exceeds their Vacation Entitlement. Therefore, any time more than one's prorated entitlement will be considered Additional Time Off (ATO).



If the reconciliation process requires employees to refund the Company, employees will be notified thirty (30) days in advance of the amount owed to the Company.

Additional Time Off (ATO):

As per the established processes, in mid-March 2023* (for the 2022 vacation year), all Additional Time Off will be deducted first from an employee's Time Bank, depending on whether the employee has a Time Bank and/ or the number of hours in it, followed by a pay check deduction in late March 2023* for all remaining time. All money owed back to the Company will be eligible to applicable taxes. This process is consistent with the Air Canada/Unifor Collective Agreement.

Should an employee owe money back to the Company because of ATO taken during 2022, there will be a gross to net calculation of 60% for all the money owing to that employee.

Example:

- If 60% of an employee's Vacation Pay Adjustment, VPP Balance owed to them or Vacation Payout is greater than the total amount owed by that employee, there will be a one-time deduction of the full ATO in 2023*.
- If the 60% is less than the ATO owed by the employee, we will apply the 60% deduction and any outstanding monies to a maximum of \$150 per pay for Full Timers and \$75 for Part Timers for any outstanding monies owed.

Leave of Absence and Proration:

In accordance with Article 14.08.03 of the Collective Agreement, any leave of absence taken throughout the year more than thirty (30) consecutive days, except for absences due to workplace injuries, will be prorated according to the time worked during the year.

Vacation Pay Adjustment:

Employees will receive a Vacation Pay Adjustment equivalent to 4%, 6%, 8%, 10% of their vacationable earnings, depending on years of service. This money will appear on their paycheque in May of 2023*.

All money paid out to employees will be added to their gross earnings and appear in full on the earnings side of the pay check.

Vacation Statement:



In early March of 2023*, the Unifor Vacation Statement will become available to all Unifor employees via:

ACaeronet under HR Connex > Go to eHR Kiosk > Unifor Vacation Statement

This detailed statement will provide a breakdown all Time Off taken from 2022 (Vacation, GHO and VPP). In the "Show Details", employees will be able to view all dates with applicable hours of Time Off. As per the established processes, all Time Off will be decremented first as Vacation, followed by GHO and VPP.

*Please keep in mind that all above dates pertaining to reconciliation 2023 are tentative and are subject to change slightly. Early next year, a second bulletin will be sent out to confirm all dates.

Online Unifor Vacation Calculator

To avoid being in an overpayment situation, employees can use the Unifor Vacation Calculator which allows each employee to calculate their own prorated entitlement in hours and determine the number of hours of paid vacation. To access this tool, please log on to:

ACaeronet under HR Connex >Go to eHR Kiosk > Unifor Vacation Calculator.

Should you have any questions, please don't hesitate to contact your resource manager.

Sincerely,

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