

Western Canada Report

Aerospace Council 2021

James Young, Plant Chair - Viking Air - Local 114

Greetings Aerospace Delegates,

It's been a very difficult year overall in Western Canada for Aerospace.

We are seeing a common theme. Downturns in work, Members being laid off and the uncertainty of mandatory vaccinations. Coupling these issues with the overall lack of engagement from union members is concerning to say the least.

Some of us will be entering into contract negotiations in the next coming year. This causes us concern when we look at the downturn in the Aerospace Industry as a whole.

We can't deny that the COVID-19 Pandemic has affected our bargaining units in ways we could never anticipate.

Viking Air Ltd.

Viking Air local 114 in Victoria BC, like many in Aerospace, are being hit hard and are hurting.

Viking and Longview Aviation in general, have undergone some leadership changes. As many of you may know, David Curtis, Executive chairman of Longview Aviation retired August 1st, 2021. This of course has affected Viking Air in Victoria, as well as the De Havilland Group at Downsview.

As Dave Curtis has stepped down, David Riggs is now leading the business as Chief Transformation Officer of the entire aviation enterprise including De Havilland and Viking.

Don Boitson, currently Chief Operating Officer responsible for Western Canada operations, will take on that role for the entire enterprise including the Viking and De Havilland operations, reporting to Mr. Riggs.

Currently a search is underway for a new Chief Executive Officer for the combined aviation enterprise.

The Twin Otter Production line remains stopped with no solid timeline for restart. Without any sales or firmed orders on the books this will not change. There have been some positive signs of movement in the industry however.

Viking Air Limited and PAL Aerospace have established a contract to support and develop the Twin Otter Fire Attack System.

This contract includes the design, manufacturing, installation, and certification of the Aerial Firefighting System for the Twin Otter DHC-6 300 and 400 aircraft.

Certification is set to be complete in 2022 and a currently unnamed international customer will receive the first aircraft.

Viking Air has also renewed their Twin Otter Series 400 aircraft support contract with the Peru Air Force. Originally initiated in 2016 it has been extended for a further five years. The FAP operates twelve Series 400 Twin Otters that provide civil protection, environmental monitoring, critical infrastructure support and emergency medevac services in the remote Amazonian regions of northeast Peru.

Petro Air based in Tripoli, Libya continues to work with Viking Air to secure a deal for 7 new Twin Otter 400 series aircraft. Part of this deal would be the trade of some of their current 300 series aircraft. The potential for Viking Technical Services/MRO/R&O to rebuild these 300 series aircraft would be welcomed.

VTS is also currently heavily involved in R&D for a refreshed Turbo Beaver. This updated aircraft will have modern Avionics and amenities.

With the Twin Otter production line stopped, manufacturing has been almost exclusively supporting the CL-215 program. Manufacturing is also producing spares for all Legacy De Havilland aircraft.

Viking's current Collective Agreement expires on May 31, 2022. They currently have 203 Union Members. Of those, 58 are on Layoff, 24 are on Leave and 5 have retired. This brings the workforce on the shop floor to 116. That's nearly a 50% reduction over the last 2 years.

The layoffs would have run deeper had the Stewards Committee not worked extremely hard to save 10 additional jobs, without displacing any junior members.

As with many others in Aerospace there has been talk of mandatory vaccinations in the workplace. While there has not been an official mandate from Viking it is believed it will happen in the near future.

There are 4 grievances in the system. Contracting out work, especially now, is a very sore spot with the membership. Viking has an excellent Shop Stewards Team who fight and resolve issues everyday.

Cascade Aerospace

Cascade Aerospace - Local 114 in Abbotsford BC, have been very fortunate. This is in part due to the nature of the work they do, mostly Military contracts. These contracts are not affected as strongly as commercial business.

Cascade has increased it's employee count this year with 100 new employees. This brings the Unionized member count to 400. The total number of employees sits at 615, including the 215 non-unionised workers.

With securing multiple military contracts in the last year including the US Airforce, Marine Corps and the Navy, Cascade has positioned themselves well to weather the typical downturn in work we are seeing. So much so, that they have had to send work to IMP Aerospace in Halifax.

They have extended their maintenance contract with the Canadian Armed Forces on the C130J and C130 E&H Legacy aircraft to 2025. This contract originally was to be dropped summer 2021, but they were successful in securing an extension of the contract. The C130 E&H legacy aircraft is some of the work going to Halifax IMP Aerospace. Cascade is sending members to IMP for support, under the Cascade AMO.

The Beginning of the year has seen USAF C130J aircraft slated for Avionics upgrades. Currently 2 lines in the hangar, 2 more waiting outside to be brought in.

The Heavy maintenance line for United States Marine Corp C130J is underway. Along with two C130J's from the United States Navy in for Avionics Upgrades.

From a commercial work standpoint Cascade has secured contracts with UPS for an Avionics Upgrade to their A300 aircraft.

With a single CL-215 Turbine conversion and CL-415 Avionics upgrade finishing off their commercial contracts.

Cascade completed Collective Bargaining on August 12th, 2021. They made some gains in contract language over contracting out. They also incorporated violence in the workplace language from legislation as well as personal leave language, to make it easier for members to read and understand. They were also able to gain a moderate wage increase and kept their COLA but capped. Benefits structure and costs were also a hot point for the membership.

Long Term Disability used to be unlimited coverage at 60% wage. Premiums paid by members had been increasing steadily over the years and many members did not see the value, the majority didn't want it. The New LTD now caps out at 5 years at 60% wage.

Members at Cascade are now faced with mandatory vaccinations in the workplace. Due to restricted access to the airport and work on government & military contracts federal legislation dictates this mandate.

By December 1st employees must be double vaccinated or they will be put on unpaid leave. It's not a termination so the individuals can get vaccinated and come back to work.

Boeing

Boeing Local 2169 - in Winnipeg Manitoba, have had a strong downturn in work. With 400 of their 1200 members laid off at the beginning of the COVID-19 Pandemic, they currently have 800 members on the shop floor. The Stewards team was able to save an additional 100 jobs from layoff by implementing a Workshare arrangement. Keeping those 100 workers slated to be laid off safe, by taking every 2nd Friday off.

Further easing the layoff members were able to accept a "Voluntary" layoff which stipulated their recall rights were waived. The Layoff packages included 26 weeks of salary plus their

Defined benefit plan as a lump sum. This allowed for some members to enter into early retirement while saving junior members jobs.

With 400 members on layoff they expect to have another 70 recalled back before the end of the year. This is due to the Boeing 737 production line slowly ramping up. Unfortunately the Boeing 787 line has not recovered as quickly.

Like Cascade, Boeing Winnipeg faces the rising costs of Long Term Disability coverage. Their members pay 6% of their monthly salary towards it.

They also face similar issues on mandatory vaccination policy, although it has not been implemented at the winnipeg facility, it has been in Seattle.

Boeing Winnipeg is also seeing membership disengagement like Viking and Cascade. Their Contract is up for negotiation in 2023.

Western Canada has some points in common across all bargaining units and locals. Uncertainty about mandatory vaccination requirements, General membership disengagement, rising healthcare costs and a general downturn in work.

It is my hope that as a group we can all come together and perhaps find some solutions to these issues. It won't be easy or fast, but together I believe we can overcome these tough issues.

Thank you for your time Delegates, it's appreciated.