

**SUBMISSION OF THE
CANADIAN FEDERAL PILOTS ASSOCIATION**

TO

THE HONORABLE GEORGE W. ADAMS Q.C.

**IN THE MATTER OF
THE RENEWAL OF THE COLLECTIVE AGREEMENT**

BETWEEN

THE TREASURY BOARD OF CANADA

AND

THE CANADIAN FEDERAL PILOTS ASSOCIATION

AND RELATING TO THE

**ARBITRATION HEARINGS REGARDING COMPENSATION
HELD AT
TORONTO, ONTARIO**

MARCH 2003

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Arbitration Brief - Canadian Federal Pilots Association

Description of the Bargaining Unit

The Canada Gazette Part 1, dated March 27, 1999, defines the bargaining unit as follows:

"The Aircraft Operations Group comprises positions that are primarily involved in inspecting, licensing and regulating aircraft, aviation personnel, air carriers, aircraft operators, airports and supporting facilities; determining certification; developing aviation legislation, standards and information and ensuring compliance with them; and piloting aircraft.

Inclusions

Notwithstanding the generality of the foregoing, for greater certainty, it includes positions that have, as their primary purpose, responsibility for one or more of the following activities:

the performance of the following activities for which recent experience in piloting an aircraft is required:

the determination of requirements and the development of operational procedures, navigational and instrument approach facilities and landing systems;

the determination of aviation operational requirements for airports, support facilities, weather services, air traffic control services, air navigation and communication operations;

the investigation of aviation occurrences, the conduct of safety studies, and the identification of and the communication of information relating to safety deficiencies;

the enforcement of aviation legislation to ensure an adequate level of safety for the national civil air transportation system;

the validation and dissemination of aeronautical information and the planning and management of civil air transportation systems during contingency periods; and

the advancement of aviation safety as provided for in the Canadian Transportation Accident Investigation and Safety Board Act and Regulations;

the delivery of staff training to ensure the maintenance of operational standards;

the conduct and management of test flights of fixed and rotary wing aircraft for the purpose of determining compliance with airworthiness standards;

the piloting of helicopters for shipboard or land-based helicopter operations for all Canadian Coast Guard requirements;

the planning, evaluation, and management of helicopter operations, systems and activities; and

the leadership of any of the above activities.

Exclusions

Positions excluded from the Aircraft Operations Group are those whose primary purpose is included in the definition of any other group.

Also excluded are positions in which experience as an aircraft pilot and a valid pilot's licence are not mandatory." (Bloch Conciliation Board Report - Exhibit 1)

The Canadian Federal Pilots Association (CFPA) is the certified bargaining agent for all employees in the Aircraft Operations (AO) group comprising 426 employees¹ (this number has been used by all parties throughout the negotiations) from three distinct sub-groups, Civil Aviation Inspectors (CAI), Engineering Test Pilots (ETP), and Helicopter Pilots and Supervisors (HPS).

These sub-groups are broken down as follows:
(Treasury Board Salary Data Report - September 2000 - Exhibit 2):

Classification & Level	Population
AO-CAI-1	0
AO-CAI-2	186
AO-CAI-3	139
AO-CAI-4	44
AO-CAI-5	9
AO-ETP-1	7
AO-HPS-1	33
AO-HPS-2	7

¹ Total includes one (1) managerial (excluded) HPS-3 position.

Duties and Qualifications

Civil Aviation Inspectors (CAI) are responsible for defining and monitoring the quality control features that the air transportation system in Canada depends on for its reliability and safety including pilot licencing, aircraft operations, air carrier operations, airspace structure, aids to navigation, airport operational standards, aeronautical information services, aircraft registration, accident investigation, and system safety. In this context, all CAIs exercise significant managerial authority over the aviation system in carrying out their day to day responsibilities.

Although CAIs have very diversified duties they all have one thing in common; their duties require them to define and monitor one or more of the quality control features of the air transportation system. To do this effectively, they are required at a minimum to hold and maintain Airline Transport Pilot Licences (ATPL). In order to qualify as a CAI an individual is required to demonstrate through written examinations and flight tests and detailed knowledge of the Canadian Aviation Regulations (CAR), aviation meteorology, aids to navigation, flight planning, radio communications, aircraft operations, navigation, weight and balance, and instrument flight rules and procedures. In addition, a CAI must be an expert on defining and monitoring those quality control features of the air transport system that are his or her specific responsibility.

An Engineering Test Pilot (ETP) must possess knowledge of engineering theory and principles at a level associated with certification as a Professional Engineer in order to make aeronautical engineering decisions. They have the comprehensive knowledge and experience to obtain and retain engineering test pilot status, equivalent to that which would be gained from a one year post-graduate course at a recognized test pilots' school (at a cost of approximately \$1,000,000) and are experienced in doing test pilot certification work. They are intimately familiar with industry practices and processes for the design, developmental flight testing, manufacture, and production flight testing of aeronautical products. This is crucial to their work of insuring the correct application of regulatory standards when certifying aircraft and aeronautical products.

The Helicopter Pilots and Supervisors (HPS) are assigned to Coast Guard ships for Shipboard Operations and conduct all weather operations, ice/pollution patrols, ship and lighthouse resupply, support hydrographic surveys, ice reconnaissance, and transport crews and equipment to maintain lights, markers and marine radio navigation aids. In doing so, they are often required to conduct external load operations as well as vertical reference external load operations. HPS pilots are also assigned to provide helicopter support to RCMP activities such as the International Border Enforcement Team (IBET). In addition to supporting Wildlife Agencies and conducting operations in support of the Fisheries Act and the Navigable Water Way Protection Act, HPS pilots are pollution prevention officers under the Canada Shipping Act and the Arctic

Waters Pollution Act and are called to support pollution incidents. HPS pilots also carry out Search and Rescue (SAR) standby duties and respond to SAR incidents and MEDIVAC requests including rescue hoist operations for retrieval of victims. HPSs are among the most qualified all-weather, all terrain, helicopter pilots in the world.

A limited but representative overview of the job content and knowledge required by a working-level employee may be found in the employer's work descriptions that are used to determine the classification and level of specific positions (See Exhibit 3). Included at Appendix A of this brief are short excerpts of the skills and job content knowledge required for several examples of representative working-level positions within the group including:

- Regional Aerodrome Safety Inspector (CAI-2)
- Regional Air Navigation and Airspace Inspector (CAI-2)
- Regional Commercial and Business Aviation Inspector (CAI-2)
- Regional General Aviation Inspector (CAI-2)
- Regional Aviation Enforcement Inspector (CAI-2)
- Regional System Safety Inspector (CAI-2)
- Regional Transportation Safety Board - Investigator - Air (CAI-2/3)
- Engineering Test Pilot (ETP-1)
- Helicopter Pilot (HPS-1)

It is clear that CFPAs are employed in a wide array of very specialized and highly technical positions. Their duties are critical to the maintenance of a safe and efficient air transportation system. It takes between one and two years before an employee is fully functional in their assigned position. Many areas of expertise are unique to their function; however, they all require, as the foundation to their ability to function, significant experience as a professional pilot. Many of these jobs are interdependent and collectively they form the framework that insures the continuing health of the air transportation system.

Demographics

As of June of 2000, there were approximately 11,571 ATPL licenced pilots in Canada (Joint Committee Research Data Package - Exhibit 4)². Within our group, all Engineering Test Pilots and virtually all Civil Aviation Inspectors and Helicopter Pilots hold ATP Licences, with the exception of a few CAIs and HPSs who hold a Commercial Pilot Licence - Helicopter with an instrument rating. It is worthwhile pointing out that there is no regulatory requirement for copilots at commercial airlines to possess an ATPL.

² The index to the above referenced data package is attached as an exhibit, the original document is fairly voluminous and will be made available to the arbitrator by the union committee in Toronto on March 13, 2002.

There have been many recent studies of the looming demographic problem within the Public Service; however, the following facts are specific to the AO group where the issue is more acute than elsewhere in the Public Service:

- As of January 1, 2002, 78% of the employees within the AO group are age 45 and older.
- The average age of the AO group is 51.2 and the average years of service with this employer are 13.
- Within this group 54.3% of the employees will be eligible for retirement by the year 2010 (Demographic Overview, Safety and Security, Transport Canada - March 2002 - Exhibit 5).
- According to CFWA membership data, the members of the bargaining unit come to the Aircraft Operations group with an average of over 13 years of aviation experience.
- The average member brings 8,300 hours of flying experience to the job with some as high as 23,000 flying hours (see Exhibit 3).

The Public Service Commission in their report of February 2002, *The Road Ahead: Recruitment and Retention Challenges for the Public Service* (Exhibit 6) highlights these demographic implications in their conclusions:

"As we have shown in this report, the age structure of the Public Service reflects both the aging of the baby boom generation and the relatively small numbers of younger employees brought in during Program Review. Thus, the Public Service will be more acutely affected by baby boom generation retirements than other employers. Furthermore, the intensification of knowledge work in the Public Service will put us in more direct competition with other employers in the knowledge economy.

These factors will come into play over the next decade, regardless of short-term economic cycles. The convergence of these demographic factors is expected to produce increasing competition between the Public Service and other employers for highly skilled workers."

Bargaining Background

"We believe that a review of the last round of collective bargaining is important for several reasons. Many if not all of the previous issues have resurfaced. Some very critical issues were not satisfactorily resolved,

some were deferred, and others have risen in importance due to the unforeseen emergence of threatening employment practices."

(Submission of the Canadian Federal Pilots Association to the Conciliation Board of the Public Service Staff Relations Board - April 2002 - Exhibit 7)

Since this was written all proposals were resolved except for those relating to compensation which are now the subject matter of this arbitration. In any event, we would like to review the development of compensation issues which arose in the last round of collective bargaining and which continues to be the focus of these negotiations.

The last negotiations began on September 8, 1998 and were concluded on December 6, 1999. These negotiations produced the first amendments to the collective agreement in over six years. This freeze period, together with the three years from September 8, 1999, up to September 11, 2001, proved to be the most dynamic period in the expansion of commercial aviation at any time since post World War II.

In 1998 Transport Canada commissioned a "Review of Recruitment, Retention, and Compensation of the Civil Aviation Inspector Community" by Price Waterhouse Coopers (PWC) (Exhibit 8). The mandate of this review is set out on the first page of the report:

"Price Waterhouse Coopers LLP (PWC) has thus been commissioned to conduct a review of TC's recruitment, retention, and compensation practices in contrast to those practices of private operators in the aviation sector that employ licensed aviation personnel who possess similar certifications and qualifications required by TC of its CAI population".

The employer, which for this purpose includes Transport Canada and the Treasury Board, refused to discuss the merits or otherwise of the Price Waterhouse Coopers report claiming that it had no relevance to the collective bargaining process.

The CFPA stressed to the employer that this report contained data relevant to the bargaining process and which was consistent with the Treasury Board manual on Collective Bargaining which stated:

"The Treasury Board undertakes to fulfill its statutory obligations as the Employer in collective bargaining by negotiating in good faith and with appropriate dispatch collective agreements for public employees that will provide terms and conditions of employment that compare fairly with those prevailing outside the public service for similar work."

On this subject, in the Cronkright dissenting opinion (Exhibit 9) the union nominee to the Bilson conciliation board (Exhibit 10) in that round of negotiations states:

“The Employer has responded that this policy has been suspended as a result of the ‘no catch-up’ legislation. This is clearly an understandable and no doubt valid observation. However, this is not the first agreement between the parties, nor is it likely to be the last. Therefore, it is essential in my view that an attempt be made to jointly develop guidelines that would act as a barometer in arriving at agreeable comparators and reasonably become a factor in the long run.”

Note: Chairperson Bilson made no recommendation with respect to wages.

This statement has proved prophetic in that the employer has refused to this day, in any formal collective bargaining sessions, to discuss the development of a verifiable compensation standard in order to move toward *“terms and conditions of employment that compare fairly with those prevailing outside the public service for similar work.”* No discussion of compensation comparables has been entertained by the employer.

Of course then, as now, the union brought up the report's conclusions on numerous occasions. The employer dismissed the report, ignored its conclusions, and all the while maintained that the government policy of a 2% per annum wage increase, coupled with the no-catch-up clause, made the report irrelevant.

The employer "rules" were honoured more in the breach. It is readily apparent from the wage settlement figures (Exhibit 11) that quantum was not the problem; percentage increases ranged from 11.3% for the HPS-1s to 21.5% for the CAI-5s with the average being approximately 16%. In our opinion, the employer internally recognized the validity of the PWC report, but refused to debate its relevance to the ongoing compensation, recruitment and retention problem.

At this point, we would like to briefly describe the salary structure of CFPAs members. The current compensation package consists of several elements: a Salary Scale, Overtime, Extra Duty Allowance, and a terminable Recruitment and Retention Allowance.

Salary

The salary scale for CFPAs members is made up of classification levels and steps within each level. The classification for a particular job is determined by the employer based on an analysis of the job duties and the steps are annual increments that are earned through years of service.

The Civil Aviation Inspector (CAI) salary scale is made up of five (5) classification levels (CAI-1 through CAI-5) and within each level there are either six (6) or seven (7) steps. The CAI-1 classification level is not a factor as there are no jobs classified at this level; entry level positions are classified as CAI-2.

There are only two (2) members of the bargaining unit classified at the CAI-5 level and forty-four (44) members are classified at the CAI-4 level. The overwhelming majority of CAI positions in the bargaining unit are working level positions classified as either CAI-2 or CAI-3. A large percentage of CAI-4 and CAI-5 positions are designated as managerial exclusions and as such are outside of the bargaining unit. While their pay and terms and conditions of employment are determined unilaterally by the employer, historically, they have matched the wage scales and terms obtained by bargaining unit members through collective bargaining.

Engineering Test Pilots (ETP) have only one classification level ETP-1 and within that level, there are six (6) steps.

The Helicopter Pilots and Supervisors (HPS) sub-group consists of two classification levels, HPS-1, the working level and, HPS-2, the supervisor level. Each level has five (5) steps.

Extra Duty Allowance

Extra Duty Allowance, which amounts to \$6,300.00 per annum, is pensionable and is paid to all members of the bargaining unit except ETPs and HPSs. Eligibility to receive Extra Duty Allowance is based on meeting the requirements of Transport Canada's Professional Currency Programs for Civil Aviation Inspectors or the TSB Policy on CAI Professional Aviation Currency and is deemed to have been met as a minimum, by the possession and maintenance of the Airline Transport Pilot Licence (ATPL) and Group 1 or Group 4 Instrument Rating/Pilot Proficiency Check or a Commercial Helicopter Pilot Licence and Group 4 Instrument Rating/Pilot Proficiency Check.

Recruitment and Retention Allowance – Collective Agreement LOA 99-4

"Employees in Group A and Group B, as defined below, who are incumbents of positions (either on a substantive basis or acting appointment basis) in the Aircraft Operations bargaining unit shall be entitled to a Recruitment and Retention Allowance as shown below:

(a) Group A, which comprises:

(i) Employees in the Engineering Test Pilot Subgroup,

(ii) Employees in the Civil Aviation Inspector Subgroup who are incumbents of CAI positions in:

Commercial and Business Aviation at Transport Canada

Maintenance and Manufacturing at Transport Canada

The Transportation Safety Board, employed as Senior Investigators, Team Leaders and Managers

(b) Group B, which comprises all other employees in the Aircraft Operations Group who are incumbents of positions in the bargaining unit."

(Collective Agreement between the Treasury Board and The Aircraft Operations Group Association 401/99 Expiry Date January 25, 2001- Exhibit 12)³

Group A employees receive \$4,200.00 annually and Group B employees receive \$1,800.00 annually. This allowance is paid biweekly and is pensionable but does not form part of an employee's salary for other purposes, i.e. overtime, maternity leave, etc.

It has been agreed in the present negotiations that the A and B allowance be equalized at \$4200.00 annually for all CAI members, the remaining question for the arbitrator is one of "method of payment and effective date" (Arbitration Terms of Reference - Exhibit 13). More about this later.

Development of Joint Committee Report

Prior to the start of this round of negotiations which began on February 20, 2001 with an exchange of proposals between the parties, the CFPA made a request to meet with Treasury Board management to provide an educational presentation that would assist them in understanding the skills and expertise of our members and their importance to the government and the public (Letter to Marcel Nouvet - Exhibit 14).

It was the union's belief that the previous negotiations were completely unsuccessful in communicating the concerns of our membership to the employer. Although a settlement was reached, it was accomplished in a very adversarial environment with no foundation being laid in ways that might assist the parties in further deliberations. The union sought an opportunity to meet with both

³ As of January 18, 2001 the Aircraft Operations Group Association changed its name to the Canadian Federal Pilots Association.

employers, Treasury Board and Transport Canada, prior to the heat of negotiations in a more collegial atmosphere, and prior to the resumption of what was anticipated to be very fractious negotiations. The following people were present:

Greg Holbrook, National Chairman, CFPA;
Shawn Coyle, National Secretary/Treasurer, CFPA;
Marcel Nouvet, Chief Human Resources Officer, Treasury Board;
Gray Gillespie, Director Employer Representation, Treasury Board;
Don Graham, Director of Collective Bargaining, Treasury Board; and,
Merlin Preuss, current Director General Civil Aviation, Transport Canada.

It quickly became apparent during the discussion that compensation would again surface as a contentious issue not only as to amount, but also as to applicability and with no common ground upon which to base an informed discussion. Mr. Nouvet offered Treasury Board support for a joint study to be conducted by the parties to ascertain market compensation data and produce a report for use by both sides at the bargaining table.

It was agreed that the existing CFPA/Transport Canada Management Issues Sub-Committee, (hereinafter referred to as the Joint Committee), would provide an appropriate vehicle to produce the study and report. It was further understood by all present at the meeting that such a joint study, if successful, would not by itself resolve wage proposals, but rather, would provide a template of rational comparators which the parties could use in advancing their interests at the bargaining table. This has been the union's position during the last negotiations and throughout the present round of bargaining.

The first meeting of the Joint Committee took place on January 18, 2001. The group was composed of representatives from the Canadian Federal Pilots Association (CFPA), Treasury Board (TB), Transport Canada (TC), and the Transportation Safety Board (TSB), all of whom are members of the negotiation committee. (Minutes of CFPA/TC Management Issues Sub Committee - Exhibit 15).

According to the minutes of the meeting, January 18, 2001...

“Data Types and Sources: Discussion at this meeting centered on the types and sources of data required for the upcoming negotiations with the understanding that data agreed to by the committee would be forwarded to the Treasury Board TB for reference during the upcoming negotiations [emphasis added]. It was decided that data collected would include: Recruitment and Retention Data; Market Data; and Demographic. This data should be presented in a one to two-page executive summary with supporting data as required.”

These minutes go on to state:

“Market Data: the HRDC/KPMG study and the Wings survey data were rejected since they were not comprehensive, not screened and not validated. Data from United States sources (CBAA 2001 Salary Survey etc) was rejected because it was not applicable to the Canadian environment in specific terms. The Price Waterhouse Coopers study data was accepted in principle [emphasis added]. The CFPA will attempt to get Air Canada Pilot’s Association, Airline Pilot’s Association and flight training unit compensation data for consideration. The TB will provide Canadian military pay and benefits data for pilot Captains, Majors, and flying Lieutenant Colonels. TC will attempt to get Vancouver Island Helicopter, Canadian Helicopters and Flight Safety International compensation data for consideration.”

This meeting and others produced a joint study (Joint Committee Report - Exhibit 16), which was agreed to on April 20, 2001 and tabled during the negotiations on April 26, 2001. The data package assembled by members of the Joint Committee, which was used to formulate the Joint Committee's conclusions, is attached as Exhibit 4.

The Joint Committee quickly came to the conclusion in their deliberations that the form and substance of the Price Waterhouse Coopers report was a worthwhile model and that the committee's job would be to update the 1998 data and to add any observations which the parties could agree were relevant. The Joint Committee report was produced without dissent. The principle issues addressed in the report were as follows:

- the industry standard for salaries and contracts;
- pilots' salaries in the Department of National Defence;
- 1998 Price Waterhouse Cooper Report with updates to the data on industry salaries;
- national and international economic forecast regarding the projected growth in air transportation for the next 5 to 10 years;
- departmental staffing and recruitment and retention data;
- employee turnover rates for the last three years;
- departmental training costs; and
- data on the number of qualified licensed pilots in Canada available to fill current and projected requirements.

To further explain the principle issues the following details are provided:

- The industry standard for salaries and contracts:

The Joint Committee confirmed the PWC methodology used in making job match comparisons between CAIs 3, 4, and 5 and occupations of similar

scope and responsibility from which a pool of prospective CAI candidates is drawn as follows (from the Joint Committee Report - Exhibit 16):

"On page 14, the PWC Report described the establishment of a comparison framework as follows: *"In order to achieve the assignment's objectives, first studied the labour market in which TC competes for qualified and capable CAIs was studied.....The comparison framework has allowed the drawing of valid comparisons between the CAIs and occupations of similar scope and responsibility since multiple variables were considered. The variables which were examined included, but were not limited to:*

WORKING CONDITIONS. *The specific requirements of the job in terms of working hours, schedule, location of work, travel, overtime, schedule of vacation;*

JOB COMPLEXITY. *The complexity of similar occupations in regard to level of supervision, responsibility, effort, and direct consequences of decision-making;*

CERTIFICATION. *The level of certification required and/or education level; and*

EXPERIENCE. *The level of experience, required time, type, and systems.*

All of these variables influence compensation levels and, hence, recruitment and retention practices of employers. By using these variables as a basis of comparison, it was possible to ensure the most valid correlation possible."

PWC used CAIs' 3, 4, and 5 mid-point wage scales for comparison purposes throughout the study. In job match comparisons they found no difference in the job description between CAI 2s and 3s, and accordingly combined them in the evaluation. [emphasis added] Overtime or bonuses were not used in any statistical analysis although they were reviewed (see job description PWC).

PWC, page 37: *"These three bench mark positions have been drawn from Commercial and Business Aviation (HQ), recognizing the fact that they will provide reliable comparators for similar positions (working environment, level of responsibility, technical requirements) in the private sector. We noted that the CAIs are engaged in a wide range of activities and responsibilities that include check rides, the certification of aircraft, the regulation of regional, national and international carriers, flying training schools, and airports, and the development/revision of*

regulatory guidelines. However, the three chosen benchmarks provided a valid measure of industry respondents against which to compare their employees. The primary reasoning behind this line of thought was that no matter in what service line CAIs are involved, they all must demonstrate that they possess similar credentials regarding pilot licensing and type certification for these three benchmark positions in the private sector." [emphasis added] (Joint Committee Report - Exhibit 16)

- Pilots' salaries in the Department of National Defence:

Although these salaries are part of the data package in Exhibit 4 (index) they were not used in the Joint Committee's conclusions.

- 1998 Price Waterhouse Cooper Report with updates to the data on industry salaries:

The Joint Committee updated airline pilot salaries used in the 1998 PWC report (see page 2 of the Joint Committee Report - Exhibit 16). These figures were used in developing the union's wage proposal on April 26, 2001. This proposal is found below.

- National and international economic forecast regarding the projected growth in air transportation for the next 5 to 10 years:

The Committee's long term aviation forecast may be found at page one of the Joint Committee report. It is clear that the forecast for growth of between four and six per cent per annum for the foreseeable future has not been accurate since the tragic events of September 11, 2001. We would like to point out; however, in our opinion, snapshot economic forecast are inappropriate in defence of, or in contradiction of, long term analysis. A short-term blip in long term trends, especially due to a catastrophic one-time event proves or disproves very little.

- Departmental staffing and recruitment and retention data:

This data forms a core part of the research data submitted to the committee by Transport Canada Human Resources.

- Employee turnover rates for the last three years:

"Turnover rates in the last three years have averaged over 8.6% annually: 2000 = 7%; 1999 = 10.7%; 1998 = 8.9%."
(Joint Committee Report - Exhibit 16)

- Departmental training costs:

Departmental training cost data was not directly included in the Joint Committee report. We have attached as Exhibit 17, the Civil Aviation associated costs with the training of a new inspector.

- Data on the number of qualified licensed pilots in Canada available to fill current and projected requirements:

The accumulated data led the Joint Committee to conclude that *"during this record three year period of growth, the pool of next generation pilots has remained static. The insignificant growth in the numbers of pilot licences (all categories) has failed to keep up with demand."*
(Joint Committee Report - Exhibit 16)

Present Negotiations

On February 20, 2001, the union submitted its proposals in a form, self-described as, "areas of interest." Direct negotiations followed on April 2-5, 2001, April 23-26, 2001, June 5-8, 2001, and July 17-20, 2001. During this period issues arose, both outside negotiations and at the bargaining table, which caused the union to file an action against the employer for a breach of duty to bargain in good faith in three separate instances (Shields and Hunt - Section 21 filing document - Exhibit 18). The issues were subsequently resolved by way of mediation before the Public Service Staff Relations Board (PSSRB) and resulted in the Minutes of Settlement signed on February 15, 2002 (Minutes of Settlement - Exhibit 19).

Wages were first discussed on April 26, 2001 when the union submitted its wage proposal at the request of the employer. Up to this point the union had tried to engage the employer in a general discussion of the results of the Joint Committee report seeking an agreement in principle that the use of agreed-to comparators would allow us to jointly explore compensation without resorting to hard and fast numbers. However, the employer insisted that they required specific wage rates in order to make an informed response. Accordingly, the following wage rates were tabled at that time:

	Current Mid Pt	EDA	R&R	Current TTL	Market Comparison
CAI-03	\$ 67,836	\$ 6,300	\$ 4,200	\$ 78,336	\$ 129,210
CAI-04	\$ 72,177	\$ 6,300	\$ 4,200	\$ 82,677	\$ 136,370
CAI-05	\$ 77,952	\$ 6,300	\$ 4,200	\$ 88,452	\$ 145,896
HPS-01	\$ 62,995	\$ 6,300	\$ 4,200	\$ 73,495	\$ 121,225
HPS-02	\$ 66,098	\$ 6,300	\$ 4,200	\$ 76,598	\$ 126,343
ETP-01	\$ 84,521	\$ 6,300	\$ 4,200	\$ 95,021	\$ 156,731
Market Comparison					
Air Canada A320		\$ 195,986			
Canada 3000 A320		\$ 119,309			
Air BC BAE146		\$ 108,538			
Air BC Dash 8		\$ 93,008			
Market Average		\$ 129,210			

Notes:

1. The above proposal used the CAI-3, 4 and 5 mid-point wage scales as was used in the original PWC Report (Exhibit 8) and revalidated in the Joint Committee report (Exhibit 16).
2. The wage proposal incorporated the elements of collective agreement articles: Annual Rates of Pay - Appendix A, Extra Duty Allowance – Article 46, and Recruitment and Retention Allowances - LOA 99-4.
3. In job match comparisons the PWC report found and the Joint Committee agreed that there was no difference in the job evaluations between CAI-2s and 3s and accordingly they were combined at the CAI-3 level in the above proposal.

The only material difference in the vast majority of CAI-2s and CAI-3s is geographical in nature. For instance, a regional CAI-2 Commercial and Business Aviation Inspector in Moncton, acting as the principal operations inspector for a large national carrier, such as Air Canada Jazz, performs the same functions and carries the equivalent responsibility to those CAI-3s carrying out similar duties for other carriers, but who do so within a division headquartered in the National Capital Region.

This same conclusion was reached by the employer's recent extensive exercise to re-evaluate all jobs and rewrite all work descriptions in preparation for the implementation of the Universal Classification System (UCS) throughout the public service. The results of this effort within Transport Canada demonstrated

that working-level positions within the regional offices were assessed as having the same relative value as working level positions within Transport Canada headquarters. While UCS as a program has not been implemented, the employer now uses the work descriptions developed by the UCS process in job postings and ongoing classification of positions.

The employer responded to the above wage proposal on July 19, 2001 with a proposed 2% wage increase in each of two years, refusing to comment or discuss the Joint Committee report (Exhibit 16).

At that point, it became obvious that the gulf between the parties was too wide to be breached in direct negotiations. The union had hoped to engage the employer in a discussion of the fundamental principles inherent in searching for reasonable guidelines, which would lead us to a compensation agreement. With no discussion forthcoming on the principles, the numbers were too disparate to lend themselves to a consensual compromise.

Conciliation

Accordingly, the CFPA applied for conciliation assistance. Ms. Denise Wilson was appointed and conciliation began on September 24, 2001. Compensation was not discussed during conciliation. A deadlock quickly developed over an employer proposal on "Hours of Work" which the union viewed as an attempt to frustrate the bargaining process. Ms. Wilson declared the parties deadlocked on September 26, 2001.

The union amended its application to the PSSRB, charging the employer with bargaining in bad faith (Exhibit 18), to include reference to the employer's "Hours of Work" proposal, and applied for the appointment of a conciliation board.

Conciliation Board

Mr. Jules Bloch was appointed as Chairman of a Conciliation Board and convened meetings on April 11-15, 2002 and May 30 - June 2, 2002. During these meetings, some progress was made on some non-monetary issues. The union once again attempted to engage the employer in a discussion regarding the benchmarking of positions with industry in accordance with the data created by the PWC report and the Joint Committee summary.

The employer stated that *"there is currently [emphasis added] no evidence of a recruitment and retention problem within the Aircraft Operations group"*, and to paraphrase the employer *"we did not agree to the value of the comparators or, if we did, it was a meaningless agreement. On the other hand, without prejudice to*

our position, the comparators are no longer valid." (CFPA Submission to the Conciliation Board - May 29-June 2, 2002 - Exhibit 20)

Perhaps it is advisable at this juncture that we as briefly as possible describe the union's position regarding recruitment and retention.

Recruitment and Retention

Although there can be no doubt that beginning in 1998 with the PWC report and continuing through April 2001 and up to September 11, 2001, by all accounts there was a serious recruitment and retention problem. In July 1999, the Director of Commercial and Business Aviation, Transport Canada wrote a memo to the Director General of Civil Aviation (Exhibit 21), Transport Canada stating among other things, that *"critical staff shortages"* existed and that *"at this time, no Division can fulfill its mandate."* Further, he stated: *"Our problem at present is one of recruitment and retention, not unusual resource demands; however the Directorate should strive to over-staff, since we are losing our qualified inspectors to Industry and to ICAO at a significant rate."*

We acknowledge that the events of September 11, 2001 have seriously affected the economics of aviation on a global basis; however, in Canada there is not now, nor has there been, any reduction in force among Canadian airline pilots. Since Canada 3000 filed for bankruptcy, there have been at least three substantial start-up air carriers and significant on-going growth at WestJet.

"The success of the Canadian economy in the past eighteen months, in contrast to the United States, has bewildered many economists. The jobs sector is on fire, budgets are mostly in surplus and Canadian consumers are starting to throw their weight around." (Financial Post - February 26, 2003)

It should not be necessary to point out that eight months of the current collective agreement, which will expire in January 2004, had already passed by September 11, 2001, and yet the employer during that entire period refused to recognize the existence of the problem. While the employer has been maintaining at the bargaining table that *"we do not have an R&R problem"*, there have been numerous government studies that claim otherwise. On March 20, 2002, Transport Canada's Safety and Security Management Committee (SSMC) in conjunction with Transport Canada Human Resources produced a document *"Safety and Security Human Resource Plan 2002-2005"* (Exhibit 22) which outlines a strategy for dealing with the recruitment and retention difficulties existing and prospective in Transport Canada.

As of September 03, 2002, Transport Canada received special authority from the Public Service Commission to be exempted from the relative merit requirements

of the Public Service Employment Act (PSEA) because of shortages and recruitment difficulties and were authorized to make appointments from outside the Public Service without competition. The Transport Canada Policy for Appointments Without Competition of Persons from Outside the Public Service - August 14, 2002 (Exhibit 23) specifically identifies the AO group as a "*shortage group*" where this exemption can be applied due to "*A demonstrated inability to recruit sufficient numbers of potentially qualified candidates through normal ongoing recruitment practices*" and "*High turnover rates that can be directly linked to competition from other employers.*" The policy lists shortages existing at all levels of the AO group and throughout all regions of the country.

In our opinion, the severe magnitude of the retention problem in the near future has been amply demonstrated. Replacing employees as a result of retirement, or as a result of departures to industry, by definition, assures the employer of a long term recruitment problem from a stagnant or declining pool of qualified replacements whose pay is unrelated to the industry in which they toil.

On the other hand, in the words of prominent Canadian jurist, Mr. Justice Emmett M. Hall as stated in his 1979 arbitration award covering the AO group:

"The subjects of recruitment and retention were dealt with by both parties but in my judgement these do not materially affect the "rates of pay" question now the dominant issue." (Hall award 1979 - Exhibit 24)

Conciliation Board Report

Despite the best efforts of Chairman Bloch, we were unable to reach an agreement on compensation. The union did make an effort to introduce the idea of some longer term planning into the capture of benchmark rates by using the comparators that had been developed by the PWC and Joint Committee reports. This proposal was described by the union as representing an interim step subject to the employer agreeing that this would become an interim part of a longer-term process. This initiative was flatly rejected by the employer.

The Chairman announced that as there was, in his view, no chance for an agreement on process or compensation, and that, with the agreement of the parties, his report would not make any recommendation with respect to compensation. (Bloch report - Exhibit 25) The report was issued on June 18, 2002 and the union commenced legal strike action July 2, 2002.

PSSRB Mediation

In early October 2002, the parties were contacted by Mr. Gilles Grenier, Mediator for the PSSRB, offering the Board's mediation services subject to the agreement

of the parties. The first meeting was held on October 21-22, 2002, with the principles from both parties. These exploratory meetings led to further meetings on November 1-2, 2002 with Mr. Grenier, the full CFPA negotiating committee, and the principles from the employer's negotiating committee. The early promise of these meetings quickly faded when the subject of compensation arose.

The union committee made a proposal consisting of the principles that they felt should be recognized by the employer, which if accepted, would lead to some consensus building on the matter of compensation. Those principles were as follows:

- Recognition of the Industry comparators as expressed by the Joint Committee report;
- Equalization of the R&R allowance at the higher level of \$4200.00 and incorporation into salary;
- Payment of Extra Duty Allowance of \$6300.00 to all members of the bargaining unit;
- Any and all allowances to be considered as pay for all purposes, and
- Harmonization of the CAI 2 and 3 salary scales.

Employer response (from notes):

- No recognition of the joint study
- PWC flawed and not accepted by TC, never authorized by TB
- No R&R problem, understand the union cannot accept the pay cut resulting from the employer's previous proposal of elimination of R&R
- Cannot agree to rolling R&R into pay
- Don't agree with payment of EDA to all employees; in this round there is no justification for hiding money
- Will renew EDA with no change
- Harmonization of CAI2/3 runs against the classification system, employees should file classification grievances
- Employer does not believe any of the comparative studies and does not accept any of the findings
- There is no R&R problem but may be willing to equalize the differential between A and B groups
- No justification for anything other than a pattern settlement (2.8/2.5/2.3)
- Must maintain internal relativities with other public servants (admin/clerical)
- Definitely 3 year agreement duration
- May do one additional step such for FI/EL but they had no R&R allowance

CFPA Response to Employer

Joint Study

The CFPA's position then and now is as follows. The Joint Committee study was originally sponsored and organized by the Treasury Board in a straight-forward attempt to avoid a repeat of the last negotiations which proved highly unsatisfactory to both parties, as evidenced by the more than 150 grievances that were filed protesting the discriminatory and arbitrary nature of the R&R allowance, i.e. \$4200 for half of the group and \$1800 for the other half.

We are informed, over four years after the PWC report was issued, that it was not accepted by Transport Canada. However, the March 2002 Transport Canada document "*Safety and Security Human Resource Plan 2002-2005*" (Exhibit 22) refers in Appendix D to the:

"pressure mounting for time to take action on results of previous studies-Price Waterhouse [emphasis added] -RI community results etc..., workload issues, increasing demand for recruitment, numerous unproductive staffing efforts for certain groups, traditional recruitment methods will not sustain long term workforce needs, HR system needs fixing."

Unfortunately, throughout these negotiations, the existence of the PWC report and the Joint Committee report has been ignored. The employees are demanding that they be compensated in a way that relates to their professional qualifications, to the functions that they perform, and to the industry of which they are an integral part. Yes, they even recognize that they are a part of a vast Public Service work force. The union believes that the PWC and Joint Committee reports were valid efforts to produce an equation, and a result, which would be acceptable to all parties. We find it extremely difficult when an employer who has fully participated in developing this equation abandons the process because they do not like the results. We feel this position is unfortunate and a betrayal of the good will towards the employer that was expressed when we entered into the Joint Committee exercise.

We strongly indicated to the employer our willingness to approach the implementation of the results in various stages, and to this extent we informed them that for the duration of this collective agreement we could look at an interim step, based on the reference point of a total compensation package of \$114,000 for a CAI-3 including the incorporation of all present allowances (other CAI levels, ETPs and HPSs were adjusted accordingly - Exhibit 26). This was contingent on the employer recognizing the appropriateness of benchmarking the employees with the industry, as adjusted in the PWC and Joint Committee reports, and keeping in mind that none of these studies benchmarked CFPA members with the highest rates in the industry. The union proposal recognized that the reports

did not include the very highest or lowest industry wage rates, and the proposal was adjusted for application within a Public Service context. This interim adjustment of \$114,000 correlated to the compensation currently paid to a military pilot with seven-year years in the rank of Major.

Recruitment and Retention Allowance

Subsequent to this meeting agreement was reached to equalize the R&R allowance at \$4200 per annum payable to all members of the bargaining unit. The union proposes that this allowance be rolled into salaries as a lump sum adjustment prior to the application of any increases. Currently the R&R allowance is not included in wages for the purposes of calculating overtime pay, further it is terminable at the expiration of the collective agreement at the employer's option. Since the expiration of the present contract, this allowance has been renewed approximately every six months by the employer, sometimes at the last moment.

Extra Duty Allowance

As a result of the last negotiations, and the government's no-catch-up legislation, the extra duty allowance was increased, from a range between \$2400 and \$4200, to a flat rate of \$6300 per year and is in fact part of the wage scale for the vast majority of our members. As such, it has misaligned previously existing internal relativities within our group. The ETPs and HPSs are excluded from receiving this allowance. The HPS pilots fly as much or more, as part of their regular activities, than any other sub-group within the AO group. The Engineering Test Pilots can and do fly any aircraft that has wings or rotors. The fact is that it is part of the wage structure and should be available to all employees.

Allowances - General

To discount parts of the wage package by compartmentalizing monies such that they are not considered part of pay can only be justified on the basis of the employer's desire to maintain a discount on payment of non-salary compensation.

Harmonization of CAI 2 and 3 Salary Scales

The principle of equal pay for work of equal value is amply demonstrated in the PWC report, the Joint Committee report, the employer's comprehensive UCS job re-evaluations, and is evidenced in the employer's job descriptions. This is an obvious inequity and needs to be rectified.

Employer's Wage Offer

The employer's final wage offer over a three-year contract duration, of 2.8%, 2.5%, and 2.3% was rejected.

The employer refused to negotiate further on this basis and stated that any procedure that would require an agreement on the principles described above and leading to a benchmarking of positions was rejected, and firmly declared that such a process had no applicability to the Aircraft Operations group. At this point Mr. Grenier saw no reason to continue the meetings and declared another deadlock.

Arbitration Agreement

On November 22, 2002 meeting was held with the Assistant Deputy Minister, Safety and Security, Transport Canada, the Assistant Secretary/Labour Relations and Compensation, Treasury Board, and Mr. Holbrook and Mr. Young from the CFPA. At this meeting a tentative agreement was reached between the parties to refer the matter to arbitration subject to the union drafting the terms of reference (Exhibit 13). The non-compensation items that were resolved at that time were:

- Duration - 3 years;
- Equalization of R&R allowance at \$4200 for all employees;
- The union's last Hours of Work proposal and
- A letter from Transport Canada (Exhibit 27) which resulted in the union withdrawing its Section 23 unfair labour practice complaint (Exhibit 28) to the PSSRB.

The arbitration agreement including the Terms of Reference was signed on December 4, 2002.

Conclusion

It is difficult to summarize our interests and concerns in a few short sentences. Our saga spans over four years in arriving at this juncture. We have gone through multiple conciliation and mediation processes to get to this point. Our "interests" are to be compensated in a fair and equitable manner by using a process that results in remuneration of a standard suitably recognizing our working conditions, job complexity, certification and experience. We are of the view that in order to do this we must come to an agreement with the employer for the use of valid comparators. Although we are public servants, our entire professional background is devoted exclusively to aviation.

We believe that the concerns of the employer are two-fold. Firstly, the employer regards the CFPA as one small part of a large pattern of settlements. In our view, this would only be true if all the settlements were for professional aviators. Secondly, this concern leads the employer away from any settlement that may be used as a precedent against them in other negotiations.

We believe these to be unfounded concerns. The employer has indeed established a relationship between men and women doing the same job and the employer pays doctors and prison guards differently from computer systems analysts or clerical staff.

In our experience, every management consulting organization, whether they are large or small, utilizes sophisticated job matching techniques. If there is any fault in the techniques used by Price Waterhouse Coopers and revalidated by a committee of all parties to this dispute, it has not been pointed out to us. Finally, our main interest is being included in a government policy which *"undertakes to fulfill its statutory obligations as the Employer in collective bargaining by negotiating in good faith and with appropriate dispatch collective agreements for public employees that will provide terms and conditions of employment that compare fairly with those prevailing outside the public service for similar work."*

It is our fervent hope that you will be able to assist us in avoiding the "Ground-Hog Day syndrome" of repeating over and over again the mistakes of the past.

Appendix A - Skills And Job Content Knowledge Examples Of Representative Working-Level Positions

The following examples are short summaries demonstrating the skills and knowledge required of a working-level employee to carry out the duties of their position. While not comprehensive in scope they are provided as an abbreviated representation of the level of skills and qualifications required of employees in the selected example positions. Italicized text indicates direct quotation from the employer's work description.

Aerodrome Safety Inspector (CAI-2)

Skills and Job Content Knowledge

"Principles of mathematics and geographical interpretation to interpret technical drawings, survey plans, construction blueprints and topographic charts; to plot geographic coordinates, perform trigonometric calculations to determine the most restrictive dimensions of protected airspace and zoning surfaces, and to assess and determine potential impacts on airport and aircraft operations.

The management and operations structures and organizations of the various aerodromes, heliports and airports in the region and the interactions between airport authorities and operators, NAV CANADA, other levels of government, and Transport Canada, to provide advice and guidance in the development of airport operations manuals, to assess risks, conduct investigations, and other regulatory activities.

Project and priority management skills combined with the methods and techniques involved in conducting comprehensive audits and inspections to lead projects and/or participate in national working groups and audits; to plan, organize and implement audit and inspection programs, and to prepare work plans."

Air Navigation and Airspace Inspector (CAI-2)

Skills and Job Content Knowledge

"The position requires knowledge of the concepts, theories, and practices pertaining to the Air Navigation System at the subject matter expert level, in order to provide technical input into the development of standards and regulations. This degree of knowledge is normally acquired through formal education at the post-secondary level and on-the-job training and experience. This also includes pilot training and experience, in order to

bring the user dimension into the day-to-day requirements of the position.

The work requires knowledge of the Air Navigation System and of the relationship between the various components, knowledge of the demands placed on the system by aircraft performance, aircraft size, surveillance systems, commercial operations and an appreciation of economic/cost-benefit impacts. This background knowledge is needed in order to undertake risk evaluation of proposed changes or deviation from standards.

The work requires knowledge of The Aeronautics Act and the Canadian Aviation Regulations and incorporated standards, particularly Parts VI and VIII, the Civil Air Navigation Services Commercialization Act, the Chicago Convention on International Civil Aviation and associated annexes. This background knowledge is acquired through training and experience."

Commercial and Business Aviation Inspector (CAI-2)

Skills and Job Content Knowledge

"Theories, techniques and procedures of avionics systems, structures, propulsion and electronics systems and the training and experience necessary to qualify for and to maintain an Airline Transport Pilots Licence and/or commercial Helicopters Licence.

Investigative techniques and observation, analytical and conflict resolution skills to identify regulatory and compliance infractions; evaluate impact; take corrective action and/or resolve compliance problems and conflicts with stakeholders.

Project and priority management skills combined with the methods and techniques involved in conducting comprehensive audits and inspections to lead projects and/or participate in national working groups and audits; to plan, organize and implement audit and inspection programs, and to prepare work plans.

Knowledge, skill and experience to review, assess and approve the effectiveness of operators administrative policies and operational procedures, personnel training manuals, and minimum equipment lists and amendments."

General Aviation Inspector (CAI-2)

Skills and Job Content Knowledge

"Theories, techniques and procedures of avionics systems, structures,

propulsion and electronics systems and the training and experience necessary to qualify for and to maintain an Airline Transport Pilot Licence and/or Commercial Helicopter Pilot Licence.

Investigative techniques and observation, analytical and conflict resolution skills to identify regulatory and compliance infractions; evaluate impact; take corrective action and/or resolve compliance problems and conflicts with stakeholders.

Airspace structures, the function and use of aids to air navigation, instrument's flight procedures, operational requirements of various aircraft types, aircraft systems. This knowledge is required to respond to inquiries from individuals attempting, or flight training units and flight instructors preparing training programs and students for written examinations conducted for personnel licensing purposes.

Interpersonal, communication and conflict resolution skills and techniques to direct, counsel, advise and evaluate work performance of staff; to represent the Department on national working committees; to develop solutions to aviation safety issues and stakeholders concerns often of a unique nature, and to determine the immediate response to emergencies."

Aviation Enforcement Inspector (CAI-2)

Skills and Job Content Knowledge

"Theories, techniques and procedures of avionics systems, structures, propulsion and electronics systems and the training and experience necessary to qualify for and to maintain an Airline Transport Pilots Licence and/or commercial Helicopters Licence.

Investigative techniques and observation, analytical and conflict resolution skills to identify regulatory and compliance infractions; evaluate impact; take corrective action and/or resolve compliance problems and conflicts with stakeholders.

Airside operations at large and small airports and the methods, techniques and practices involved in operating a vehicle in this environment. This knowledge is required to conduct surveillance and monitoring activities of air operations and ground de-icing operations at airports, and to ensure compliance.

Methods, techniques and practices of gathering and safeguarding evidence for use in court proceeding; courtroom decorum and the practices involved in acting as case presenting officer and/or presenting

evidence as subject matter expert witness before judicial or quasi judicial proceedings."

System Safety Inspector (CAI-2)

Skills and Job Content Knowledge

"The work requires knowledge of: air laws, regulations and procedures, flight management systems, airframes, engines and aircraft systems, meteorology, Air Navigation System (ANS), instrument flight guidance systems, principles and use of radio communications and aids to navigation, flight operations, and the theory of flight and human factors effecting flight safety in order to operate government aircraft. This knowledge is also required to direct the operations and the delivery of regulatory safety compliance and certification programs including audit and inspections of operations, assessment of obstacles to aviation safety, effectiveness of visual aids, respond to pilot various queries and participate in aeronautical studies.

Human factors theories and principles, including risk management, stress, communications, and fundamental aviation psychology theories to develop and deliver human factor training sessions. Basic aircraft accident investigation techniques to carry out duties under the Minister's Observer program.

Methods, techniques and practices to research, analyze and interpret data for the preparation and presentation of reports, the conduct of surveys to identify potential problems, hazards and deficiencies, and the offering of seminars, briefings, educational programs, workshops and symposia."

Transportation Safety Board - Investigator - Air (CAI-2)

Skills and Job Content Knowledge

*"Scientific Investigation Knowledge:
To effectively lead and conduct investigations into a wide range of transportation occurrences and provide investigators with on the job training, the work requires a knowledge of: Integrated Safety Investigation Methodology (ISIM) (i.e. risk assessment and risk control options, event and causal factors methodology, defence barrier analysis), data search techniques, interviewing and deception detection techniques, human factors, critical and perishable evidence preservation, continuity of evidence, metallurgy and fracture analysis, event and data recorder format and interpretation); dangerous goods/toxicity and exposure measurement; personal protective clothing - ABC protection levels; first aid and CPR; salvaging methodology; still and video photography; on-site trouble*

shooting; fuel sampling techniques; methods and techniques used to keep investigative equipment operational; and test and analysis requirements. This knowledge is acquired through training in basic accident investigation; occurrence survival investigation; witness interviewing; media relations; human factors; team building methodologies; report writing techniques; basic management skills; risk assessment and control options, and through experience in a variety of accident investigations.

Knowledge is also required of national modal safety issues to provide expert advice/information to assist in the development of the "Significant Safety Issues List" (SSIL), to ensure the appropriate response to an occurrence (if a particular occurrence is related to SSIL) and to support the macro analysis group.

This work requires a comprehensive knowledge of: trends and developments in aircraft design; aircraft certification; performance and operating characteristics; aircraft operating procedures; performance characteristics of a variety of rotary and fixed wing aircraft; fundamental air traffic control procedures; airspace characteristics and rules; air navigation systems; aircraft design; maintenance; power plants; structures, materials, hydraulic and electronic systems; cockpit resource management, systems and procedures; meteorology; and advances in passenger safety."

Note: With additional experience and demonstrated expertise an investigator will be promoted to the CAI-3 level.

Of note is the fact that when a position such as described in the above CAI-2 work descriptions is located within the National Capital Region such a position is classified one level higher i.e. CAI-3. This issue will be dealt with in further detail later in this brief.

Engineering Test Pilot (ETP-1)

Skills and Job Content Knowledge

"Knowledge of engineering theory and principles at a level associated with certification as a Professional Engineer, in order to make engineering decisions.

Additional comprehensive knowledge and experience to obtain and retain engineering test pilot status, equivalent to that which would be gained from a one year post-graduate course at a recognized test pilots' school, plus experience doing test pilot certification work. Specifically, the work requires in-depth knowledge, fundamental understanding and significant experience in the principles, theories and practices of the following disciplines and aptitudes:

- i) aerodynamic theory and aircraft dynamics;*
- ii) design characteristics and principles of operation of aircraft systems including avionics equipment, mechanical systems, and powerplant systems;*
- iii) systems safety assessment methods;*
- iv) test pilot techniques and procedures for assessment of performance, handling qualities, human factors, system failures and pilot workload;*
- v) flight test procedures, methods and practices associated with aircraft flight test data acquisition instrumentation systems;*
- vi) hazards associated with the flight testing of uncertified aircraft; and*
- vii) industry practices and processes for the design, developmental flight testing, manufacture, and production flight testing of aeronautical products. This includes knowledge of the methods, techniques, and practices for interpreting aeronautical engineering flight test data analysis, drawings, schematics and specifications relating to those products.*

The work requires aircraft certification process knowledge, normally gained through industry or government experience in the application of regulatory standards as related to aeronautical product certification and consists of:

Knowledge of the practices employed in the national and international aeronautical product certification processes, in particular, the various methods of determining compliance in accordance with the applicable regulations, standards, and advisory material. This knowledge is required in order to maintain and develop appropriate procedures and policies for both the HQ and regional engineering specialists.

Knowledge of the methods, techniques, and practices for developing policies, regulatory recommendations, standards, audit criteria, and procedures in order to develop and recommend changes to existing practices."

Helicopter Pilot (HPS-1)

Helicopter pilots are assigned to Coast Guard ships for Shipboard Operations for periods of to 4 weeks (Longer under certain circumstances.) and conduct all weather operations, ice/pollution patrols, and ship and lighthouse resupply. They also maintain the Marine Navigation System. This is the largest program in terms of hours flown involving the helicopter transport of crews and equipment to maintain lights, markers and marine radio navigation aids. HPS pilots are also assigned to provide helicopter support to RCMP activities such as the International Border Enforcement Team (IBET). HPSs support hydrographic surveys, and ice reconnaissance. They conduct External Load Operations where cargo is transport while suspended below the helicopter as well as Vertical Reference External load operations where the pilot maneuvers a load, while it is suspended on a 100 foot lanyard, by leaning out the helicopter, to visually pick up or place the load accurately. In addition to supporting Wildlife Agencies and conducting operations in support of the Fisheries Act and the Navigable Water Way Protection Act, HPS pilots are pollution prevention officers under the Canada Shipping Act and the Arctic Waters Pollution Act and are called to support pollution incidents. HPS pilots also hold Search and Rescue (SAR) standby and respond to SAR incidents and Medivac requests including Rescue Hoist operations for retrieval of victims.

For the last 10 years, the hiring standard has been a commercial helicopter license with an instrument rating and 3000 hours pilot in command of helicopters. In the early 1990's The Airline Transport Pilot License - Helicopter (ATPL-H) was introduced and most HPS pilots now have an Airline Transport Pilot Licence. In summation, these are among the most qualified all-weather, all terrain, helicopter pilots in the world.

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List of Exhibits

- Exhibit 1 Bloch Conciliation Board Report
- Exhibit 2 Treasury Board Salary Data Report
- Exhibit 3 Educational Submission/Work Description
- Exhibit 4 Joint Committee Research Data Package Index
- Exhibit 5 Demographic Overview, Safety and Security, Transport Canada, 2003
- Exhibit 6 The Road Ahead: Recruitment and Retention Challenges for the Public Service, Public Service Commission, February 2002
- Exhibit 7 Submission of CFPA to Conciliation Board, April 2002
- Exhibit 8 Review of Recruitment and Retention and Compensation of the Civil Aviation Community, Price Waterhouse Coopers
- Exhibit 9 Cronkright Dissenting Report
- Exhibit 10 Bilson Conciliation Board Report
- Exhibit 11 Wage Settlement Figures
- Exhibit 12 Collective Agreement Between Treasury Board and the Aircraft Operations Group Association – 401/99
- Exhibit 13 Arbitration Terms of Reference
- Exhibit 14 Letter to Marcel Nouvet, November 7, 2000
- Exhibit 15 Minutes of CFPA/TC Management Issues Sub-Committees
- Exhibit 16 Joint Committee Report
- Exhibit 17 Civil Aviation Training Costs
- Exhibit 18 Shields and Hunt – Bad Faith Bargaining – Section 21(1) (PSSRA)
- Exhibit 19 Minutes of Settlement, February 15, 2002
- Exhibit 20 CFPA Submission to Conciliation Board – May 29 - June 2, 2002
- Exhibit 21 Memo to Director General Civil Aviation, Transport Canada
- Exhibit 22 Transport Canada Safety & Security Human Resources Plan 2002-2005
- Exhibit 23 TC Policy for Appointment Without Competition
- Exhibit 24 Justice Emmett Hall Arbitration Award 1979
- Exhibit 25 Bloch Report
- Exhibit 26 CFPA Wage Submission
- Exhibit 27 Letter from Transport Canada
- Exhibit 28 Shields and Hunt – Unfair Labour Practice – Section 23 (PSSRA)