

AGREEMENT NO. 3

Between

ONTARIO NORTHLAND RAILWAY

and

**UNITED STEELWORKERS OF AMERICA
TC LOCAL 1976**

**Representing
EMPLOYEES OF O.N. TELCOM**

Expires June 30, 2002

INDEX

Article No.		Page No.
7	Assigned Rest Days	11
13	Assistance or Relief for Employees When Overworked	25
24	Attending Court	32
30	Bereavement Leave	45
3	Bulletining & Filling Positions	6
17	Continuation of Benefits	27
11	Construction Forces	22
31	Deduction of Union Dues	46
	Definitions and Interpretations	2
4	Displacement & Recall	8
32	Employment Security and Income Maintenance Plan	49
23	Examinations	32
33	Final Settlement of Disputes Without Stoppage of Work	49
27	General Holidays	36
21	Grievance Procedure	29
16	Headquarters	27
29	Health and Welfare	44
6	Hours of Service, Rest and Meal Periods	10
12	Installation Technicians	24
24	Jury Duty	32
22	Leave of Absence and Free Transportation	31
19	Life Insurance Upon Retirement	28
26	Long Distance Telephone Operators	33
15	Movement of Household Effects and Free Transportation	26
35	Negotiations During Term of Agreement	54
10	Network Installation Repair Technician	20
9	Network Service Technicians	16
8	Overtime and Calls	14
	Preamble	1
34	Rates of Pay	50
18	Relief Work	28

Article No.		Page No.
1	Scope	2
2	Seniority Status & Lists	3
25	Service Papers	33
34.7	Students	52
20	Suspension for Investigation	28
	Termination	55
14	Transfer at Railway's Request or in Exercise of Seniority Rights	26
28	Vacations	38
29A	Worker Compensation\Weekly Indemnity	45
	Letters of Understanding	56

PREAMBLE

The following rules and rates of pay shall govern the employees of the Telecommunications Branch as listed herein on the Ontario Northland Railway.

The rates of pay for additional positions established shall be in conformity with the rates of pay for comparable positions of the same class shown in this Agreement and currently occupied. Such rates shall be subject to immediate review by the proper officer of the System on request of the Chief Steward.

Changes shall be made in agreed basic rates of pay for individual positions only when warranted by changed conditions. When changes in basic rates of pay are proposed, the positions affected will be reviewed and compared with the duties and responsibilities of comparable positions by the proper officer of the System and the Chief Steward, with the object of reaching an agreement of revised rates to maintain uniformity for positions on which the duties and responsibilities are relatively the same. Reduction in the basic rate of pay for any position will be made only when a permanent vacancy occurs in such position, and the amount of such reduction shall be applied to increase the basic rates of pay of other existing positions where an increase is required to bring the basic rates of pay of such positions in conformity with those of positions of which the duties and responsibilities are relatively the same.

DEFINITIONS AND INTERPRETATIONS

"System" shall mean the Ontario Northland Railway.

"President" shall be understood to mean the Chief Operating Officer of the System.

"Chief Steward" shall mean the Chief Steward of the "Union".

INTERPRETATION

Any question of interpretation which may arise will be adjusted by the Chief Steward with the President.

ARTICLE 1

Scope

1.1 Employees assigned to service in the Telecommunications Branch within those classifications listed in the schedule of wages attached to and forming part of this agreement, or who are regularly required to devote any portion of their time to work performed within those classifications, and all other classifications in the Telecommunications Branch as certified by the Ontario Labour Relations Board with additions or deletions as may be mutually agreed to from time to time, shall be considered as coming within the scope of this agreement.

Interpretation

Supervisory employees will not be used to do work covered by this schedule at any time when qualified employees in the Telecommunications Branch are reasonably available. When all efforts to meet the situation by employees are exhausted, supervisory employees may be used in emergency.

1.2 Employees will have the exclusive right to all positions incorporated in the accompanying wage schedule and any employees' positions subsequently added in accordance with the Preamble, and/or Article 1.1, also to any new employees' positions created by the absorption of other lines when vacancies in such positions occur. When newly constructed lines are taken over, all employees' positions on such lines will be considered vacant and any employee in line for promotion to them will have fifteen (15) days within which to make application for same.

ARTICLE 2

Seniority Status and Lists

2.1 The right of promotion of employees in the various groups specified in the schedule of wages appended hereto and forming part of this agreement shall extend over the entire Telecommunications system and shall be governed by merit, fitness and ability. Where these are sufficient, the senior employee shall be given the preference.

2.2 (a) When an employee is offered an official or other position by the System not covered by this schedule, it is not obligatory upon him/her to accept. If he/she does so and an understanding is reached between him/her and the Vice-President Telecommunications Services, confirmed through the Chief Steward, he/she may retain rights to the position previously held for a period of six months. If he/she remains in such official or other position beyond six months, his/her previous position will be bulletined at once, but he/she may retain his/her standing on the seniority list. A person released from an official or other position after the six month period may only bid in vacancies occurring within the seniority group from which promoted or work spare.

(b) The assignment held by an employee granted leave of absence to act as full time representative of the employees will, subject to the approval of the President, be protected during period of such leave, but during this period the employee concerned will be allowed to bid on other positions.

(c) Effective upon the ratification of this agreement, when an employee is offered an official or other position by the System not covered by this schedule, it is not obligatory on him/her to accept. If he/she does so and an understanding is reached between him/her and the Vice President O.N. Tel, confirmed through the Chief Steward, he/she may retain and continue to accumulate seniority for a period of one year. He/she may retain rights to the position previously held for a period of six months. After one year, his/her seniority will be frozen at that date unless he/she continues to pay the normal monthly union dues. If he/she decides to suspend the payment of union dues, their seniority will be frozen as of the month in which payment is stopped. A person released from an official or other position after the one year period may only bid in vacancies occurring within the seniority group from which promoted or work spare. This provision does not apply to employees promoted to the supervisory position in Moosonee.

2.3 If an employee is granted leave of absence from the System,

concurrented in by the Chief Steward, for a period of six months or less, he/she may retain his/her position for that period. If his/her leave of absence is extended beyond six months, his/her position will be bulletined vacant at once and he/she may retain his/her seniority for an additional six months after which he/she loses all rights. This is not intended to apply to cases of sickness and/or disability which are, in the opinion of the Vice-President Telecommunications Services and the Chief Steward bona fide.

2.4 Seniority of employees in each group covered by this agreement will date from the time they last entered the service in such group; it being understood that employees temporarily out of employment on account of staff reductions will not forfeit their seniority, provided they are available when required.

2.5 A new employee shall be on a six months' period of probation from date of employment and if retained beyond this period will then rank on the seniority list from the date first employed in a position governed by this agreement. In the meantime, unless removed for cause, which in the opinion of the System renders him/her undesirable for its services, the employee will be regarded as coming within the terms of this agreement.

2.6 Occasional employees who are used when regular relief employees are not available will not establish seniority until they have fifteen continuous days of service. Assigned days off not to be counted.

2.7 Temporary employees may be hired by the company to perform non-skilled, non-technical type work on special projects or contract work on other than company property. Such temporary employees will not accumulate seniority or be entitled to any benefits other than those prescribed by law. Upon completion of the project or contract work, such temporary employees will be released from service and their records will be closed. When necessary, a technician will be assigned to perform skilled work. If a supervisor is assigned to be present on the project site, a technician will also be assigned.

2.8 Lists of employees showing their seniority standing will be kept on file open to the inspection of all employees concerned. These lists will be subject to correction on proper representation from any employee, jointly to the Vice-President Telecommunications Services and the Chief Steward and a copy of same, corrected to date, will be

furnished to the Chief Steward at the beginning of each year.

2.9 When two or more employees are employed on the same day, their seniority standing will be determined by the time they start work and they will be considered senior in the order shown on the list.

2.10 Seniority protests by employees shall be invalid unless filed jointly with the Vice-President Telecommunications Services and Chief Steward within one year from date of first publication of the name in the official seniority list.

2.11 No change shall be made in existing seniority status unless concurred in by the Chief Steward.

ARTICLE 3

Bulletining and Filling of Positions

3.1 All vacancies and appointments for sixty days or more shall be identified as temporary or permanent and bulletined over the entire System within each seniority group with a copy to the Chief Steward. A position bulletined as temporary after having been continuously established for one year shall be bulletined as a permanent position, unless it is known at the time that the position will only continue to be required temporarily; if it is known prior to the expiration of one year that the position will be required permanently it shall be so bulletined except in case of sickness.

3.2 When vacancies are bulletined, the bulletins shall be numbered consecutively each year and shall state whether permanent or temporary and the rate of compensation. Applications for vacancies must be filled within ten calendar days from date of bulletin and date of bulletin must coincide with date of first transmission.

EXAMPLE: A bulletin transmitted on the first of the month would expire at 12:00 midnight on the 11th.

3.3 Employees applying for a position advertised may, if they so desire, cancel their application by wire within fifteen days from the date of advertising of the vacancy; should the senior applicant withdraw or not receive the appointment, the next senior qualified applicant who has not withdrawn will then be appointed without another bulletin being issued advertising the vacancy. After such period of fifteen days a request to cancel or withdraw his/her application will not be considered and the position from which he/she is transferring will be immediately advertised and he/she cannot again bid in his/her former position until it again becomes vacant. Senior applicant who has not withdrawn within fifteen days from date of vacancy bulletin must take the position within thirty days of vacancy bulletin or go on the spare list. Once an application for a position advertised has been withdrawn, the withdrawal cannot be cancelled.

3.4 When a vacancy occurs the appropriate officer will fill same by appointing the senior employee who is, in his/her opinion, entitled to it, but this will not prevent any employee senior to the employee so appointed claiming his/her right to the position under Article 2.1 hereof, provided he/she files his/her protest within ten calendar days after the

appointment has been bulletined as above.

3.5 An employee declining to accept promotion in any instance does not forfeit his/her right to the same or any other position he/she may be entitled to under seniority when a vacancy occurs. An employee on leave of absence when a vacancy occurs will not be debarred from claiming position and receiving the appointment if entitled to it, providing that such claim is made within twenty days from date of vacancy bulletin. The Chief Steward will be advised of all appointments made.

3.6 A vacancy will be filled within thirty calendar days after date of vacancy bulletin by appointment of the employee entitled to it. Such employee not placed within forty-five calendar days from date of vacancy bulletin through no fault of his/her own, will thereafter be paid at the rate of the position held or the position to which transferring, whichever is the higher and allowed reasonable actual expenses incurred because of such delay upon producing vouchers.

3.7 Employees holding established positions in any office will have the right to do temporary work in such office in accordance with their seniority without affecting their permanently established positions and will revert thereto when the temporary work is finished, unless they have been appointed to another office, and provided that the exercise of privilege under this Rule will not involve the system in extra expense for overtime or otherwise. When a temporary position is bulletined in an office it will not be necessary for established employees in such office to apply for same, but the filling of positions may be rearranged among the employees in the office according to seniority. This shall not apply to Long Distance Supervisors.

3.8 Within fifteen calendar days after their appointment, regular swing employees may elect as their Headquarters Station one of the stations in which they perform regular swing relief service, and in such office will have the right to do temporary work in accordance with their seniority.

The Headquarters Station will not be changed except in a case of a change in the consist of the swing position after a choice has been made or when a vacancy results in another employee being assigned to the swing position.

3.9 The company may select, without the necessity of posting and without regard to seniority, an employee from the bargaining unit to act

in a leadhand capacity. In such instances, the employee's current rate of pay will be increased by 5% for the period so assigned

ARTICLE 4

Displacement and Recall

4.1 Except as otherwise provided when a permanently established employee is displaced or his/her position is abolished, he/she must, if his/her seniority entitles him/her thereto, displace the junior permanently established employee, or the junior temporarily established employee, in the order named or, at his/her option, work spare.

4.2 Except as otherwise provided, when a temporarily established employee is displaced, or his/her position is abolished, he/she must, if his/her seniority entitles him/her thereto, displace the junior temporarily established employee or work spare.

4.3 Employees affected by the operation of Articles 4.1 and 4.2 must make application to their supervisor within five days or forfeit the right to displace established employees, and the supervisor will, upon such application, advise employees affected what positions they are entitled to.

4.4 Senior spare employees will be kept working in preference to junior spare employees, if, in the opinion of the supervisor, they are capable.

4.5 If a permanent position is abolished, the employee who last held same, if in the service and available will retain exclusive right to that position if reopened within one year. This is not intended to give such employee protection in his/ her former position in preference to senior employees who may have been reduced from other positions and have not been appointed to other permanent positions.

4.6 In case the number of permanent employees working in any office is reduced, the employee or employees who have bid in temporary positions, or junior permanent employees, will, in the order named, first be dispensed with and the employees remaining in such office shall, according to seniority, take their choice of the remaining positions. This does not apply to positions of swing employees working less than full time in that office.

4.7 The exercise of choice of positions as provided for shall not involve the System in the payment of any punitive overtime as a

consequence of the employee working in excess of eight hours within twenty-four hours.

4.8 An established employee will be entitled to any spare work there may be in the office from which he/she is displaced at the time of displacement.

4.9 Not less than 10 working days' notice (5 days in the telephone operators' group) will be given when regularly assigned positions are to be abolished, except in the event of a strike or a work stoppage by employees in the railway industry, in which case a shorter notice may be given.

4.10 Employees hired after October 1, 1996 and who are subsequently laid off for a consecutive period of twenty-four (24) months will be removed from the seniority list.

ARTICLE 5
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ARTICLE 6

Hours of Service, Rest and Meal Periods

6.1 (a) Except as otherwise provided, eight consecutive hours' service shall constitute a day's work and may be extended to include one hour for meals.

(b) When a meal hour is established, time in which to eat shall be allowed between the end of the fourth hour and the beginning of the seventh hour after starting work, unless otherwise locally arranged.

(c) If an employee is required to work during his/her meal hour such time worked shall be paid for at the overtime rate and 20 minutes for lunch, without deduction in pay, shall be afforded at the first opportunity. Time waiting or travelling on public transportation, on which meal service is available, during regular meal periods is not considered work time.

6.2 Except in cases of emergency, employees will have eight consecutive hours' rest in each twenty-four hours.

6.3 Except as otherwise provided, the regular hours of duty of employees (except swing employees who when working the regularly assigned hours of employees whom they relieve on the assigned rest days will not receive overtime pay) will be specified by the Vice-President Telecommunications Services and will be the same on all days of the week.

6.4 If required for service on any day outside of regular hours of duty employees will be given official order as authority and excused in the same manner.

6.5 Employees called before their regular hours of duty and who have not had an opportunity to secure breakfast, will be allowed twenty minutes, without loss of pay, as soon as possible after regular starting time for the purpose. Employees working a straight eight hour trick will be allowed twenty minutes for lunch without deduction in pay, and as opportunity affords, provided they are available in case of emergency during such period.

6.6 Exchange of shifts in the same office for short periods of time may be made when justified but only with the approval of the supervisor.

6.7 No deduction will be made for time lost in making transfers in cases of bona fide sickness of an employee and/or annual vacation.

ARTICLE 7

Assigned Rest Days

7.1 Unless otherwise excepted herein, a work week consists of forty hours of five days of eight hours each with two consecutive rest days in each seven subject to the following modifications. The work week may be staggered in accordance with the System's operational requirements. This clause shall not be construed to create a guarantee of any number of hours or days of work not elsewhere provided for in this Agreement.

7.2 Employees' rest days are subject to change in accordance with the requirements of the service and not less than seventy-two hours' notice shall be given employees affected.

7.3 If owing to such change in his/her rest days off duty, an employee is required by the System to work more than five days per week, he/she will be paid overtime as per Article 7.10 for such days.

7.4 The rest days shall be consecutive as far as is possible consistent with the establishment of regular relief assignments and the avoidance of working an employee on an assigned rest day. Preference shall be given to Saturday and Sunday and then to Sunday and Monday.

7.5 In any dispute as to the necessity of departing from the pattern of two consecutive rest days or for granting rest days other than Saturday and Sunday or Sunday and Monday, it shall be incumbent on the System to show that such departure is necessary to meet operational requirements and that otherwise additional relief service or working an employee on as assigned rest day would be involved.

7.6 On positions where it is not reasonably practicable to provide regular relief each week, one rest day, for which relief is not provided, may be accumulated and granted at a later date. Such accumulation shall not exceed five days and rest days so accumulated shall be allowed consecutively when five days have been accumulated. However, the accumulation of a greater number of rest days and their allowance at longer intervals may be arranged by mutual agreement between the officers of the System and the Chief Steward.

Positions on which rest days are to be accumulated shall be so bulletined.

7.7 In the event that a situation arises which makes it impracticable to assign consecutive rest days to all employees, the following shall be

followed:

- (a) All possible regular relief positions shall be established pursuant to Article 7.9.
- (b) Possible use of rest days, other than Saturday, Sunday or Monday, where these may be required under this Agreement, to be explored by the parties.
- (c) Accumulation of rest days under Article 7.6 shall be considered.
- (d) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.
- (e) If the foregoing does not solve the problem, then some of the relief or extra employees may be given non-consecutive rest days.
- (f) If, after all the foregoing has been done, there still remains service which can only be performed by requiring employees to work in excess of five days per week, the number of regular assignments necessary to avoid this may be made with two non-consecutive days off.
- (g) The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief employees.

7.8 In naming the assigned rest days, where the hours of an assignment overlap at midnight and partially cover two calendar days, the calendar name of the day on which the assignment commences shall be used to determine the name of the day assigned; and the continuous twenty-four hour period as from the starting minute of the commencement hour of the assignment shall be substituted for such calendar day.

7.9 (a) All possible regular relief assignments with five days' work per week and two consecutive rest days (subject to Article 7.7) shall be established to perform necessary relief work or to perform relief work on certain days and such types of other work on other days as may be assigned within the same classification or as mutually agreed between the System and the Chief Steward.

- (b) Regular relief assignments may, on different days, have different starting times, duties and work locations, provided such starting times, duties and work locations are those of the employee or employees relieved.
- (c) Regular swing employees shall be appointed to perform relief service on such regularly assigned rest days as may be arranged and

for such service may be required to travel within reasonable limits without expense to the System other than their monthly salaries, which shall be at the rates averaging the monthly salaries of employees whom they regularly relieve.

(d) When the consist of a swing assignment is changed, the swing position shall not be rebulletined unless more than fifty percent of the shifts previously relieved are affected, except as may be mutually agreed between the officers of the System and the Chief Steward.

7.10 Except as otherwise provided, employees assigned, notified or called to work on their regularly assigned rest days shall be paid at the rate of time and one-half with a minimum allowance of three hours for which three hours service may be required; except that if required to work a full day within their regularly assigned hours of duty the provisions of Articles 8.1, 8.4 and 8.5 will apply.

ARTICLE 8

Overtime and Calls

8.1 Except as otherwise provided, time in excess of eight hours' service (exclusive of meal period) shall be considered overtime and shall be paid on the actual minute basis at the rate of time and one-half time.

8.2 Work in excess of forty straight-time hours, or five days in any work week, shall be considered overtime and paid at the rate of time and one-half time, except where such work is performed by an employee due to moving from one assignment to another other than at the order of the System or to or from an extra or laid off list or where rest days are being accumulated under Article 7.6.

8.3 There shall be no overtime on overtime, neither shall overtime hours paid for, other than hours not in excess of eight paid for at overtime rates on holidays or for changing shifts, be utilized in computing the forty hours per week, nor shall time paid for in the nature of arbitraries or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose except when such payments apply during assigned working hours in lieu of pay for such hours, or where such time is now included under existing rules in computations leading to overtime.

NOTE: The term "work week" for regularly assigned employees shall mean a week beginning on the first day on which the assignment is

bulletined or scheduled to work.

8.4 For calls outside regularly assigned hours of duty on regular working days, but within one hour before regularly assigned starting time, a minimum of one hour at time and one-half shall be allowed for one hours' service or less. For calls more than one hour before, but continuous with, the regularly assigned starting time, time and one-half time will be allowed for the actual time worked.

8.5 Except as otherwise provided, employees notified or called to perform work not continuous with, before or after the regularly assigned hours of duty shall be allowed a minimum of three hours at time and one-half for three hours' work or less and if held on duty in excess of three hours, time and one-half time shall be allowed on the actual minute basis.

8.6 When an employee is called to perform work in accordance with Article 8.5, any subsequent and related or unrelated troubles that occur during this three hour period will be repaired and considered part of the first call-out. However, if the employee has been released from duty before being notified of the subsequent problem this will be considered a second call-out except when directly related to the repairs effected during the first call-out.

8.7 Employees required by the System for duty on regularly assigned rest days will be given as much advance notice as possible but not later than the preceding day.

8.8 Where work is required by the System to be performed on a day which is not a part of any assignment, it may be performed by an available extra or unassigned employee who will otherwise not have forty hours of work that week. In all other cases by regular employee.

8.9 Overtime will not be allowed unless overtime tickets are mailed to the proper officer within forty-eight hours from the time the service is performed. If overtime as claimed is not allowed, employees will be notified in writing within ten calendar days from the date the overtime ticket is received by the proper officer, setting forth the reasons for disallowance.

8.10 All overtime earned shall be shown on pay cheques as a separate item.

8.11 In the event that an employee is on a callout between the hours of 1:00 am and 5:00 am, and the employee has a shift scheduled to start between 6:00 am and 8:30 am the same day, the employee will

be entitled to delay the start of his scheduled shift by the amount of time worked between 1:00 am and 5:00 am.

ARTICLE 9

Applicable to Network Service Technicians Only

9.1 There shall be two classifications in this group as follows:

(a) Qualified Network Service Technicians:

This group shall consist of employees who have served a three year apprentice period in this work or have equivalent experience and who have qualified and have been appointed to Network Service Technicians' positions. (Hereinafter they shall be referred to as Network Service Technicians.)

(b) Apprentice Network Service Technicians:

These shall consist of employees who are serving their apprenticeship. (Hereinafter these shall be referred to as apprentices.)

9.2 Seniority List

A separate seniority list combining the employees in classifications 1(a) and 1(b) above will be maintained for this group.

9.3 Appointments

(a) When a Network Service Technician's position becomes vacant, the senior Network Service Technician who applies for the position will be appointed. If the employee so appointed has not the knowledge or skill required for this position, the System will provide training for a reasonable period for the employee to become proficient in the work. If after such training as determined by the System the employee is found to be incompetent, he/she will revert to the spare list.

(b) If there are no applications for the vacant position from the Network Service Technician classification, the senior applicant from the apprentice classification will be designated. The designated Apprentice will automatically be appointed to the position when he/she qualifies as a Network Service Technician.

(c) If an employee accepts specialized training, he/she may be required, at the option of the System, to serve in the position covered by the training for a period of up to one year, to commence on the completion of the specialized training. If during the one year period he/she is the successful applicant for another position, he/she will be allowed to take up that position at the completion of the one year period. His/her position will not be advertised until that time. When

this Article is invoked by the company the provisions contained in the second sentence of Article 3.6 will not apply.

9.4 Transfer of Telecommunications Employees to this Group

When additional employees are required in this group, employees in the Telecommunications Branch who are covered by this Agreement will be notified by bulletin of the positions to be filled. Applicants with the necessary qualifications will be given consideration for transfer in the order of seniority in the service of the System. In order to qualify for the position they will be required to pass an appropriate examination, the details of which will be supplied at any time to any interested employee. If there are no successful applicants who can be transferred to this group, the System will be free to recruit elsewhere.

(a) If an applicant is transferred to this group and within six months or less does not show sufficient aptitude for the work, he/she will revert to his/her former group and the vacancy so created will be filled on the basis of the original bulletin.

(b) Employees transferred from other groups of this Agreement may retain their seniority on the list from which they transferred for a period not exceeding twelve months. Should the employee revert for any reason to his/her former group he/she will be entitled to displace the junior permanently established employee in that group or the junior temporarily established employee, in the order named, or at his/her option work spare. During the trial period such employee will not be considered as in line for filling of positions or vacancies in the group from which transferred.

(c) At the end of the said twelve month period, employees transferred to this group shall be considered permanent employees in this group and their names shall be removed from the list on which formerly carried.

9.5 Hours of Service

Assigned hours of duty for each employee will be established (not necessarily the same hours for each day of the week) subject to the provisions of Articles 9.8 and 9.11.

9.6 Service on Assigned Rest Days and Holidays

Employees required to work on their regularly assigned rest days shall be paid at the rate of time and one-half time with a minimum allowance of three hours for which three hours service may be required.

9.7 Travelling and Waiting Time

(a) Time waiting and travelling outside of assigned hours will be paid for at pro rata rates except that time spent travelling in or on company work vehicles (including track motor cars, telecommunications vehicles and employees' automobiles when authorized) will be considered as time worked. When waiting or travelling by public transportation, on which meal service is available, one hour without pay shall be allowed for each regular meal period.

(b) When away from headquarters waiting time will not be paid if hotel or sleeping accommodation is provided.

(c) When a train berth is provided, travelling time will not be paid.

(d) This Article 9.7 does not apply to travelling associated with training which is covered by company policy.

9.8 Duties

Employees herein may be required to perform any duties connected with the operation and maintenance of the Telecommunications Plant.

9.9 Left Blank Intentionally

9.10 Expenses

When employees covered herein are required to leave designated headquarters in the performance of their duties, all necessary expenses will be allowed. (See Letter of Understanding)

9.11 Apprentices

(a) The System will provide reasonable facilities and training to enable apprentices to become qualified Network Service Technicians within their normal apprentice period of three years. During this period they may be assigned to any duties including the relieving of regular Network Service Technicians in order to provide for the necessary experience and job training.

(b) Assignment of hours and duties will be made as required as part of their training program.

9.12 Rate of Pay for New Employees

New employees or employees entering this group with previous experience and who have sufficient knowledge of communications equipment and plant operations may qualify for any of the specified rates, the System to be judge of their qualifications.

9.13 Where practicable, junior qualified employees will be used for work away from headquarters in preference to senior employees, unless senior employees desire such work; the System to be the judge of qualifications. The operation of this Rule will not involve extra

expense to the System. This does not apply to employees whose assignment includes work away from headquarters, or to the assignment of junior employees for training purposes

ARTICLE 10

Applicable to Network Installation Repair Technicians Only

10.1 The working hours of Network Installation Repair Technicians will be regular and will not exceed eight consecutive hours per day exclusive of meal hour. When the conditions of the service require, the working hours may be reassigned with 8 hours' notice.

10.2 Network Installation Repair Technicians whose assigned hours include a meal hour will be allowed sixty consecutive minutes for a meal commencing between 7:00 a.m. and 8:00 a.m., 12 noon and 1:00 p.m., 5:30 p.m. and 6:30 p.m. or receive in lieu thereof one hour's pay at pro rata rate and twenty minutes without loss of pay in which to each shall be afforded at the first opportunity. If a meal period is assigned between the hours of 10:00 p.m. and 6:00 a.m., it shall commence during the fourth hour after the start of the tour of duty and shall be governed by the above conditions. When waiting or travelling on public transportation, on which meal service is available, one hour without pay will be allowed for each regular meal period.

10.3 A Network Installation Repair Technician will be allowed actual reasonable expenses while away from headquarters.

10.4 Seniority of Network Installation Repair Technicians will date from the time of their last appointment as Network Installation Repair Technicians.

10.5 An employee selected who, by merit and ability is competent to do the work of a regular Network Installation Repair Technician will accumulate seniority from the date first appointed to relieve a Network Installation Repair Technician, provided such relief is a minimum of 10 consecutive working days of service and provided he/she is available for service when required. Such employee, will be designated a Relieving Network Installation Repair Technician until appointed to a Permanent Network Installation Repair Technician position. A Relieving Network Installation Repair Technician who fails to bid a permanent position of Network Installation Repair Technician will thereafter rank junior on the Network Installation Repair Technician's

seniority list to the person appointed to such position. Rate of pay for relief assignments will be at least at the minimum rate of regular Network Installation Repair Technician.

10.6 A relieving Network Installation Repair Technician taking the position of a regular Network Installation Repair Technician in the exercise of his/her seniority will not be paid for time lost travelling unless when used for a series of reliefs in continuous service, when there will not be any lost time on account of travelling from one relief point to another, but such employee shall not be paid for travelling from home headquarters to the first relief, nor for travelling from the last relief back to home headquarters.

10.7 Network Installation Repair Technicians may be assigned to the inspection, maintenance, repair and installation of signal equipment as part of their regular duties and for the actual time engaged on such work they will be paid a differential of five cents per hour with a minimum of three hours for any portion of the day so employed.

10.8 If a Network Installation Repair Technician is called upon to take charge of a crew of four or more employees, including him/herself, he/she will receive the Line Gang Foreman's rate of pay.

10.9 The position of Foreman of Extra Line Gangs will be filled from the ranks of regular Network Installation Repair Technicians. Where merit and ability are sufficient, seniority will govern. Such positions will be bulletined for a period of ten days and where no applications are received, the junior qualified regular Network Installation Repair Technician will be assigned. The Network Installation Repair Technician assigned to the position of Extra Gang Foreman will receive the rate of his/her regular Network Installation Repair Technician's position, with an addition of thirty-two cents per hour, plus actual living expenses away from his/her headquarters position. Time on duty in excess of eight hours will be computed on a minute basis and paid for at the rate of time and one-half.

10.10 Regular Network Installation Repair Technicians may exercise their seniority in filling bulletined temporary Line Gang Foremen's vacancies of sixty days or more and upon completion of such temporary assignments will revert to their regular positions.

10.11 A regular Network Installation Repair Technician who is required to perform the functions of a Cable Splicer for periods of ten

consecutive working days or more or who performs the functions of a Cable Splicer for the majority of days in any period of ten consecutive working days will be paid the Cable Splicer Line Technician's rate of pay for such periods.

10.12 Employees required to work sixty-five feet or more and up to two hundred feet above ground or water level, on poles, radio antennae and/or microwave towers or bridge structures, shall be paid their regular wages and, in addition, will receive pro rata rate for all time worked thereon with a minimum bonus payment of one hour for which one hour's service may be required. For heights of more than two hundred feet, a minimum bonus payment of two hours at pro rata rate will apply, for which two hours' work may be required.

10.13 Employees required to work on high voltage hydro power transmission lines shall be paid their regular wages and, in addition, will receive pro rata rate for all time worked thereon with a minimum of one hour for which one hour's service may be required. Work on Ontario Northland lines strung below power transmission lines on hydro poles does not constitute work on high voltage lines under this Article.

ARTICLE 11

Applicable to Construction Forces Only

11.1 Seniority

(a) Separate seniority lists will be maintained for the following classifications:

* (1) Outside Plant Construction Technicians

* (2) Groundmen

* (3) Cable Splicers

* These classifications not presently used.

(b) Seniority will date from date of last entry to service in a position in the construction group.

(c) An employee laid off shall retain seniority standing for one year but if no service is performed during a twelve month period he/she shall be considered as out of the service and dropped from the seniority list. This not to apply to employees on sick leave.

(d) Regular Network Installation Repair Technicians who may be displaced by reduction of staff or other cause shall have the right to any position in the construction forces to which their seniority entitles

them.

(e) Seniority lists shall be revised in January of each year and copy made available for information of employees in the gang.

11.2 One hundred twenty-five days for which compensation is received will constitute six months' service.

11.3 When employees covered herein are required to leave designated headquarters in the performance of their duties and room and meals are not supplied, actual reasonable expenses for board and lodging will be allowed.

11.4 Employees required to work sixty-five feet or more and up to two hundred feet above ground or water level, on poles, radio antennae and/or microwave towers or bridge structures, shall be paid their regular wages and, in addition, will receive pro rata rate for all time worked thereon with a minimum bonus payment of one hour for which one hour's service may be required. For heights of more than two hundred feet, a minimum bonus payment of two hours at pro rata rate will apply, for which two hours' work may be required.

11.5 Provided that satisfactory work progress is being made, the regular working hours of Construction Forces will normally be changed to 10 hour days (four days per work week) starting with the first full work week after the start of daylight savings and ending with the last full work week prior to the ending of daylight savings. In any event, eight hour days will be worked for those weeks in which holiday with pay is due (Article 27). The Supervisor may change the hours of work back to eight hour days (five days per work week) within the above daylight savings period, as may be required from time to time, to ensure that direct or indirect costs are minimized. Where possible, five days notice will be given to construction forces prior to changing from eight to ten hour days, or vice versa.

ARTICLE 12

Applicable to Installation Technicians Only

The term Installation Technician used herein applies to all classes of employees in the Installation Group.

12.1 (a) The hours of duty of Installation Technician will be 8:00 a.m. to 5:00 p.m. (including a meal hour) Monday to Friday inclusive. A meal hour shall be assigned to each employee and shall be within six hours of the assigned starting time. Article 6.1 (c) applies.

(b) When the conditions of the service require, working hours, meal periods and rest days may be reassigned on eight hours notice. Change in rest days to be subject to applicable clauses of Article 7.

12.2 Seniority of Installation Technicians will date from the time they last entered the service in the Installation Group. (one seniority list only)

12.3 The present practice of returning employees to their headquarters at weekends where practicable and economical, will be continued.

12.4 Installation Technicians will be allowed actual reasonable expenses while away from their headquarters.

12.5 Time waiting and travelling outside of assigned working hours will be paid for at time and one-half. When waiting or travelling by public transportation, on which meal service is available, one hour without pay will be allowed for each regular meal period.

12.6 New employees or employees entering this group with previous experience may qualify for any of the specified rates of pay; the System to be the judge of their qualifications.

12.7 Installation Technicians will be given consideration in the appointment of Installation Foreman.

12.8 Left Blank intentionally.

ARTICLE 13

Assistance or Relief for Employees when Overworked

13.1 If an employee considers himself/herself overtaxed, his/her statement to that effect to the proper official will be carefully considered and if well founded relief will be granted.

13.2 At points where employees are overworked or kept on duty an excessive length of time, upon furnishing particulars, a representative of the Vice-President Telecommunications Services will be instructed to go there and look into conditions with the Chief Steward or with any representative he may select and if they jointly recommend any change in conditions, it will be arranged.

ARTICLE 14
Transfer at Railway's Request or in Exercise of
Seniority Rights

14.1 When an employee is moved by order of the proper officer or in exercising his/her seniority rights, as provided by schedule rules, he/she shall receive free transportation for himself/herself, dependent member of his/her family and household effects, in accordance with the System's regulations. Except as otherwise provided, an employee shall suffer no loss of schedule wages while in transit and in making transfer (rate of pay to be based upon position to which he/she is transferring) and pay for time in transit shall not be in excess of time actually required by existing train service. He/she will be allowed reasonable time (not to exceed four days and without pay) to arrange for the shipment of his/her household effects.

14.2 When spare employees are used for a series of reliefs in continuous service and without any loss on time between relieving at one point and then relieving at another, there will not be any lost time on account of travelling from one relief point to another, but such employee shall not be paid for travelling from home headquarters to the first relief nor for travelling from the last relief back to home headquarters.

ARTICLE 15
Movement of Household Effects and Free Transportation

15.1 Employees will be granted transportation of their household effects, and passes or reduced rates, and leave of absence, in accordance with the general regulations of the System as established from time to time.

ARTICLE 16
Headquarters

16.1 Headquarters of spare employees shall be the headquarters of the System, except when such employees maintain a home at a point on the Communications System, when his/her home location will be his/her headquarters.

16.2 Employees whose duties require them to be away from headquarters will be allowed to go home each night if overtime entailed will not exceed the amount of expenses required to keep them on the line overnight, provided that the work is finished or that they can return before assigned hours commence next day.

16.3 Where an automobile allowance is paid, the Company's policy will apply.

ARTICLE 17
Continuation of Benefits

17.1 Employees retiring from the service prior to age 65 either:

(a) Retiring with a company pension and who have 15 years of continuous employment relationship

OR

(b) Who qualify for a Disability Pension under Ontario Northland's Pension Plan.

Will have their Life Insurance, Dental Plan and Extended Health Care Plan continued until they attain the age of 65.

ARTICLE 18

Relief Work

18.1 An employee required to leave his/her assigned location to do relief work temporarily will be allowed all necessary expenses on production of vouchers and will be paid the rate of his/her assigned position or that of the position relieved, whichever is the higher.

18.2 Other employees doing relief work, except regular relieving employees, will be paid the same wages, without expenses, as the employees they relieve, provided that such wages are not less than their own

ARTICLE 19

Life Insurance Upon Retirement

19.1 An employee who retires from the service with a company pension at or after age 65 will be provided a \$6,000. death benefit. If retirement or pension is earlier than age 65 and an employee's term life insurance is extended to age 65, the death benefit will be provided at age 65.

ARTICLE 20

Suspension for Investigation

20.1 No employee shall be suspended (except for investigation), discharged or disciplined until his/her case has first been investigated and he/she has been proven guilty of the offence charged against him/her, the decision in such case to be given as soon as possible, but not exceeding ten calendar days from date of suspension. If an employee is found blameless in the matter under investigation, he/she shall be paid at schedule rate for the time lost and extra expenses while attending such investigation, if away from home and be reinstated. If detained more than ten calendar days awaiting result of investigation at the System's instance, he/she shall be paid schedule wages for the time in excess of ten days whatever the decision might be.

20.2 Employees are to be given reasonable advance notice of an investigation and may have the assistance of a fellow employee if they so desire who may be present at the examination of all witnesses. The Assistant Division Vice President will be notified when an investigation

is to be taken with an employee, but will not be given the reasons for the investigation. Upon request, the District Chairman or the Chief Steward will be given results of an investigation in writing, together with copies of statements signed by witnesses at the investigation.

ARTICLE 21

Grievance Procedure

21.1 A grievance concerning the interpretation or alleged violation of this agreement, or an appeal by an employee who believes that he/she has been unjustly disciplined shall be processed in the following manner:

STEP 1 - Within 28 calendar days from the date of cause of grievance the employee and/or the District Chairman may present the grievance orally or in writing to the immediate supervisor, who will give a decision as soon as possible, but in any case, within 28 calendar days of receipt of grievance. If the grievance is presented in writing the decision will also be given in writing.

STEP 2 - Within 28 calendar days of receiving the decision under Step 1, the District Chairman or the Chief Steward may appeal the decision in writing to the Manager Operations.

The appeal shall include a written statement of grievance and where it concerns the interpretation or alleged violation of the collective agreement the statement shall identify the article and paragraphs of the Article involved.

A decision will be rendered in writing within 28 calendar days of receiving the appeal.

STEP 3 - Within 28 calendar days of receiving the decision under Step 2, the Chief Steward may appeal the decision in writing to the President, whose decision will be rendered in writing within 28 calendar days of receiving the appeal.

21.2 A grievance or appeal which is not settled at the President's level may be progressed for final settlement under the provisions of Article 33.

21.3 Except as provided in Article 21.4 any grievance not progressed by the Brotherhood within the prescribed time limits shall be considered settled on the basis of the last decision and shall not be subject to further appeal. Where a decision is not rendered by the appropriate officer of the company within the prescribed time limits, the

grievance may be progressed to the next step in the grievance procedure.

21.4 When a grievance based on a claim for unpaid wages is not progressed by the Brotherhood within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the company fails to render a decision with respect to such a claim for unpaid wages within the prescribed time limits the claim will be paid. The application of this Article 21.4 shall not constitute an interpretation of the collective agreement.

21.5 The settlement of a grievance shall not under any circumstances involve retroactive pay beyond a period of 90 calendar days prior to the date that such grievance was submitted at Step 1 of the Grievance Procedure.

21.6 The time limits specified in this Article may be extended by mutual agreement.

ARTICLE 22

Leave of Absence and Free Transportation

22.1 Employees will be given leave of absence and free first class transportation to attend their meetings. Such leave of absence will not exceed two days and will only be granted when it will not interfere with requirements of the traffic and the service and provided the System is not put to additional expense.

22.2 Employees elected as full time salaried representatives of the employees shall upon request, be granted leave of absence without pay while so engaged.

22.3 Upon notification, an employee who must serve a period of incarceration as a result of a conviction arising from the operation or use of a motor vehicle, shall be granted a leave of absence without pay of up to six months in order to serve the period of incarceration. Such period of leave will not be credited towards accumulation of service.

ARTICLE 23

Examinations

23.1 When an employee is required by the company to take a periodic examination in the Uniform Code of Operating rules and/or is directed to attend rule classes during his/her off-duty hours he/she will be compensated for the time involved on the following basis:

(a) Employees required to take "A" book examinations will receive three hours pay at punitive rate.

(b) Employees required to take examinations on other than the "A" book will receive three hours pay at punitive rate.

The above will not apply to employees directed to attend rule classes as a disciplinary measure, nor will employees be paid for taking rules examinations which they fail to pass to the satisfaction of the rule examiner.

23.2 When an employee is required by the company to take a periodic medical examination during his/her off-duty hours he/she will receive three hours pay at punitive rate for the time involved.

ARTICLE 24

Court and Jury Duty

24.1 **Attending Court**

Employees attending court or investigation at the request of the proper officer of the System will have their actual reasonable expenses paid by the System in addition to their scheduled wages. Any fees accruing to the employee will be assigned by the System.

24.2 Jury Duty

An employee who is summoned/subpoenaed for jury duty or court attendance (not as a plaintiff, defendant or voluntary witness) and is required to lose time from his/her scheduled assignment, shall be paid for actual straight time lost with a minimum of one basic day's pay at the straight time rate of his/her assigned position for each day lost. Any amounts paid by the court for attendance, excluding meal, lodging and transportation costs, shall be remitted to the company. To qualify for such payments, the employee must furnish the company with a statement from the court requiring attendance, jury/witness allowances paid and the days which attendance was required. An employee who has been allotted his/her vacation dates may reschedule such vacation because he/she is called for jury duty.

ARTICLE 25

Service Papers

25.1 An employee securing employment with the System shall, within thirty days from the date of employment, have returned to him/her all Service Cards and Letters of Recommendation which may have been taken up the System, except any previously issued by the System.

25.2 An employee leaving the service of the System shall, on request in writing, within five days, be furnished with a certificate by the proper official, stating term or terms of service, capacities in which employed and whether discharged or leaving the service of his/her own accord. If discharged, cause of dismissal will be stated. If detained more than five days awaiting such certificate he/she shall be paid schedule wages for all time in excess of five days. Unless otherwise requested, this certificate will be mailed to the employee at the place of last employment.

Penalty payment of wages for delay awaiting the certificate will be limited to a period of thirty days immediately following the date of first request unless the employee can show that he/she has traced unsuccessfully for same during that period.

ARTICLE 26

Applicable to Long Distance Telephone Operators Only

26.1 The seniority of long distance operators will date from the time they last entered the service as such, it being understood that long distance operators temporarily out of employment on account of staff reductions will not forfeit their seniority, provided they are available when required.

26.2 (a) When a position is bulletined and no application is received within ten days from date of bulletin, junior spare operator will be appointed and will be required to work the position. This operator will not be subject to be displaced except by an operator whose position is abolished.

(b) An operator assigned to a regular night shift position, may, after having worked such assignment for at least two years, give notice in writing of a desire to revert to a spare position, and, provided there is a junior competent spare operator available who may be assigned in the

event that no applications are received for the position, such request will be granted within 30 calendar days of receipt of the notice.

26.3 When positions are abolished or staff reduced, employees affected shall have the right to displace junior employees provided application is made within five days of lay off.

26.4 When the nature of the service is such that relief cannot be given all employees at any point on the specified legal holidays, arrangements will be made to allow holidays off in rotation. Bulletin will be posted in January and July each year showing which employees are to work on the holidays ensuing; and this will be adhered to unless the service demands alteration. This will not be construed to prevent employees making mutually satisfactory arrangements otherwise with the approval of the officer in charge, providing always that the service is protected.

26.5 Assignments of working hours shall not be more than eight hours within a spread of twelve hours. Tricks shall not be split more than once. A relief period of fifteen minutes will be provided in each half trick.

26.6 (a) Persons permitted to enter offices to train as operators will not be permitted to displace regular employees.

(b) If a new operator has completed her/his initial training course, she/he will be assigned a day trick for a period of two weeks and an early evening trick for the second two weeks following which she/he will be assigned hours in accordance with this Agreement. No regular operator shall be laid off as a result of operator in training being used on a board during the four-week period referred to herein.

26.7 Operators with previous toll operating experience entering the service shall be allowed half of the time so served to apply in arriving at rate at which they will commence, provided that upon interview with supervisor or other officer, previous experience and present ability merit such consideration.

26.8 When employees are placed on the payroll and their service is not continuous, 22 days' work shall be considered equivalent to one month and 125 days equivalent to six months; the second six months' rate to apply after 125 days' service and so on until full rate is attained.

26.9 Chief Operators will be selected from any qualified telephone operator who is suitable to fill the position.

26.10 The hours of work for operators assigned to a regular position

will not be changed without 8 hours' notice.

26.11 The assignment of hours of operators will be made on a rotational basis.

26.12 The assignment of hours and days off will be subject to the operator's experience and ability required to protect the service.

26.13 Temporary assignments of four hours per day may be made but not more than four such assignments at any one time in an office.

26.14 When a regularly assigned operator desires a part day off and it can be arranged, such part day off will not be less than one period of her/his day's work; the relief operator to be paid for the time worked with a minimum of three hours.

26.15 When vacancies of ten days or more are created due to vacations, illness or leave of absence are required by the company to be filled, senior employees will be given the opportunity of claiming the scheduled rest days of the position vacated for the period of the vacancy. The exercising of seniority in these cases will be limited to one move providing that no additional expense is caused to the company. Upon the return of the incumbent, each employee will revert back to their regularly scheduled rest days. This Article to apply with the following limitations/conditions:

(a) An operator claiming the rest days of an operator on night shift must work that assignment.

(b) The relieving supervisors will have first opportunity to claim the rest days of a supervisor vacancy.

26.16 When relief is required for a regular operator assignment, where possible, it will be transferred to the office where the senior spare operator having the required experience and ability to protect the service is available. Such transfer will not involve any additional expense to the Company/

ARTICLE 27

General Holidays

27.1 An employee who qualifies in accordance with Article 27.2 hereof, shall be granted a holiday with pay on each of the following general holidays. When a general holiday falls on an employee's rest day, such holiday shall be moved to the normal working day immediately following the employee's rest day.

New Year's Day

St. Jean Baptiste Day

Day following New Year's Day	(Quebec only)
Dominion Day (Ontario only)	Civic Holiday
Good Friday	Labour Day
Easter Monday	Thanksgiving Day
(Substitution for	Christmas Day
Remembrance Day)	Boxing Day
Victoria Day	

Note: If the legislative legal body designates "Heritage Day" or such other day as a General Holiday, the day so observed by the legislative legal body shall be substituted for "the day after New Year's Day" in Ontario and for "the first Monday in August" in the Province of Quebec.

27.2 In order to qualify for pay for any one of the holidays specified in Article 27.1 hereof, an employee:

(a) must have been in the service of the company and available for duty for at least 30 calendar days. This Clause (a) does not apply to an employee who is required to work on the holiday;

(b) must be available for duty on such holiday if it occurs on one of his/her work days excluding vacation days except that this does not apply in respect of an employee who is laid off or suffering from a bona fide injury, or who is hospitalized on the holiday, or who is in receipt of, or who subsequently qualifies for, weekly sickness benefits because of illness on such holiday; a regularly assigned employee who is required to work on such general holiday shall be given an advance notice of four calendar days, except for unforeseen exigencies of the service, in which case he/she will be notified not later than the completion of his/her shift or tour of duty immediately preceding such holiday that his/her services will be required;

(c) must be entitled to wages for at least 12 shifts or tours of duty during the 30 calendar days immediately preceding the general holiday. This Clause (c) does not apply to an employee who is required to work on the holiday.

Note: Provided that an employee is available for work on the general holiday, absences from scheduled shifts or tours of duty because of bona fide injury, hospitalization, illness for which the employee qualifies for weekly sickness benefits and authorized maternity, parental or adoption leaves will be included in determining the 12 shifts or tours of duty referred to in this Clause (c).

27.3 A qualified employee whose vacation period coincides with any

of the general holidays specified in Article 27.1 hereof, shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

27.4 (1)(a) An assigned employee qualified under Article 27.2 hereof, and who is not required to work on a general holiday shall be paid eight hours' pay at the straight time rate of his/her regular assignment.

(b) An unassigned or spare employee qualified under Article 27.2 hereof, and who is not required to work on a general holiday shall be paid eight hours' pay at the straight time rate applicable to the position in which such employee worked his/her last tour of duty prior to the general holiday.

Note: In the application of Article 27.4(1) hereof, for weekly rated employees "eight hours' pay at the straight time rate" shall be deemed to be a day's pay as calculated according to Article 27.6 hereof.

(2) An employee paid on an hourly, daily or weekly basis who is required to work on a general holiday shall be paid, in addition to the pay provided in Article 27.4(1) hereof, at a rate equal to one and one-half times his/her regular rate of wages for the actual hours worked by him/her on that holiday with a minimum of three hours for which three hours' service may be required, but an employee called for a specific purpose shall not be required to perform routine work to make up such minimum time.

27.5 Where a portion of an employee's regularly assigned shift falls on a general holiday, all hours of work performed on such general holiday shall be paid at time and one half.

27.6 The daily rate of pay for weekly rated employees shall be the weekly rate divided by five.

ARTICLE 28

Vacations

28.1 The period of vacation with pay to be allowed shall be based on the number of working days in the service of the railway and available (not laid off) for service, including vacation period, if any, in a position covered by this agreement during the preceding calendar year and shall be calculated as follows:

(a) An employee who, at the beginning of the calendar year, is not qualified for vacation under Clause (b) hereof, shall be allowed one working day's vacation with pay for each 25 days' cumulative

compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days until qualifying for further vacation under Clause (b) hereof.

(b) Subject to the provisions of Note 1 below, effective January 1, 1990, an employee who, at the beginning of the calendar year has maintained a continuous employment relationship for at least three years and has completed at least 750 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 16 $\frac{2}{3}$ days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 15 working days; in subsequent years, he/she will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (c) hereof.

Note 1: An employee covered by Clause (b) hereof, will be entitled to vacation on the basis outlined therein if on his/her fourth or subsequent service anniversary date he/she achieves 1,000 days of cumulative compensated service; otherwise his/her vacation entitlement will be calculated as set out in Clause (a) hereof. Any vacation granted for which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If such employee leaves the service for any reason prior to his/her next vacation, the adjustment will be made at time of leaving.

(c) Subject to the provisions of Note 2 below, effective January 1, 1990, an employee who, at the beginning of the calendar year has maintained a continuous employment relationship for at least seven years and has completed at least 1,750 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 12 $\frac{1}{2}$ days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 20 working days; in subsequent years, he/she will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (d) hereof.

Note 2: An employee covered by Clause (c) hereof, will be entitled to vacation on the basis outlined therein if on his/her 8th or subsequent service anniversary date he/she achieves 2,000 days of cumulative compensated service; otherwise his/her vacation entitlement will be calculated as set out in Clause (b) hereof. Any vacation granted for

which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If such employee leaves the service for any reason prior to his/her next vacation, the adjustment will be made at time of leaving.

(d) Effective January 1, 1990 subject to the provisions of Note 3 below, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 15 years and has completed at least 3,750 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 10 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 25 working days; in subsequent years, he/she will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (e).

Note 3: An employee covered by Clause (d) hereof, will be entitled to vacation on the basis outlined therein if on his/her 16th or subsequent service anniversary date he/she achieves 4,000 days of cumulative compensated service; otherwise his/her vacation entitlement will be calculated as set out in Clause (c) hereof. Any vacation granted for which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If such employee leaves the service for any reason prior to his/her next vacation, the adjustment will be made at time of leaving.

(e) Subject to the provisions of Notes 4 and 5 below, effective January 1, 1990, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 25 years and has completed at least 6,250 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 8 1/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year with a maximum of 30 working days.

Note 4: An employee covered by Clause (e) hereof, will be entitled to vacation on the basis outlined therein if on his/her 26th or subsequent service anniversary date he/she achieves 6,500 days of cumulative compensated service; otherwise his/her vacation entitlement will be calculated as set out in Clause (d) hereof. Any vacation granted for which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If

such employee leaves the service for any reason prior to his/her next vacation, the adjustment will be made at time of leaving.

Note 5: In the application of the 30 working days vacation provisions the company will have the option of:

- (a) scheduling an employee for 25 working days vacation with the employee being paid for the remaining 5 days vacation at pro rata rates; or
- (b) splitting the vacation on the basis of 25 working days vacation and 5 working days vacation.

28.2 An employee who has become entitled to vacation with pay shall be granted such vacation within a twelve month period immediately following the completion of the calendar year of employment in respect of which the employee became entitled to the vacation.

28.3 A year's service is defined as 250 days of cumulative compensated service.

28.4 An employee who, while on annual vacation, becomes ill or is injured, shall have the right to terminate (temporarily) his/her vacation and be placed on weekly indemnity. An employee who is again fit for duty shall immediately so inform the company officer in charge and will continue his/her vacation if within his/her scheduled dates. If the remaining vacation falls outside the employee's scheduled dates, such vacation will be rescheduled as may be mutually agreed between the proper officer of the company and the authorized Local Union representative.

28.5 An employee who, due to sickness or injury, is unable to take or complete his/her annual vacation in that year shall, at the option of that employee, have the right to have such vacation carried to the following year.

28.6 An employee who is entitled to vacation shall take same at the time scheduled. If, however, it becomes necessary for the company to reschedule an employee's scheduled vacation dates, he/she shall be given at least 15 working days' advance notice of such rescheduling and will be paid at the rate of time and one-half his/her regular rate of wages for all work performed during the scheduled vacation period. The rescheduled vacation with pay to which he/she is entitled will be granted at a mutually agreed upon later date. This Article 28.6 does

not apply where rescheduling is a result of an employee exercising his/her seniority to a position covered by another vacation schedule.

28.7 Provided an employee renders compensated working service in any calendar year, time off duty, account bona fide illness, injury, authorized pregnancy leave, to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 100 days in any calendar year, shall be included in the computation of service in that year for vacation purposes. The days of vacation with pay are regular working days.

28.8 Employees will be compensated for vacation at the rate of pay of their regular positions except that spare employees will be compensated at the rate of pay of the position which they are filling at the time vacation is taken or if not working at such time, at the rate of pay of the position last worked prior to being allowed vacation.

28.9 Employees desiring an advance vacation payment must make application for same not later than five weeks prior to commencing their vacation. The advance vacation payment shall be 4% of the employee's previous year's earnings, less an appropriate amount (approximately 30%) to cover standard deductions.

28.10 In computing service under Article 28.1, days worked in any position covered by similar vacation agreements shall be accumulated for the purpose of qualifying for vacation with pay.

28.11 (a) An employee terminating his/her employment for any reason at a time when an unused period of vacation with pay stands to his/her credit shall be allowed vacation calculated to the date of his/her leaving the service, as provided in Article 28.1 hereof and, if not granted, shall be allowed pay in lieu thereof.

(b) An employee who at the time of termination of his/her service has completed more than 30 days' continuous service but who has not qualified for vacation as provided for in Article 28.1(a), shall be paid vacation on the basis of one day for each 25 days' cumulative service, or major portion thereof, during the completed portion of his/her year of employment.

28.12 An employee who is laid off shall be paid for any vacation due him/her at the beginning of the current calendar year and not previously taken and if not subsequently recalled to service during such year shall upon application, be allowed pay in lieu of any vacation due him/her at the beginning of the following calendar year.

28.13 An individual who leaves the service of his/her own accord or who is dismissed for cause and not reinstated in his/her former standing within two years of date of such dismissal shall, if subsequently returned to the service, be required to qualify again for vacation with pay as provided in Article 28.1.

28.14 Applications for vacation filed in January of each year will be given preference in order of seniority of applicants. Applicants will be advised in February of dates allotted to them. January applicants will be given preference over later applicants and unless otherwise mutually agreed, employees who do not apply for vacations in January shall be required to take their vacation at a time to be prescribed by the railway.

28.15 Employees, in the positions of Network Service Technician, Installation Technician, Network Installation and Repair Technician, Network Installation and Repair Technician II, Cable Splicer/Line Technician, Assistant Supervisor Outside Plant Construction and Outside Plant Construction Technician with more than three weeks of vacation may apply to take one week's pay in lieu of vacation for equivalent time spent participating in mutually agreed upon direct job related training.

NOTE: Split Vacations

(a) Employees with three weeks' vacation or less will be allowed to split their vacation into two portions.

(b) Employees with more than three weeks' vacation will be allowed to split their vacation into a maximum of three portions.

(c) No portion of any split may be for less than one week.

(d) Applications for split vacations must be made in accordance with Article 28.14. In the application, employees will designate as "first choice" the position of the split vacation most critical or most important to them.

(e) All first choices will be satisfied within an office or group, as applicable, in order of seniority, before subsequent choices are considered.

ARTICLE 29

Health and Welfare

29.1 The railway shall provide an employee benefit plan which shall be in accordance with the provisions of the governing supplemental

agreement.

29.2 Effective on the first of the month following ratification of this agreement, bereavement leave, dental and extended health care coverage will be extended to individuals of the same sex who are in a spousal relationship with an employee.

ARTICLE 29A

Workers' Compensation/Weekly Indemnity

In order to facilitate the return to active duty, where an employee is deemed fit to return to modified work, by his/her attending physician, the Workers' Compensation Board or the company physician, he/she may be assigned temporarily, to any position anywhere within his/her home terminal. The intent of this practice is to work towards returning injured and disabled employees to their regular assignment. When dealing with positions or groups of employees whose nature of work takes them throughout the system, the assignments under this provision may follow similar practices. In such instances, the employee will be compensated at his/her normal basic rate of pay/guarantee or the rate of the temporary assignment, whichever is greater.

In the event that an employee's claim for Worker's Compensation benefits is challenged by the Company or the Worker's Compensation Board, or if such claim is delayed for more than two weeks from the time reported, the employee may apply for Weekly Indemnity benefits. Applications for Weekly Indemnity benefits under this provision will be processed in the normal manner as regular Weekly Indemnity benefits and will be adjudicated in accordance with our Weekly Indemnity provisions, excluding the requirement that the injury/illness cannot be work related. In making application for Weekly Indemnity benefits under this provision, the employee will be required to complete a waiver directing that should the WCB claim be approved, WCB will reimburse the company's insurance carrier directly. This means that the employee must submit both Part A and B of the Weekly Indemnity claims and provide additional information if required.

ARTICLE 30

Bereavement Leave

30.1 An employee who has not less than three months of cumulative compensated service shall, upon the death of the employee's spouse, children and parent be entitled to four consecutive days bereavement leave.

Upon the death of an employee's grandparent, grandchild, brother, sister, step-brother, step-sister, step-parent, father-in-law or

mother-in-law, brother-in-law, sister-in-law, the employee shall be entitled to three days' bereavement leave without loss of pay provided he/she has not less than six months' cumulative compensated service. It is the intent of this Article to provide for the granting of leave from work on the occasion of a death as aforesaid and for the payment of his/her regular wages for that period to the employee to whom leave is granted.

An employee who, while on scheduled vacation becomes eligible for bereavement leave will be able to reschedule the vacation days affected by the bereavement leave. Such vacation will be taken at a time mutually agreeable to the Company and the employee.

ARTICLE 31

Deduction of Union Dues

31.1 The railway shall deduct on the payroll for any pay period which contains the 24th calendar day of the month from the wages due and payable to each employee coming within the scope of this collective agreement an amount equivalent to the uniform monthly union dues of the Brotherhood subject to the conditions and exceptions set forth hereunder.

31.2 The amount to be deducted shall be equivalent to the uniform, regular dues payment of the Brotherhood covering the position in which the employee concerned is engaged and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of this agreement except to conform with a change in the amount of the regular dues of the Brotherhood in accordance with its constitutional provisions. The provisions of this Article shall be applicable on receipt by the railway of notice in writing from the Brotherhood of the amount of regular monthly dues.

31.3 Employees filling positions of a supervisory or confidential nature not subject to all the rules of this Agreement as agreed between the appropriate officers of the railway and of the Brotherhood shall be excepted from dues deduction.

31.4 Membership in the Brotherhood shall be available to any employee eligible under the constitution of the Brotherhood on payment of the initiation or reinstatement fees uniformly required of all other such applicants by the local lodge or division concerned.

Membership shall not be denied for reasons of race, national origin, colour or religion.

31.5 Deductions shall commence on the payroll for the first pay period which contains the 24th calendar day of the month after the date of first service in a position subject to this Agreement.

31.6 If the wages of an employee on the payroll for the pay period which contains the 24th calendar day of any month are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the railway in such month. The railway shall not, because the employee did not have sufficient wages payable to him/her on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

31.7 Employees filling positions coming within the scope of more than one wage agreement in the pay period in which the deduction is made shall have dues deducted for the organization holding the agreement under which the preponderance of their time is worked in that period. Not more than one deduction of dues shall be made from any employee in any month.

31.8 Only payroll deductions now or hereafter required by law, deductions of monies due or owing the railway, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.

31.9 The amount of dues so deducted from wages accompanied by a statement of deductions from individuals shall be remitted by the railway to the officer of the Brotherhood as may be mutually agreed by the railway and the Brotherhood not later than 40 calendar days following the pay period in which the deductions are made.

31.10 The railway shall not be responsible financially or otherwise either to the Brotherhood or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, if any instance in which an error occurs in the amount of any deduction of dues from an employee's wages the railway shall adjust it directly with the employee. In the event of any mistake by the railway in the amount of its remittance to the Brotherhood, the railway shall adjust the amount in a subsequent remittance. The railway's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it

remits the amount payable to the designated officer of the Brotherhood.

31.11 The question of what, if any, compensation shall be paid the railway by the Brotherhood in recognition of services performed under this Agreement shall be left in abeyance subject to reconsideration at the request of either party on fifteen days' notice in writing.

31.12 In the event of any action at law against the parties hereto or any of them resulting from any deduction or deductions from payrolls made or to be made by the railway pursuant to Article 31.1 of this Agreement, both parties shall co-operate fully in the defence of such action. Each party shall bear its own cost of such defence except that if at the request of the Brotherhood counsel fees are incurred these shall be borne by the Brotherhood. Save as aforesaid the Brotherhood shall indemnify and save harmless the railway from any losses, damages, costs, liability or expenses suffered or sustained by the railway as a result of any such deduction or deductions from payrolls.

ARTICLE 32
Employment Security and Income
Maintenance Plan

32.1 The provisions of the governing supplemental agreement shall apply with respect to Job Security payments and the Employment Security and Income Maintenance Plan.

ARTICLE 33
Final Settlement of Disputes Without
Stoppage of Work

33.1 A grievance concerning the interpretation or alleged violation of this agreement or an appeal by an employee that he/she has been unjustly disciplined which is not settled at Step 3 of the grievance procedure shall be submitted to the Canadian Railway Office of Arbitration for final settlement without stoppage of work. Request for arbitration must be given within sixty calendar days from the date of receiving decision at Step 3 of the grievance procedure.

33.2 Disputes arising out of proposed changes in rates of pay, rules or working conditions, modifications in or additions to the terms of this agreement are specifically excluded from the jurisdiction of the Canadian Railway Office of Arbitration.

**ARTICLE 34
Rates of Pay**

Weekly Rate - Effective

<u>July 1/99</u>	<u>July 1/99</u>	<u>July 1/00</u>	<u>July 1/01</u>
\$40./wk	1.5%	1.5%	2%

34.1 Network Service Technicians:

1st yr. apprentice	\$633.13	\$642.63	\$652.27	\$665.31
2nd yr apprentice	\$677.41	\$687.57	\$697.89	\$711.84
3rd yr. apprentice	\$715.25	\$725.97	\$736.86	\$751.60
4th yr. technician	\$772.10	\$783.68	\$795.44	\$811.34
5th yr. technician	\$822.71	\$835.05	\$847.58	\$864.53
6th yr. technician	\$879.53	\$892.73	\$906.12	\$924.24
7th yr. technician	\$917.04	\$930.80	\$944.76	\$963.66

and thereafter

34.2 Installation Technicians:

1st year	\$633.99	\$643.50	\$653.15	\$666.22
2nd year	\$667.13	\$677.14	\$687.29	\$701.04
3rd year	\$704.26	\$714.82	\$725.54	\$740.05
4th year	\$764.92	\$776.39	\$788.04	\$803.80
5th year	\$802.96	\$815.01	\$857.23	\$843.78
6th year	\$832.74	\$845.23	\$857.91	\$875.07
7th year & thereafter	\$864.79	\$877.76	\$890.92	\$908.74

7th year & thereafter

(with qualifying tests) \$879.53 \$892.73 \$906.12 \$924.24

34.3 Network Installation Repair Technician:

1st year	\$765.66	\$777.15	\$788.81	\$804.58
2nd year	\$834.45	\$846.96	\$859.67	\$876.86
Thereafter	\$869.39	\$882.43	\$895.67	\$913.58

Cable Splicer

Line Technician \$863.04 \$906.43 \$920.03 \$938.43

Assistant Supervisor Outside Plant Construction -

Network Installation Repair Technician's rate plus 36¢ per hour

Weekly Rate Effective

<u>July 1/99</u>	<u>July 1/99</u>	<u>July 1/00</u>	<u>July 1/01</u>
\$40./wk	1.5%	1.5%	2%

Network Installation Repair Technician II:

1st year	\$765.66	\$725.66	\$788.81	\$804.58
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2nd year \$834.45 \$846.96 \$859.67 \$876.86
 3rd year \$869.39 \$882.43 \$895.67 \$913.58
 3rd year and thereafter \$881.32 \$894.54 \$907.96 \$926.12
 (with a minimum of 1 yr continuous
 N.I.R.T. II experience and satisfactory
 performance)

34.4 Outside Plant Construction Technician:
 Permanent & Temp. (Hourly)

	Hourly Rate Effective			
	<u>July 1/99</u>	<u>July 1/99</u>	<u>July 1/00</u>	<u>July 1/01</u>
	\$1./hr	1.5%	1.5%	2%
1st 6 months	\$16.723	\$16.974	\$17.228	\$17.573
2nd 6 months	\$17.152	\$17.409	\$17.670	\$18.024
3rd 6 months	\$17.586	\$17.850	\$18.118	\$18.480
4th 6 months	\$18.266	\$18.540	\$18.818	\$19.194
5th 6 months	\$18.692	\$18.973	\$19.257	\$19.642
6th 6 months	\$19.143	\$19.430	\$19.721	\$20.116
7th 6 months	\$19.558	\$19.851	\$20.149	\$20.552
8th 6 months	\$19.989	\$20.289	\$20.593	\$21.005
9th 6 months	\$20.432	\$20.739	\$21.050	\$21.471
10th 6 months & thereafter	\$20.863	\$21.176	\$21.493	\$21.923

* Groundmen

* Cable Splicer

***NOTE:** These positions are not presently used. If and when they are again filled, rates of pay will be subject to negotiation.

	Weekly Rate Effective		
	<u>July 1/99</u>	<u>July 1/00</u>	<u>July 1/01</u>
	1.5%	1.5%	2%

34.5 Installation Asst. (Shop Helper)

\$722.00 \$732.93 \$747.49

34.6 Long Distance:

Chief Operators Excepted Excepted Excepted

Service Assistants \$766.90 \$778.41 \$793.98

Operators -

1st 7 wks

(initial training period) \$559.94 \$568.34 \$579.70

Next 19 weeks \$611.42 \$620.59 \$633.00

3rd 6 months \$686.46 \$696.76 \$710.69
4th 6 months \$707.05 \$717.65 \$732.00
5th 6 months & thereafter \$722.00 \$732.83 \$747.49

34.7 Students:

Students may be hired for the following purposes:

- (1) To provide vacation relief
- (2) As trainees
- (3) As general or gang labourers

The students rate of pay will be \$8.00 per hour. Future general wage increased will also be applied to this rate of pay.

34.7 (a) Effective January 1, 1985 employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of 40 cents per hour and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of 45 cents per hour. Overtime shall not be calculated on the shift differential nor shall the shift differential be paid for paid absence from duty such as vacations, general holidays, etc.

(b) For regular work on Saturday and/or Sunday, the employees will be paid a weekend differential of 25 cents per hour in addition to the regular rate of pay.

34.8 (a) Progression to each of the rates shall be dependent upon the satisfactory performance of the employee consistent with training and experience. If an employee's increase is to be withheld, he/she shall be so notified in writing 30 days in advance of the date he/she would normally receive the increase and shall have 30 days in which to qualify.

(b) Should an employee fail to merit an increase in the initial 30 day period, outlined in paragraph (a), he/she is entitled to request and receive another review within 60 days and at 6 month intervals for an additional period of 2 years, and yearly thereafter.

(c) An employee, in order to establish level of performance or qualification when an increase is to be withheld, or has been withheld in accordance with paragraphs (a) and (b), and who has requested a review, may be required to successfully pass written and/or practical tests conducted by the railway.

34.9 Installation Technicians, Network Service Technicians and permanent Network Installation Repair Technicians, who are absent from duty due to bona fide accidental injury or illness for 30 cumulative

calendar days or less, since the date of their last progressional increase, provided they have satisfactory performance, will not have their schedule of progressional rate increases delayed; where the absence is in excess of 30 calendar days, their schedule of rate increases will be delayed for the number of cumulative calendar days in excess of 30.

34.10 All employees will participate in direct deposit for payroll purposes. Within 30 days of contract ratification, employees must provide the company with the required banking information.

ARTICLE 35

Negotiations During Term of Agreement

35.1 The parties to this Agreement confirm the desirability of settling by mutual agreement, during the term of this Agreement, any matter that is a source of dissatisfaction to either party, the settlement of which requires a change in such Collective Agreement and agree to take every reasonable means to resolve any such matter during the term of this Agreement.

If any such matter or matters cannot be settled by mutual agreement, during the term of this Agreement, such matter or matters may be progressed during the next open period of the Collective Agreement.

Company or Brotherhood proposals to change this Agreement other than major proposals such as wages, vacations, General Holidays, Health and Welfare, etc. may be submitted by the one party to the other at least nine months prior to the termination date of the agreement with the intent that such proposals be resolved before the expiration of the Agreement.

Termination

Except as otherwise indicated the provisions of this Agreement become effective on July 1, 1999 and supersede all previous agreements, rules and interpretations which are in conflict herewith. It will remain in effect until June 30, 2002 and hereafter until revised or superseded subject to three months' notice by either party at any time after February 28, 2002.

Dated at North Bay, Ontario this 1st day of Sept. 2000

For Transportation

Communications Union:

R. Marleau

Asst. Division

Vice-President

D. J. Bujold

Department Head

For Ontario Northland

Transportation Commission:

K. J. Wallace

President

February 23, 1982

8390-9

Mr. S.C. Ruttan,
General Chairman,
Brotherhood of Railway Airline Clerks,
Division 135,
Porquis, Ontario.

Dear Mr. Ruttan:

This will confirm the disposition of certain items discussed in the 1981 Article III negotiation process concerning the Telecommunications Agreement.

1. In response to the union's request for 8-hour shifts for telephone operators, the company preferred to retain the flexibility contained in Article 26.5 but gave assurance that in the administration of the Article, efforts would be made to reduce the spread of hours.
2. In response to the union's request for weekend shift differentials for telephone operators, the company agreed to extend the present shift differential provisions to the second portion of split shifts commencing on or after 1600 hours.
3. In response to the union's request for consideration in the area of training, the Plant Superintendent will issue a letter outlining the procedure to be followed in claiming expenses for laundry, telephone and out-of-country Blue Cross coverage. The Plant Superintendent will also outline procedures in connection with travel arrangements for employees to allow them an earlier return home on Friday evenings.
4. The union's request for Bell rates was acknowledged.

The company pointed out four specific problem areas:

- (i) Bell's flexibility to utilize classifications,
- (ii) The cents per hour application contained in the last settlement,
- (iii) The effect on ONTC rates of the cola provision in the present contract, and
- (iv) The outcome on ONTC rates of the forthcoming negotiations.

It was the company's opinion that because of the various unknown quantities, a proper comparison could not be made at this time. The company gave a commitment to perform a study using the appropriate Bell classifications in ONTC plan facilities to obtain a comparison with ONTC present payroll. The study to be completed within 120 days of

the signing of the Master Agreement. Following the study and after all of the unknown factors are clarified, the company is prepared to continue discussions on this item during the closed period of the next contract.

Yours very truly,

R. O. Beatty,
General Manager.

Montreal, March 5, 1982

Mr. J. D. Hunter,
Chairman,
Assoc. Non-Operating Railway Unions
Negotiating Committee,
2300 Carling Avenue,
Ottawa, Ontario. K2B 7G1

Dear Sir:

This has reference to the award of the Arbitrator, the Hon. Emmett M. Hall, dated December 9, 1974, concerning the contracting out of work. In accordance with the provisions set out on Page 49 of the above mentioned award, it is agreed that work presently and normally performed by employees represented by the Associated Non-Operating Railway Unions signatory to the Memorandum of Settlement dated March 5, 1982, will not be contracted out except:

- (1) when technical or managerial skills are not available from within the Railway; or
- (2) where sufficient employees, qualified to perform the work, are not available from the active or laid-off employees; or
- (3) when essential equipment or facilities are not available and able and cannot be made available from Railway-owned property at the time and place required; or
- (4) where the nature or volume of the work is such that it does not justify the capital or operating expenditure involved; or
- (5) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property; or
- (6) where the nature or volume of the work is such that undesirable fluctuations in employment would automatically result.

The conditions set forth above will not apply in emergencies, to items normally obtained from manufacturers or suppliers nor to the performance of warranty work.

It is further agreed that at a mutually convenient time at the beginning of each year, representatives of the union will meet with the designated officers to discuss the company's plans with respect to contracting out of work for that year.

In addition, the company will advise the union representative involved, in writing, as far in advance as is practicable of its intention to contract out work which would have a material and adverse effect on employees.

Such advice will contain a description of the work to be contracted out; the anticipated duration; the reasons for contracting out and, if possible, the date the contract is to commence. If the General Chairman, or equivalent, requests a meeting to discuss matters relating to the contracting out of work specified in the above notice, the appropriate company representative will promptly meet with him for that purpose.

Should a General Chairman, or equivalent, request information respecting contracting out which has not been covered by a notice of intent, it will be supplied to him promptly. If he requests a meeting to discuss such contracting, it will be arranged at a mutually acceptable time and place.

Where a union contends that the railway has contracted out work contrary to the foregoing and this results in an employee being unable to hold work, the union may progress a grievance in respect of such employee by using the grievance procedure which would apply if this were a grievance under the collective agreement. Such grievance shall commence at (*), the union officer submitting the facts on which the union relies to support its contention. Any such grievance must be submitted within 30 days from the alleged non-compliance.

Yours truly,

(Sgd) W. H. Morin
Vice-President
Labour Relations
Canadian National Railways
(Sgd) R. Colosimo
Vice-President,
Industrial Relations,
C.P. Rail

* ON & CP - the last step of the grievance procedure.

* CN - the Regional Vice-President level (or equivalent).

North Bay, Ontario

April 26, 1982

8000-51G

Mr. A. Passaretti

Vice-President

Brotherhood of M. of
Way Emps.,

Suite 1,

1708 Bank Street,

Ottawa, Ont K1V 7Y6

Mr. J.E. Platt,

Vice-President,

Brotherhood of Railroad
Signalmen,

130 Slater Street,

Ottawa, Ont. K1P 5H6

Mr. J.D. Hunter,

National Vice-President,

Canadian Brotherhood of
Railway, Transport &

General Workers,

2300 Carling Avenue,

Ottawa, Ont. K2B 7G1

Mr. R. C. Smith,

National Vice-President,

Brotherhood of Railway,
Airline & Steamship

Clerks,

2085 Union Avenue,

Suite 690,

Montreal, Que. H3A 2C3

Dear Sirs:

This has reference to discussions during current contract negotiations with respect to the railway's proposal regarding the desirability of undertaking special arrangements for an employee who becomes physically disabled during the course of his employment and is unable to perform the regular duties of his assigned position and is unable to exercise his seniority on a position which he is capable of performing.

This letter will confirm our understanding that, in such circumstances, the proper officer of the company and the General Chairman of the union concerned will meet to see if arrangements can be made to provide employment to the employee concerned within the bargaining unit. The parties may by mutual agreement, place a disabled employee on a position that his qualifications and ability allow him to perform, notwithstanding that it may be necessary to displace an able-bodied employee in the bargaining unit so as to provide suitable employment. The permanently assigned employee so displaced will be allowed to exercise seniority onto a position within the bargaining unit that he is qualified for and has the ability to perform.

A disabled employee placed on a position shall not be displaced by an

able-bodied employee so long as he remains on that position except when a senior employee is otherwise unable to hold a position within his seniority group.

Should the disabled employee subsequently recuperate, he shall be subject to displacement, in which case such employee will exercise seniority rights. When a senior able-bodied employee believes that the provisions of this letter will result in undue hardship, the General Chairman may discuss the circumstances with the company.

The above understanding is to provide guidelines for assisting disabled employees to continue to be employed.

If you are in accord with the above, would you please so indicate below.

Yours truly,

P. A. Dymont,
General Manager,
Telecommunications Services.

I Concur:

A. Passaretti
Vice-President

Brotherhood of Maintenance of Way Employees

J.E. Platt

Vice-president

Brotherhood of Railroad Signalmen

J.D. Hunter

National Vice-President

Canadian Brotherhood of Railway, Transport and General Workers

R. C. Smith

National Vice-President

Brotherhood of Railway, Airline and Steamship Clerks

North Bay, Ontario
April 10, 1985
9505-4

Mr. P. A. Gosselin
Vice General Chairman
B.R.A.C.

Dear Mr. Gosselin:

This is in regard to the Memorandum of Settlement based on the agreement reached at the conciliation meeting held in North Bay on March 25, 1985, and specifically with Article 26.10 which was removed in its entirety from the agreement.

Article 26.10 was removed from the agreement in consideration for allowing three telephone operators at Cochrane and three telephone operators at Timmins to be released for annual vacation at the same time during the period June 1 to September 30.

Yours truly,

D. J. Borden,
Manager Operations
Telecommunications Services.

North Bay, Ontario
December 2, 1987
9510-4A

Mr. P. A. Gosselin,
Vice General Chairman, BRAC,
P. O. Box 1742
New Liskeard, Ont POJ 1PO

Dear Mr. Gosselin:

This refers to Article 9.3(c), concerning specialized training and is further to our discussion in this regard on June 16 and 17, 1987.

Specialized training will include training on equipment which is unique or unusual to the area or office in which the employee works. This will include such apparatus as: DMS-10, DMS-200, computer applications and future equipment or apparatus which may require such specialized training.

Employees who are to be subject to this rule will be so advised prior to the commencement of the "specialized" training.

Yours truly,

D.J. Borden,
Manager Operations,
Telecommunications Services

LETTER OF UNDERSTANDING

BETWEEN

Ontario Northland Railway

and

United Steelworkers of America TC Local 1976

EMPLOYMENT SECURITY

March 30, 1995

This will confirm the provisions of our agreement concerning Employment Security.

Effective on the ratification of this agreement, in addition to employees currently protected by the provisions of the Employment Security and Income Maintenance Plan, permanent active employees in the service of the company as of March 30, 1995 will be covered under the provisions of Article 7A. A listing of these employees will be provided. The purpose of this agreement is to grandfather all the above mentioned employees and that it is recognized that no new employees will be hereafter added to coverage under Preferred Employment Security.

Signed the 30th day of March 1995 at North Bay.

For the Union:

D.M. Fretz

D.J. Bujold

Ron Marleau

For the Company:

Jerry D. Knox

S.W. Murray

Michael J. Restoule

ONTARIO NORTHLAND PENSION PLAN

March 30, 1995

This will confirm our understanding resulting from discussions during negotiations concerning Ontario Northland Pension Plan.

For the duration of this agreement, it is understood that the Company will not seek a contribution holiday with respect to Company pension contributions made on behalf of United Steelworkers of America TC Local 1976 members. Additionally, the Company will not seek a refund of any pension surplus associated to members of the United Steelworkers of America TC Local 1976.

Signed at North Bay, Ontario the 30th day of March 1995.

For the Union:

D. M. Fretz
D. J. Bujold
Ron Marleau

For the Company:

Jerry D. Knox
S. W. Murray
Michael J. Restoule

ASSIGNMENT OF INSTALLATION WORK

September 11, 1996

This will confirm our understanding resulting from discussions during negotiations concerning the assignment of Installation work.

In situations where installation work is assigned to employees in other than the Installation Technician Classification such employees will be paid, for time so occupied; the greater of the 7th year and thereafter rate of the Installation Technician or his/her rate of pay.

Signed at North Bay this 11th day of September 1996.

For the Union:

For the Company:

Ron Marleau

J.D. Knox

D. J. Bujold

S. W. Murray

D. M. Fretz

Michael J. Restoule

PAID EDUCATION LEAVE

The company agrees to pay into a special fund two (2¢) cents per hour per employee for all compensated hours for the purpose of providing paid education leave. Said paid education leave will be for the purpose of upgrading the employee's skills in all aspects of Trade Union functions. Such monies to be paid on a quarterly basis into a trust fund established by the United Steelworkers of America TC Local 1976 and sent by the company to the following address:

Mr. Dennis Deveau
National Secretary-Treasurer
United Steelworkers of America TC Local 1976 (CLC)
2285 D St. Laurent Blvd., Unit 11
Ottawa ON K1G 4Z7

The company further agrees that the members of the bargaining unit, selected by the union to attend such courses, will be granted a leave of absence where necessary. In the event that service requirements conflict with such a leave, the parties agree to meet to determine if adequate staffing is available. Said leave shall only be granted provided there is no extra cost to the company.

Written requests to the company shall be submitted at least two (2) weeks in advance of the date of commencement of such a leave.

This Agreement becomes effective on date of signing and may be terminated at any time by the union or on twelve months written notice by the company.

Signed at North Bay. Ontario this 7th day of May 1996.

For the Union:

Mr. Don Bujold
National President
United Steelworkers of America
TC Local 1976

For the Company:

Mr. S. G. Carmichael
Vice President
Finance & Administration

BANKING OF OVERTIME

Employees desiring to bank a portion of overtime may elect to do so under the following criteria:

The half time associated to overtime may be banked up to a total of 24 hours per calendar year. This limit may be replenished throughout the year.

Banking time must be taking in full increments (full day - 8 hours), or half increments (half day - 4 hours), or the employee may elect to receive pay.

Time off must be requested at least 48 hours in advance (excepting bona fide illness). Approval for time off requests will be delayed until it is reasonably know that service coverage requirements will be met for the period that the time off is requested.

Time off will be allowed subject to Company service requirements and at no additional cost to the Company.

Payment will be based on the current rate of pay at the time the banked time is used.

The banking of overtime must be within the constraints of ONTC accounting practices and the payroll system in use. At this time, these constraints are as follows:

Employees wishing to bank overtime must make application to the payroll department.

Employees must clearly identify on their overtime claims the number of hours worked to be banked.

Employees must have cleared (or be scheduled to clear by year end) their hours account by December 15. If the account is not cleared then, the employee will be paid the balance in cash.

Employees cannot bank time for the first two pay periods in a year.

Employees must track their own banked time to ensure they do not exceed the 24 hour bank maximum, and to ensure they do not request time off in excess of what they have banked. Time banked, and time taken each pay period is shown on the employee's pay stub.

Signed the 4th day of July 2000 at North Bay

For the Union:
Ron Marleau

For the Company
Scott Murray

Assistant Division
Vice President
Transportation
Communications Union

Director Operations

FLOATING VACATION DAYS

July 6, 2000

Mr. R. Marleau
Assistant Division Vice President
United Steel Workers of America

Dear Mr. Marleau

This letter outlines the terms of the one year trial of "floating" vacation days.

1. The Trial period will be from January 1, 2001 to December 31, 2001.
2. A floating vacation day is a day of vacation entitlement that the employee has specifically requested to be left unscheduled. Requests to designate vacation days as floating must be made in the month of January and at the same time that any application for scheduled vacation is made.
3. Up to 5 days can be designated as floating.
4. Requests to take a day of vacation that has been designated floating must be made to the Supervisor at least 48 hours before the desired day. Approval of any request shall not cause any additional expense tot he company for any reason.
5. Any designated floating vacation days not used by November 30 will be lost (no carry over of payment in lieu of - subject to legislative requirements).
6. This agreement is subject to a one year trial period and will terminate on December 31, 2001. Subsequent extension of this agreement can be made for years beyond 2001 with written concurrence by the Director Operations and the Assistant Division Vice-President.

If your are in agreement with the foregoing please sign below.

Yours truly,

S. W. Murray
Director Operations

I concur:

R. Marleau
Assistant Division Vice-President
United Steel Workers of America

Letter of Understanding for After Hour Coverage and the Oncall plan

This letter is to clarify the After Hour Coverage and the Intent of Oncall Provisions which are being introduced.

The purpose of the After Hour Coverage Plan is to ensure that customers are provided service on a 24 hour - seven day per week basis, with minimal delay. The after hour coverage plan needs to provide at a minimum, a competitive level of service that meets the needs of customers. An Oncall Plan component is being introduced into the After Hour Coverage Plan on a trial basis, in part, to help determine if a full Oncall Plan would provide a better method of supporting services to customers.

It is recognized that given the diversity of O.N.Tel's Operations, the wide geographical area, and the needs of O.N.Tel's customers, it is likely not possible to devise an on-call plan that would absolutely cover all after-hour trouble situations, and still recognize the need for a quality of life for employees and the need for economical timely service for customers. A continued good understanding of customers need for after-hour coverage, and good judgment is needed, along with any Oncall provisions. The trial Oncall plan introduced here, supplements existing after hour coverage efforts, and is in no way a replacement of any part of existing after hour coverage efforts.

The After Hour Coverage Plan works best for O.N.Tel customers, and O.N.Tel employees, with the continued co-operation and commitment of all employees; the Company and the Union will work together to foster and promote employee co-operation and commitment, and to improve after hour coverage. The Union and the Company will meet at a minimum of every six months to review the effectiveness of after hour coverage, and make adjustments as might be necessary to address unforeseen issues at this time. The Union and the Company is committed to providing after hour coverage that works for all parties. It has been agreed to introduce oncall with two geographical areas, rotating oncall coverage with one NST in each area.

The terms of this letter of understanding will terminate on June 30, 2002 unless otherwise continued on agreement of the parties.

The undersigned agree with the foregoing.

Oncall

1. A person who is on-call will:

- stay within one hour of their headquarters (one hour from time of call-out to arrival at headquarters)
- stay within the operating range of an assigned cellular radio or paging device (or similar device), and ensure that such device will always be heard or felt during all on-call hours.
- proceed immediately to establish communications with the NCC if he/she becomes aware that normal communication devices were not functioning properly for any period of time (home phone not working, cellular radio dead, pager dead, etc.).
- not participate in any activity that will prevent the employee from completing a normal work assignment (for example, must be able to legally operate a highway vehicle).

2. Subject to the availability of vehicles, the person assigned on-call duty will have the option of bringing a company vehicle home (if within 20 km of headquarters) while on call. The vehicle is to be used only for company business (travel to/from call-out assignments). Overtime for a callout starts when the employee arrives in a headquarters in their oncall coverage area, or, in the event that a stop at headquarters is not required, from the time the employee departs directly to the location requiring coverage.

3. A technician may request to be excluded from on-call assignment duty and approval of such requests will not be unreasonably withheld provided adequate on-call coverage can be arranged with no extra on-call pay costs. If there are two or more such requests, the request from the more senior employee will be considered first.

4. A technician who participates in the oncall plan, and who is called after their normal working hours at a time that he/she does not have oncall duties assigned, may refuse the callout

5. On-call assignments will be distributed equally amongst a minimum of four employees.

6. Employees may exchange oncall assignments within their rotation area. As well, employees may be able to arrange temporary substitutes for their on-call assignment (ie - one day, or evening, etc.);

substitutes for these short term exchanges will not be paid for their assignments (it is expected that a give and take co-operative arrangement will be best). An employee will not unreasonably deny another employee's request for a substitution. Substitute arrangements must be registered and confirmed by management.

7. An on-call assignment is one week in length.

8. New employees will not be assigned on-call responsibilities until they have gained sufficient experience and knowledge, or until the completion of their probationary period, whichever comes first.

9. Compensation for one week of on call duty will be 3 hours at the overtime rate of pay.

**EMPLOYEE BENEFIT PLAN
SUPPLEMENTAL AGREEMENT**

BETWEEN

**ONTARIO NORTHLAND
TRANSPORTATION COMMISSION**

AND

**UNITED STEEL WORKERS OF AMERICA
TC LOCAL 1976
Representing
O.N. TELCOM**

The parties hereto agree that the company shall provide a Benefit Plan governing life insurance, weekly indemnity benefits, long term disability, maternity leave benefits, extended health care benefits, dental care benefits and vision care benefits as follows:

1. An eligible employee shall be entitled to:
 - (a) Life Insurance coverage in the amount of \$37,000. with double indemnity provision for accidental death, details of which are contained in Appendix "A".
 - (b) Weekly Indemnity Benefits up to 26 weeks from wage loss on account of sickness or nonoccupational accident of 70% of base pay up to a maximum of \$500. per week, (Effective July 1, 2001 maximum of \$520.) details of which are contained in Appendix "B".
 - (c) Medicare Allowances, details of which are contained in Appendix "C".
 - (d) Maternity Leave Benefits or Adoption Leave Benefits up to 17 weeks based on 70% of weekly base pay with no maximum, details of which are contained in Appendix "D".
 - (e) Extended Health Care Benefits, details of which are contained in Appendix "E".
 - (f) Dental Care Benefits, details of which are contained in Appendix "F".
 - (g) Long Term Disability Protection Plan, details of which are contained in Appendix "G".
 - (h) Vision Care Benefits, details of which are contained in Appendix "H".
2. Eligibility qualifications and pay direct provisions shall be as outlined in Appendix "I".
3. An Administrative Committee will be established to act as a Committee of Appeal in cases where an employee may feel that he has been unjustly dealt with in respect of weekly indemnity payments. This will not be construed to deny an employee any rights of appeal which he may have under his respective Collective Agreement.
4. (a) The Administrative Committee shall be comprised of three members from the Company and three members to be nominated by the General Chairpersons' Association and will hold office until successors are named.
 - (b) Should a vacancy, temporary or otherwise, occur on the Committee it shall be filled by a substitute appointed by the appointor

of the original member.

(c) The Committee shall appoint from its own number, two co-chairs, one from the Company and one from the employees.

(d) Four members of the Committee shall constitute a quorum.

(e) Each member of the Committee present at a meeting shall have the right to cast one vote. Decisions of the Committee shall be carried by four or more votes and unless otherwise expressly provided, shall be final and binding.

(f) Normal expenses (including lost wages) incurred by the Employee Members as a result of their attendance at meetings of the Administrative Committee will be reimbursed by the Company.

5. In the event the Committee is unable to reach a decision on any matter, either of the parties may, by notice given to the other within 60 calendar days, require the question to be referred to an arbitrator. If the parties are unable to agree on the selection of an arbitrator they shall jointly apply to the Ministry of Labour of Canada for the appointment of an arbitrator. The arbitrator shall have no power to add to, subtract from, or modify any of the terms of this agreement or of the collective agreements between any of the parties hereto. The expenses of the arbitrator shall be shared equally by the Railway and the Unions.

6. The residual cost of providing the weekly indemnity benefits provided for in Section 1(b) shall be paid by the Company after setting against such costs the employees' share of Unemployment Insurance premium reductions.

7. The provision of the coverage outlined herein shall be the responsibility of the Company. The Company will secure policies to provide Weekly Indemnity and Life Insurance coverage as set out in Section 1(a) and (b) hereof, will pay the premiums and will be entitled to any dividends accruing from such policies.

At the option of the Company, the Weekly Indemnity Benefit Plan may be put on an Administrative Services Only (A.S.O.) arrangement and the contract will be between the company and the service organization.

8. The provisions of this agreement shall become effective on September 1, 2000.

9. This Supplemental Agreement supersedes the Supplemental Agreement signed at North Bay, Ontario on the 26th day of March, 1992 and will remain in effect until June 30, 2002 and thereafter

subject to four months notice by either party of their desire to revise or terminate it, which may be served at any time subsequent to February 28, 2002.

Signed at North Bay this 1st day of September 2000.

For the Company: For the Union:

K. J. Wallace
President

Ron Marleay
Assistant Division
Vice President

APPENDIX "A"

LIFE INSURANCE BENEFITS

1. Each eligible employee will be covered in a group policy with life insurance in the amount of \$37,000. with a double indemnity provision on a 24 hour basis for accidental death.

By virtue of and subject to the terms of the group policy, the sum thus insured is payable to the beneficiary in the event of the death of the employee, while insured under the said group policy.

The insurance may be paid in one sum or in a fixed number of payments, at intervals of not less than one month, as provided in the group policy.

2. Conversion Privilege

Within 31 days after insurance stops, except on account of a reduction in accordance with the terms of the group policy, or except on account of, or subsequent to the termination of the group policy, the employee may apply to the insurance company for any regular whole life, endowment, or pension with insurance plan ordinarily issued by the insurance company. The converted policy may not include disability or double indemnity benefits. The insurance will be issued without medical examination at the premium rate which applies to age and classification of risk at the time of conversion. The employee may apply for an amount equal to, or, at his/her option, less than the amount of insurance which has been cancelled under the group policy.

3. Beneficiary

The employee may, at any time, appoint or change the beneficiary by written notice deposited with the employer, subject to applicable laws.

4. Disability Benefits

In the event that the employee becomes unable to work before age 65 because of total disability owing to accident or sickness, such employee will be entitled to life insurance coverage equal to the amount of paid up retirement insurance in effect at the time. There will be no premiums payable, but the employee must advise the insurance company that he/she is disabled and submit such evidence of disability as it requests.

5. Assignment

No assignment of any of the insurance under the said group policy shall be valid.

6. Termination of Insurance

The employee's insurance terminates when the group policy terminates, unless insurance is continued under the disability provision of the group policy, when the employee ceases to be eligible for insurance according to the terms of the group policy or when the employee attains the termination age specified in the group policy. Terms and conditions are more fully described in the governing insurance company policy.

APPENDIX "B"

WEEKLY INDEMNITY BENEFITS

1. (a) Effective October 1, 2000 for claims which originate on or after that date, an eligible employee will be entitled to weekly indemnity benefits of 70% of his/her weekly base pay to a maximum of \$500. per week. This new weekly maximum rate will also be applicable on October 1, 2000 on any claims which were established during the year 2000 and continued in force after October 1, 2000.

Effective July 1, 2001, for claims which originate on or after that date, an eligible employee will be entitled to weekly indemnity benefits of 70% of his/her weekly base pay to a maximum of \$520. per week. Claims which originated prior to July 1, 2001 which continue on beyond July 1, 2001 will be subject to this increase as well.

A claimant in receipt of EI sickness benefits will have such benefits supplemented up to the level of his/her weekly indemnity benefits. (This provision is subject to approval by Human Resources Development Canada). At no time shall the combined weekly payments from the plan and the weekly unemployment insurance benefits exceed 95% of the employee's weekly earnings.

(b) Weekly Indemnity benefits will commence for eligible employees from the first day in case of accidental injury, from the first day of sickness if hospitalized during the period of the claim and from the third day in other cases of sickness. Payments will be made for up to 15 weeks. If an employee continues to be disabled under this 15 week period and if he/ she is eligible for Employment Insurance sickness benefits, he/she will be required to claim such EI sickness benefits. Following the exhaustion of such EI sickness benefits, an employee will continue to be eligible for weekly indemnity benefits for a period of up to 11 weeks without any further waiting period. In the event an employee is not eligible to receive EI sickness benefits, he/she would

be immediately eligible to receive weekly indemnity benefits for the remaining 11 weeks of the 26 weeks period.

(c) Claims for coverage must be submitted within 30 days of the first day of disability.

2. Employees on company compensated jury duty and union representatives on temporary leave of absence account union business (for whom a premium has been paid) who become disabled during their period of leave will be eligible for weekly indemnity benefits in the same manner as if they had been working. Employees on bereavement leave will become eligible at the expiration of such leave.

3. If, after the termination of any disability for which an employee was entitled to a benefit under this provision, such employee again becomes disabled due to the same or related cause or causes, such later disability will be considered as a continuation of the previous disability unless such employee had recovered from the previous disability and had been at work with the company on full time for a period of at least two weeks after termination of the previous disability.

4. Employees have no vested right to payments under this plan except to payments during a recognized absence due to illness or non-work related injury.

5. Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

Benefits will not be payable:

(a) for any period of disability during which the employee is not under the care of licensed physician, surgeon or chiropractor;

(b) for any period during which the employee is receiving benefits under Provincial Workers' Compensation legislation, unless compensation is payable in respect of a previously incurred partial disability which permits continuation of his/her employment;

(c) for any accident or sickness for which an employee is receiving benefits under Provincial Workers' Compensation legislation,

(d) for any period during which an employee is entitled to sickness or disability benefits from the Employment Insurance Program in accordance with Section 1(c) of this Appendix "B"; (see Note 1);

(e) In respect of an accident which occurs while the employee is performing any work for wages or profit other than on behalf of the company;

- (f) if the employee is drawing vacation pay or pay for general holidays or is on strike; (see Note 2);
- (g) for intentionally self-inflicted injury, or injury resulting from war, insurrection or participation in a riot;
- (h) for absence from work due to pregnancy leave;
- (i) for any period during which an employee is engaged in any occupation for wages or profit;
- (j) when an employee is laid off, or on leave of absence (see Note 3).

Terms and conditions are more fully described in the governing insurance company policy.

Explanation of Notes

1. Except for the topping off supplement described in the last paragraph of Section 1(a) of this Appendix "B".
2. An employee who, while on annual vacation becomes ill or is injured, shall have the right to elect to terminate (temporarily) his/her vacation and to be placed on weekly indemnity.
3. When an employee qualifies for benefits during a period of employment and is subsequently laid off, benefits continue in accordance with Article 1(b) of the Appendix "B".

APPENDIX "C"

MEDICARE ALLOWANCES

1. Allowances will be paid by the Company for medical-surgical benefits to be applied against payments provided for under any government medical care program as follows:
 - (a) Eligible employees, regardless of marital status, resident in the Province of Quebec, an allowance of \$10.00 per month.
 - (b) Eligible employees resident in the Province of Ontario
Monthly allowances as follows:
 - Employees with no dependants \$22.50
 - Employees with dependants \$45.00
2. Such allowance will first be used to pay any amount the Company is, or might be in the future, required to pay for such medical-surgical benefits under any medical care program.
3. If no monthly amount is payable or if the monthly amount payable, or to be payable, by an employee, or by an employee and the Company, account medical-surgical benefits is less than the

allowance, the difference will be paid by the employee on the payroll and if the monthly amount is greater, the difference will be deducted from the employee's wages.

4. Subject to the provisions of the above sections an employee qualifies for an allowance for any month only if he/she performs compensated service in the payroll period which contains the tenth day of the month or in the payroll period immediately preceding. The application of this section will not operate to deny an eligible employee the allowance for any month in which he/she performs compensated service nor to grant him/her the allowance for any month in which he/she does not perform compensated service.

5. Notwithstanding the provisions of Section 4 above an eligible employee who does not perform compensated service in such pay periods but who is in receipt of a weekly indemnity payment under the provisions of Section 1(b) of this agreement or an Employment Insurance benefit as contemplated in Section 1(c) of Appendix "B" or who is off work account W.S.I.B. disability will be treated as follows:

(i) If he/she is resident in a province where a medicare premium or medicare tax is payable, he/she will be eligible for the amount of such premium or tax up to the maximum amount stipulated in Section 1 of this Appendix, or such lesser amount as is required to pay the premium or tax in such province.

(ii) If he/she is resident in a province where no medicare premium or medicare tax is required, no payment will be made.

This Section 5 will apply only for a maximum period of 26 weeks for each period of disability.

Note:

The provisions contained in this Section shall not result in a duplication of benefits as a consequence of similar provisions in any other agreement.

APPENDIX "D"

PAID MATERNITY LEAVE PLAN

1. Effective on the first day of the month following the signing of this agreement, a paid Maternity Leave Plan will be established for claims which originate on or after that date. The plan will provide maternity leave benefits in the event of childbirth or the adoption of a child less than one year old of an amount that, when added to Employment Insurance Maternity Benefits, will result in the employee receiving 70%

of her weekly base pay with no maximum amount for those weeks during which she receives Employment Insurance Maternity Benefits, i.e., for a maximum of 15 weeks.

2. The provisions of the paid Maternity Leave Plan are subject to the approval of Human Resources Development Canada.

3. Employees have no vested right to payments except to payments as outlined in Clause 1 above.

4. Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

APPENDIX "E"

EXTENDED HEALTH CARE BENEFITS

The Extended Health Care Plan provides for coverage of semi-private hospital accommodation expenses and major medical coverage, drugs and vision care expenses in accordance with the following:

(a) Hospital Benefit

Effective January 1, 1997, semi private hospital coverage will be limited to \$150. per day

Effective the first of the month following ratification, new employees will not be covered for semi-private insurance.

(b) Drug Benefit

100% of charges for drugs, including oral contraceptives, sera and injectibles prescribed by a licensed doctor (MD) or licensed dentist and dispensed by a registered pharmacist, that regardless of their legal status are not normally obtainable except by prescription from a licensed doctor (MD) or licensed dentist. The drug plan is not subject to an annual deductible.

Effective October 1, 1996 a generic drug plan will be established. Brand name drugs will be accepted when:

(i) No generic substitute is available, or

(ii) An allergic reaction to the generic drug is demonstrated.

(c) Major Medical Benefit

The Major Medical Benefit portion of the plan is subject to a deductible of \$25.00 per family, per calendar year.

This benefit is subject to a lifetime maximum amount of \$40,000. per individual.

The Major Medical expenses are subject to 80% reimbursement for the following covered expenses:

- Services of a licensed physiotherapist
- Services of a registered nurse
 - charges for home nursing care, by a registered nurse (R.N.) or when unavailable a registered nursing assistant (R.N.A.) who:
 - is not a member of your family; and
 - does not normally live in your home;
 - when ordered by a licensed doctor (M.D.) as medically necessary for a disability that requires the specialized training of an R.N. or R.N.A.
 - charges for nursing care in a hospital if such charges are not covered under the insured person's Provincial Health Plan, by a Registered Nurse (R.N.) or when unavailable a Registered Nursing Assistant (R.N.A.) who:
 - is not a member of your family; and
 - does not normally live in your home.
- Diagnostic and x-ray services, blood and blood plasma, oxygen and rental of equipment for its administration
- Purchase of durable medical equipment, crutches, artificial limbs, etc., including elastic support stockings and orthopaedic shoes
- Rental or purchase of a wheelchair, hospital bed or iron lung
- Licensed ambulance, including air ambulance to and from the nearest hospital
- Dental treatment for accidental injury to natural teeth

Expenses Not Covered:

No payment is made for the following expenses:

- Cost of the difference between a semi-private and a private hospital room
- Convalescent or nursing home care
- Cost of treatment by chiropractors, osteopaths, podiatrists, speech therapists and psychologists
- Hearing aid expenses
- Drugs which can be purchased without prescription (with certain exceptions). For example: patent medicines, vitamins, health foods, cough and cold preparations, aspirin and similar

products are ineligible.

General Exclusions

The plan does not cover services and supplies in the following situations:

- injury sustained by employees while working for pay or profit other than with their employer
- injury of a dependent while working for pay or profit, any portion of medical expense covered under Workers' Compensation or similar program
- services to which the patient is entitled without charge, or for which there would be no charge if there were no coverage
- services, or portions thereof, provided under government sponsored programs

In the event that a service covered by a government sponsored program is suspended, the Extended Health Care Plan will not assume coverage of such service.

Co-ordination of Benefits

Some employees and their dependants are eligible for benefits from other group type plans. In these cases, the benefits payable under all plans will be co-ordinated to ensure that the maximum benefits are made available but that the total amount paid does not exceed the actual expenses incurred.

Terms and conditions are more fully described in the governing insurance company policy.

APPENDIX "F"

DENTAL CARE BENEFITS

The Dental Care Plan provides for coverage of 100% of the expenses for routine dental care and 50% of expenses for major dental care subject to a calendar year deductible of \$35.00 per person, but not more than \$35.00 per family to a maximum annual benefit of \$1,200. per person. Eligible employees and their dependants will be covered for expenses as follows:

Routine Care

Charges up to the maximum benefit for:

- oral examinations, cleaning of teeth, fluoride treatments and bite wing x-rays: twice in any calendar year, but not more than once in any six month period for dependants under age 18, and

not more than once in each nine months for adults, beginning September 1, 1994.

- full mouth series of x-rays: once every 24 months for dependants under age 18 and not more than once in each 36 months for adults.
- extractions and alveolectomy (bone work) at time of tooth extraction
- dental surgery
- general anaesthesia and diagnostic x-ray and laboratory procedures required for dental surgery
- amalgam, silicate, acrylic and composite fillings
- necessary treatment for relief of dental pain
- cost of medication and injections given in the dentist's office
- space maintainers for missing primary teeth and habit breaking appliances
- consultations required by the attending dentist
- surgical removal of tumors, cysts, neoplasms
- incision and drainage of abscess
- endodontics (root canal therapy)
- periodontal treatment (gum and tissue treatment)

Dentures, Crowns and Bridge Work

Charges up to the benefit maximum for:

- provision of crowns, inlays and onlays
- provision of an initial prosthodontic appliance (e.g. fixed bridge restoration, removable partial or complete dentures)
- replacement of an existing prosthodontic appliance if:
 - (a) it is over five years old and cannot be repaired;
 - (b) it is a temporary one installed after the employee first became covered by the plan (in this instance the replacement is considered a permanent one);
 - (c) it is required due to the installation of an initial opposing denture after the date the employee became covered by the plan;
 - (d) it is required as a result of accidental injury after the employee became covered by the plan;
 - (e) the extraction of additional teeth, after coverage has begun, requires a new appliance. If the existing appliance can be

made serviceable, only the expense for the portion required to replace the teeth extracted is covered.

- Relines, rebases and repairs to existing dentures
- Procedures involving the use of gold, only if such treatment could not have been carried out with the use of a reasonable substitute consistent with generally accepted dental practice. Where the use of gold is optional, the covered expense will be that of the customary substitute.

Other Dental Practitioners

Dental care, services or supplies must be rendered and dispensed by a licensed dentist, except that:

- scaling and cleaning of teeth may be done by a licensed dental hygienist; and
- installation, adjustment, repair, relining or rebasing of full dentures, may be done by a denturist, denture therapist, technician or mechanic, who is registered and practicing within the scope of his license.

Charges for such health care, services and supplies will be deemed to be covered as follows:

Effective January 1, 2000 the 1999 suggested Fee Guide for Ontario Dental Association

Alternative Services

If alternative services may be performed for the treatment of a dental condition, the maximum amount payable will be the amount shown in the applicable suggested Fee Guide for the least expensive service or supply required to produce a professionally adequate result.

Predetermination of Benefits

If charges for a planned course of treatment by a licensed practitioner would exceed \$300., proposed details and x-rays should be submitted to Maritime Life for approval. Failure to do so may result in payment of a lesser benefit amount because of the difficulty in determining the need for such treatment after it has been provided. Dental x-rays will be promptly returned to the dentist.

Course of treatment means one or more services rendered by one or more dentists for the correction of a dental condition diagnosed as a result of an oral exam starting on the date the first service to correct such condition is rendered.

Limitations

No amount will be paid for charges for:

- dental care which is cosmetic;
- completion of claim forms;
- broken appointments;
- dental care covered under a medical plan provided by an employer or government which, in the absence of insurance, there would be no charge;
- stainless steel crowns on permanent teeth;
- oral hygiene instruction or nutritional counselling;
- protective athletic appliances;
- prostheses, including crowns and bridgework, and the fitting thereof which were ordered while the person was not insured, or which were ordered while the person was insured but which were finally installed or delivered after this benefit is discontinued or more than 31 days after termination of insurance for any other reasons;
- a full mouth reconstruction, for a vertical dimension correction, or for diagnosis or correction of a temporomandibular joint dysfunction;
- replacement of a lost or stolen prosthesis; or
- orthodontic treatment or correction of malocclusion

APPENDIX "G"

LONG TERM DISABILITY PROTECTION PLAN

1. Employee Eligibility:

- a) Must be a current active employee with permanent status and a minimum of two (2) years of continuous employment relationship.
- b) For employees hired following the ratification of this agreement, the following service requirements shall apply:
 - (i) Must be a current active employee with permanent status and a minimum of two (2) years of continuous employment relationship.
 - (ii) For each year of cumulative compensated service an employee will be eligible to qualify for one (1) year of LTD coverage.
 - (iii) Following ten (10) years of continuous employment relationship, an employee will be eligible for LTD coverage or unless otherwise specified within the LTD Plan.

2. Requirements:

- a) Must exhaust all short term disability payments and vacation entitlement.
- b) Must apply for all wage loss replacement plans which includes but not limited to the company pension plan, Q/CPP and Workplace Safety and Insurance benefits if applicable.
- c) Must be determined to be unable to perform any work at Ontario Northland by the company physician.

Benefit Provision:

- a) The plan will provide that an eligible employee is insured for benefits equivalent to 70% of his/her normal weekly earnings.
- b) Payments from the LTD Plan will be offset by any amount of income the employee receives due to his/her disability. This would include but would not be limited to payments received from the Company pension plan, Q/CPP and Workplace Safety and Insurance benefits.
- c) Any retroactive adjustments from a wage loss replacement plan will result in the top up under the LTD plan being adjusted to reflect the overpayment. (For example, a six month retroactive payment in CPP disability benefits would result in an overpayment of the LTD top up which would then be either collected or the LTD top up would be reduced until the overpayment is recovered.)
- d) Employees eligible for LTD will have their Extended Health Care, Vision, Dental and Life Insurance employment benefits for which they were entitled immediately prior to the commencement of the LTD continued for as long as they qualify for LTD payments.
- e) Employees in receipt of LTD benefits may be required to undergo periodic medical examinations to verify that the employee's entitlement to receive, or to continue to receive, any long term disability benefits payable under this plan.

Rehabilitation:

An employee in receipt of LTD benefits may be required to participate in a rehabilitative program developed in conjunction with the employee's ability and supported by the Company Physician. Such programs require the approval of the Company and may include:

- 1) work in a full-time or part-time occupation for compensation or profit while the employee is unable because of the disability to be actively at work at his/her own job, or

2) participation in non-remunerative vocational training or work for rehabilitation.

Payment:

Employees who participate in a rehabilitation program will continue to receive payments from the plan offset by any remuneration they may be receiving as a result of the rehabilitation plan. Employees who refuse to participate in a rehabilitation program will cease to be eligible for LTD.

Expenses:

Expenses incurred as a result of the rehabilitation plan, other than normal employment expenses, approved in writing in advance by the company, will be paid by the company.

Limitations:

Payment will not be made for a total disability which existed prior to the employee becoming eligible for coverage under the service requirements of this plan.

Exclusions:

LTD benefits will not be payable:

- a) In respect of an accident which occurs while the employee is performing any work for wages or profit other than on behalf of the company.
- b) For intentionally self-inflicted injury, or injury resulting from war, insurrection or participation in a riot.

Termination:

Coverage under the LTD plan will terminate upon the earlier of:

- a) recovery
- b) reemployment at a rate of pay equal to or greater than the LTD payments
- c) age 65.

While it is the company's intention to administer the program itself, the company reserves the right to insure the LTD plan or transfer the administration of this program to a third party administrator.

APPENDIX "H"

VISION CARE BENEFITS

Effective July 1, 2000, the Vision Care Plan provides for reimbursement of up to 100% to a maximum of \$210. payable in any 24 month period, or in any 12 month period for dependants age 18 or under. The \$25.00 annual deductible does not apply to the Vision

Care Plan.

Charges for lenses (including shatterproof lenses) and frames, sunglasses, or for contact lenses and their replacement provided there is an actual need for change in their magnifying strength, when prescribed by an ophthalmologist or optometrist, up to the Benefit Maximum. No amount will be paid for anti-reflective coatings.

Services of an ophthalmologist or licensed optometrist to a maximum amount payable in any two consecutive contract years will be \$25.00 per person.

APPENDIX "I"

ELIGIBILITY QUALIFICATION AND PAY DIRECT

PROVISIONS

LIFE INSURANCE

New Employees:

A new employee becomes eligible on the first day of the month following the completion of 60 calendar days continuous employment relationship.

Monthly Qualification for Coverage:

An eligible employee qualifies for coverage in respect of a particular month only if he/she renders compensated service in that month.

Extended Health Care, Dental and Vision Care Plan

Employees will become eligible for extended health care benefits, dental care benefits and vision care benefits on the first day of the month following the completion of six months of continuous service.

Waiver of Premium:

- (i) An employee's basic coverage for life insurance, extended health, vision care, dental and weekly indemnity will be continued while he/she is drawing weekly indemnity benefits or Unemployment Insurance benefits under the provisions specified in Appendix "B" of this Supplemental Agreement for a maximum period of up to 26 weeks for each period of disability.
- (ii) An employee's basic coverage for life insurance, extended health and dental will be continued while he/she is off work account WCB disability for a maximum period of up to 52 weeks for each period of disability.

Dependent Eligibility

To be eligible for insurance dependants must be insured under a provincial health insurance plan.

Dependants becomes eligible for insurance when the employee become eligible or, if acquired later, upon becoming a dependent.

The employee must be insured in order for his/her dependants to be insured.

A person may not be insured for health care, dental care and vision care benefits as a dependent of more than one employee; or both as an employee and as a dependent.

Dependent means a spouse or unmarried child under 21 (25, if regularly attending school and solely dependent upon the employee for support).

Spouse means a husband or wife by virtue of a religious or civil marriage ceremony; (if separated, spouse must be supported by the employee) except that, a person of the same or opposite sex living with the employee will be deemed to be the employee's spouse, if such person is publicly represented as the employee's spouse.

Child means:

- a natural or legally adopted child; or,
- a step child or other child, who is dependent upon the employee for support and lives with the employee in a regular parent child relationship.

Effective Date of Insurance

Insurance for employees and their dependants will become effective on the date of eligibility.

If an employee is absent from work because of disability due to illness or injury on the date of insurance, or any increase in insurance would otherwise become effective, such insurance will not become effective until the date the employee returns to active full time work for one full day.

Insurance, or any increase in insurance, for a dependent (other than a new born child who becomes insured within 31 days of becoming eligible), who is confined in a hospital because of illness or injury on the date such insurance would otherwise become effective, will not become effective until the date such dependent is no longer so confined.

Direct Payment Provisions, Termination of Insurance and Continuation of Insurance

1. The group Life, Accidental Death and Dismemberment and Weekly Indemnity benefits cease on the date the employee ceases to be an eligible employee, unless the Life or Weekly Indemnity benefits are extended due to eligible disability.

2. (a) Extended Health Care Plan, Vision Care and Dental coverage for employees and their dependants will be terminated as follow:

- (i) resignation or dismissal, the date on which the employment relationship terminates;
- (ii) Retiring and retired employees - The end of the month in which the retired employee reaches age 65 or, in the case of an employee retiring after age 65 pursuant to the pension regulations, the end of the month in which retirement takes place (within 6 months of turning 65).
- (iii) leave of absence, lay-off, (except as provided below), and death, the last day of the month in which such leave of absence, lay-off or death occurs;
- (iv) strike, the last day worked.

(b) (i) In cases of leave of absence for disability (and the employee is in receipt of Weekly Indemnity Benefits, Unemployment Insurance Sickness/Maternity Benefits or Workers' Compensation Benefits), coverage will be maintained at no cost to the employee for a period of six months from the end of the month in which the disability occurs. If disability continues past this period, employees may maintain coverage for a further six months by submitting the required payment directly to their employer.

(ii) In cases of lay-off and leave of absence in circumstances other than those in (i) above, employees may maintain coverage for a period of 12 months following the date of lay-off or the granting of leave of absence, provided direct payment is made to their employer.

(c) With respect to dependants, the date on which a dependent ceases to be an eligible dependent.

3. Insurance for you and your dependants will also terminate when premium payments cease or when this plan is discontinued.

Continuation of Health Care and Dental Care Benefits for Incapacitated Children

Health Care and Dental Care Benefits will continue beyond the date an

unmarried child attains the limiting age for insurance, provided proof is submitted to Excelsior Life within 31 days after such date that such child:

- is incapable of self-sustaining employment by reason of mental retardation or physical handicap;
- became so incapacitated prior to attainment of the limiting age; and
- is chiefly dependent upon you for support and maintenance.

Thereafter, such proof must be submitted to Excelsior Life, as required, but not more often than yearly.

Continuation of Health Care and Dental Care Benefits After Your Death

Your dependants who are insured under this plan at the time of your death will continue to be insured while premium payments for such insurance are continued, but not beyond the earliest of:

- the date such dependants cease to be eligible;
- the date your spouse remarries (children will continue to be insured);
- the end of the month after the date of your death; or
- the date insurance for your dependants terminates for any reason.

Upon your death, benefits are payable to your spouse, if living, or to your child (or legal guardian).

EMPLOYMENT SECURITY

and

INCOME MAINTENANCE AGREEMENT

for

**UNITED STEELWORKERS OF AMERICA
TC LOCAL 1976
Representing
O.N. TELCOM**

Index

Article No.		Page No.
1	Definitions ESIMA	2
1.1	General Provisions ESIMA	4
2	The Administrative Committee ESIMA	5
3	Administration of the Plan ESIMA	5
4	Weekly Layoff Benefits and Severance Payments ESIMA	8
5	Training of Employees ESIMA	17
6	Relocation Expenses ESIMA	20
7	Employment Security ESIMA	27
7A	Preferred Employment Security ESIMA	28
8	Technological, Operational and Organizational Changes ESIMA	30
9	Government Assistance Program ESIMA	34
10	Seasonal Employees ESIMA	34
11	Casual and Part-time Employees ESIMA	34
12	Non Applicability of Sections 150, 152 and 153, Part V and Sections 60.11 to 60.15 inclusive, Part III of the Canada Labour Code ESIMA	35
13	Amendments ESIMA	35
14	Commencement ESIMA	35
15	Duration ESIMA	36
	Appendix A ESIMA	38

THIS AGREEMENT IS:

between

**ONTARIO NORTHLAND TRANSPORTATION
COMMISSION**

called "the Company"

of the One Part

and

**UNITED STEELWORKERS OF AMERICA
TC LOCAL 1976**
of the Other Part

Preamble

The parties agree that Supplemental Unemployment Benefits be paid only for periods of temporary layoff (the specific duration being set out in the provisions of this agreement). Employees in receipt of SUB continue their employment relationship with the Company, retain seniority rights and are required to accept temporary or permanent assignments as provided in this Article or become disentitled to SUB. Although an Article 8 notice reflects a permanent change, any layoffs pursuant to this change may be temporary in nature.

ARTICLE 1

Definitions

- A.** "Employment Security" means that an employee who has completed 8 years of Cumulative Compensated Service with the Company will have Employment Security as provided in Article 7.
- B.** "Preferred Employment Security" means that an employee who has 7 years of service with the company will have preferred Employment Security as provided in Article 7A.
- C.** "Continuous Employment Relationship or Service" means an employee whose employment relationship with the company is unbroken by resignation or termination
- D.** "Eligible Employee" means an employee of the company represented by the Unions is eligible for the benefits pursuant to the eligibility requirements of Articles 4 or 6.
- E.** "Basic Weekly Rate" means the Basic Weekly Rate of pay applicable to the positions held at the time of change. (Hourly rated employees, 40 x the basic hourly rate; seasonal and spare employees, 80 percent of average weekly earnings over the eight weeks preceding layoff.)
- F.** "Seniority District/Territory" means that Seniority District/Territory as defined in Collective Agreement # 12.
- G.** "The Plan" means the benefits and terms and conditions relating thereto as agreed for the employees of the Company, as defined herein, which benefit, terms and conditions appear in this Agreement.
- H.** "Cumulative Compensated Service" means:
- (i) One month of Cumulative Compensated Service will consist of 21 days or major portion thereof.
 - (ii) Twelve months of Cumulative Compensated Service calculated from the last date of entry into the Company's service as a new employee. For partial year credit, six or more months of Cumulative Compensated Service shall be considered as the major portion thereof and shall be counted as a year of credit towards computation of severance of layoff benefits. Service of less than six months of Cumulative Compensated Service shall not be included in the computation.
 - (iii) For an employee who renders compensated working service in any calendar year, time off duty, account bona fide illness,

injury, authorized maternity leave, to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 100 days in any computation of Cumulative Compensated Service.

I. "Admitted Group" means those groups which have been admitted to coverage under The Plan as provided in Article 3.

J. "Master Agreement" means the Master Agreement signed between the Company and the Associated Railway Unions on the 6th day of January, 2000.

Article 1.1

General Provisions

1.1 (a) Employees have no vested rights to payments under the plan except to payments during a period of unemployment specified in the plan.

(b) Any guaranteed annual remuneration or deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

ARTICLE 2
Grievance Procedure and Final
Disposition of Disputes

2.1 Except as otherwise provided in The Plan, should any dispute arise respecting the meaning, interpretation, application, administration or alleged violation of The Plan, such dispute shall start at Step 3 of the grievance procedure as defined in the respective collective agreement.

2.2 Failing settlement of such dispute at the final step of the grievance procedure, should either party elect to progress the dispute, it shall do so by referring it to arbitration under the provisions of the respective collective agreement.

2.3 The request to arbitrate must be submitted in writing within sixty days of the date a decision was rendered at the final step of the Grievance Procedure. The request shall be accompanied by a joint statement of issue and joint statement of facts. If the parties cannot agree upon such joint statement either or each, upon notice in writing to the other, may submit a separate statement to the arbitrator.

2.4 When a question has been referred to an Arbitrator as provided for in Article 2.9 hereof, he/she shall have no power to add to, subtract from, or modify any of the terms of The Plan. The decision of the Arbitrator shall be final and binding.

ARTICLE 3
Administration of the Plan

3.1 Subject to the provisions of The Plan, the Union Representatives and the Company shall have full and unrestricted power and authority and exclusive jurisdiction to deal with and adjudicate upon all matters relative to The Plan, which does not add to, subtract from, or modify any of the terms of The Plan or of the collective agreement. They shall not have any power to deal with and adjudicate upon any benefits not specifically provided for in The Plan nor in any subsequent plan reached between the Company and any Union.

3.2 (a) Notwithstanding the provisions of Article 3.1 the following types of cases not specifically covered by The Plan may be considered by the parties for adjudication and payment of benefits, but such cases shall not be subject to arbitration:

- (i) special case(s) involving extenuating circumstances
- (ii) special case(s) of temporary layoffs of not more than 16 weeks lending themselves to an orderly implementation of layoff procedures based on the principle of inverse seniority. Where it is agreed that such special case(s) exists, this principle is to be applied at the work location where the layoffs are occurring, and on an optional bases, after all employees with less than two years service have been laid off.
- (iii) special case(s) of permanent staff reductions lending themselves to special offers of optional early retirement separation allowances to employees eligible, or within one year of eligibility, to retire under Company pension rules so as to prevent the otherwise unavoidable relocation and permanent separation of employees with two or more years' service. The separation allowance to apply in each such special case of optional early retirement is to be a lump sum payment calculated on the basis of the following formula:

<u>Years of Cumulative Compensated Service</u>	<u>Number of Weeks Salary Credited for Each Year of Service Remaining to Normal Retirement</u>
35 or more	4.0
34	3.9
33	3.8
32	3.7
31	3.6
30	3.5
29	3.4
28	3.3
27	3.2
26	3.1
25 or less	3.0

NOTE: (a) A partial year of service remaining to normal retirement is to be expressed on a monthly basis, e.g., 4 years and 1 month (or major portion thereof) equals 4 1/12 (4.083) years.

(b) One week's salary shall be the employee's Basic Weekly Rate at the time of the of the change.

(c) The parties may only approve such special case(s) conditional upon their observation of the following governing principles:

- (i) approval of such special case(s) shall not involve increasing the existing benefit levels in The Plan.
- (ii) approval of such special case(s) shall not be incompatible with the terms of The Plan.
- (iii) approval of such special case(s) referred to in Article 3.2 (a)(i) and (ii) above shall not involve costs higher than 90% of the costs which would otherwise have been incurred as a result of the standard application of The Plan.
- (iv) approval of any special case(s) under Article 3.2(a)(ii) shall be contingent upon notification by Human Resources Development Canada that employees who avail themselves of such an inverse seniority layoff procedure will not be disqualified nor disentitled from employment insurance benefits for so doing.
- (v) approval of such special case(s) shall not involve the modification of any Company plan or agreement dealing with such matters as pensions, health and welfare, etc.
- (vi) approval of special case(s) involving special offers of optional early retirement separation allowances shall include the payment of money to the Pension Fund if it is demonstrated that such early retirements result in additional costs to the Pension Fund.

(d) The foregoing procedures shall not alter the effective date of staff reductions.

3.3 The Unions and the Company shall have the power to admit to coverage under The Plan any applicant bargaining unit that has a collective agreement with the company subject to such conditions as may be determined from time to time by the parties. Unless otherwise agreed between the Company and the Union making application for admission, any admitted group can only be admitted under the same terms and conditions as apply to other employees in The Plan.

A union and employer who wish to seek admission to The Plan for an appropriate bargaining unit, must make a joint application addressed to the respective Unions and the Company.

ARTICLE 4

Weekly Layoff Benefits and Severance Payments
Benefits Accumulation - Layoff Payments

4.1 (a) An employee who has two years or more of continuous employment relationship at the beginning of the calendar year shall be allowed a gross layoff benefit credit of five weeks for each year of cumulative compensated service.

NOTE: In arriving at net layoff benefits available for an employee, any previous layoff payments made from the Employment Security and Income Maintenance Plan, under the provisions of Article 4 of The Plan must be taken into account on a "weeks of benefits paid" basis. For example, if an employee with 5 years Cumulative Compensated Service was laid off under the provisions of The Plan, he/she would be treated as follows:

Gross weeks of layoff benefits entitlement	
- 10 (yrs) x 5 (weeks)	50 weeks
Less weeks of layoff benefits paid under the provisions of previous Employment Security and Income Maintenance Plan and Article 4 of this Plan	<u>10 weeks</u>
Net Layoff Benefit Available	40 weeks

(b) Except as provided in Article 4.3 of The Plan, an Eligible employee who is laid off, and whose layoff benefit credit is reduced due to weekly layoff benefit payment being made during the period of layoff in accordance with Article 4 of The Plan, will, on recall accumulate layoff benefit credits in accordance with the above provisions.

4.2 The above layoff benefit will apply until such time as the employee has completed 20 years of Cumulative Compensated Service, when the following maximum layoff benefit will apply:

<u>Maximum Period for Which</u> <u>Years of Cumulative</u> <u>Compensated Service</u>	<u>Weekly Benefits Payable</u> <u>for each Period of Layoff</u>
20 yrs. or more but less than 25 years	3 years
25 yrs. or more but less than 30 years	4 years
30 years or more	5 years

4.3 An employee who, at the beginning of the calendar year, has completed 12 years of Cumulative Compensated Service and subsequently receives weekly benefits due to layoff, in accordance with the provisions of Article 4 of The Plan, shall, upon return to service after termination of layoff, be credited with the accumulated layoff benefit weeks he had to his/her credit at the time of layoff.

4.4 (a) An employee who is not disqualified under Clause (d) hereof, shall be eligible for a benefit payment in respect of each full week of seven consecutive calendar days of layoff (herein called "a claim week") or to a severance payment provided he/ she meets all of the following requirements:

- (i) He/she has two years of more of continuous employment relationship at the beginning of the calendar year in which the period of continuous layoff in which the claim week occurs began, (calendar year shall be deemed to run from January 1st to December 31st);
 - (ii) For weekly layoff benefit payment, a continuous waiting period of seven days in the period of layoff has expired. Each period of layoff will require a new seven-day waiting period in order to establish eligibility for weekly layoff benefits, except that once an employee has been on layoff for more than seven days, and is recalled to work for a period of less than ninety calendar days, such employee will immediately become eligible for weekly layoff benefits upon layoff within such ninety days.
 - (iii) He/she has made application for benefits in the prescribed form and in accordance with the procedures prescribed by the Committee;
 - (iv) He/she has exercised full seniority rights on his/her basic Seniority Territory as provided for in the relevant collective agreement, except as otherwise expressly provided in Clause (d), paragraphs (ii) and (iii) of this Article 4.4.
- (b) Notwithstanding any other provisions in The Plan, if upon the effective date of resignation from the Company's service an employee is eligible for an early retirement pension, he/she will not be eligible for a severance payment.
- (c) An employee who, on being laid off, does not qualify under paragraph (i) of Article 4.4(a) shall, if still laid off in the next calendar

year, qualify under said paragraph (i) if at the beginning of said next calendar year he/she has two years of continuous employment relationship. The seven-day waiting period provided in paragraph (ii) of Article 4.4(a) shall commence from the 1st day of January of that year.

(d) Notwithstanding anything to the contrary in this Article, an employee will not be regarded as laid off:

- (i) During any day or period in which his/her employment is interrupted by leave of absence for any reason, sickness, injury disciplinary action (including time held out of service pending investigation), failure to exercise seniority (except as otherwise expressly provided for in Clause (d)(ii) of this Article 4.4), to retirement, Act of God, including, but not limited to fire, flood, tempest, or earthquake or a reduction of cessation of work due to strikes by employees of the Company;
- (ii) During any interval between the time that he/she is recalled to the service of the Company after a period of layoff, and the time at which he/she actually resumes work during any waiting period provided for in the relevant collective agreement; except that an employee who does not, as a consequence of the foregoing, return to service on the day work is available shall be governed by the provision of Article 4.6 of The Plan, on the same basis as if he/she had returned to work on the date such work became available.
- (iii) If he/she declines, for any reason, other than as expressly provided for in Clause (d)(ii) of this Article 4.4, recall to work on his/her basis Seniority Territory in accordance with the seniority provisions of the relevant collective agreement.
- (iv) In respect of any period in which he/she is receiving other payments of any kind or nature directly from the Company, except as otherwise expressly provided in Article 4.6.

(v) During any recognized period of seasonal layoff as defined in Article 10.

(vi) After his/her dismissal from the service of the Company.

Claim Procedure

4.5 An Eligible Employee, as defined in Article 4.4 may, at the

expiration of the seven-day waiting period specified in paragraph (ii) of Clause (a) of said Article 4.4, make application to a designated officer, in the form and manner prescribed by the Committee, for a weekly layoff benefit as follows:

(a) Employees with TWO or more years of continuous employment relationship and LESS THAN TWENTY YEAR'S SERVICE:

(i) A weekly layoff benefit for each completed week of seven calendar days laid off following the seven-day waiting period referred to in Article 4.4, of an amount which, when added to unemployment insurance benefits and/or outside unemployment insurance for such week, will result in the employee receiving 80 percent of his/her Basic Weekly Rate at time of layoff.

(ii) During any week following the seven-day waiting period referred to in Article 4.4, in which an Eligible Employee is not eligible for unemployment insurance benefits account eligibility for such benefits having been exhausted or account such employee not being insured for unemployment insurance benefits, nor account unemployment insurance waiting period, such employee may claim a weekly layoff benefit for each complete week of seven calendar days laid off of the maximum unemployment insurance weekly benefit currently in force (for 1992 the maximum unemployment insurance weekly benefit is \$426.) or such lesser amount which, when added to the employee's outside earnings for such week, will result in the employee receiving 80 percent of his/her Basic Weekly Rate at time of layoff.

(iii) Weekly layoff benefits provided for under Article 4.5 shall cease when benefit accumulation as specified in Article 4.1.

(b) Employees with TWENTY OR MORE YEARS' of cumulative Compensated Service:

(i) A weekly layoff benefit for each completed week of seven calendar days laid off following the seven day waiting period referred to in Article 4.4 of an amount which, when added to unemployment insurance benefits and/or outside earnings in excess of those allowance under unemployment insurance for such week, will result in the employee receiving 80 percent of his/her Basic Weekly Rate at time of layoff.

(ii) During any week following the seven day waiting period referred to in Article 4.4, in which an Eligible Employee is not eligible for unemployment insurance benefits account eligibility for such benefits having been exhausted or account such employee not being insured for unemployment insurance benefits, or account unemployment insurance waiting period, such employee may claim a weekly layoff benefit for each complete week of seven calendar days laid off of an amount which when added to the employee's outside earnings for such week, will result in the employee receiving 80 percent of his/ her Basic Weekly Rate at time of layoff.

(c) It shall be the responsibility of the employee to report for each week for which he/she is claiming a weekly layoff benefit under The Plan, any amounts received from the Canada Employment and Immigration Commission in respect of such week, as well as any wages earned during such week while employed outside the Company. In the event an employee does not report all such outside earnings for any particular week, this will be interpreted as notice from him/her that his/her outside earnings for such week are the same as those for the previous week.

4.6 No weekly layoff benefit will be made for parts of a claim week as defined in Clause (a) of Article 4.4 except that:

(a) Recall not covered by Article 4.6(b) below

An employee who has qualified for weekly layoff benefits in accordance with Clause (a) of Article 4.4 and who returns to work for part of the last claim week and thereby receives earnings from the Company in the last claim week may make application for a partial weekly layoff benefit which, when added to the earnings received in that week and to unemployment insurance benefits and/or outside earnings in excess of those allowable under unemployment insurance for such week will result in the employee receiving 80 percent of his/her basic Weekly Rate at time of layoff.

(b) Temporary recall for less than five working days

An employee who has qualified for weekly layoff benefits in accordance with Clause (a) of Article 4.4 will not have his/her weekly benefit payment reduced for any claim week during which he/she returned to the service temporarily for less than five working days.

Example of Payments for Part Week on Recall

4.7 Assume that an employee with a rate of \$15.00 per hour (\$120. per day, \$600. per week) is laid off Friday, February 8, 1992 (last day worked February 7th) and recalled to work Wednesday, March 17, 1992. This is 41 days, or 5 weeks and 6 days.

For the purpose of this illustration, the employee's plan claim week is Friday to Thursday and the unemployment insurance claim week is Sunday to Saturday.

In these circumstances the employee's benefit entitlement would be as follows:

Plan Claim Week 1

Nil (waiting period)

Plan Claim Week 2

(i) employee with less than 20 years of service - unemployment insurance maximum - \$426. (from The Plan).

(ii) employee with 20 or more years of service - (80% x \$600. = \$480.) from The Plan

Plan Claim Weeks 3, 4 and 5

80% of Basic Weekly Rate at the time of layoff - (80% x \$600.) - \$480. (\$426. unemployment insurance and \$54. from The Plan).

Last Plan Claim Week (March 8 - March 14/92 Inc.)

For unemployment insurance purposes, employee works 2 days, (March 14 and 15 - both of which days fall in one unemployment insurance claim week) - Earnings **\$240.**

Deduct unemployment insurance allowable earnings > 25% of employee's unemployment insurance entitlement of \$426. **\$106.**

Net earnings for unemployment insurance purposes **\$134.**

Unemployment insurance entitlement during last plan claim week (\$426. - \$134.) **\$292.**

In order to make up the 80% of the Basic Weekly Rate during the last plan claim week - i.e., \$480., the employee would receive:

One day's wages for Thursday, March 14, the last day of the plan claim week **\$120.**

Unemployment insurance entitlement **\$292.**

From The Plan **\$ 68.**

TOTAL \$480.

Severance Payment

4.8 (a) For each year Cumulative Compensated Service or major

portion thereof, an employee will be allowed credit weeks as follows for the calculation of severance payment.

- (i) For each of the first ten years - one week's basic weekly pay
- (ii) For each of the eleventh and subsequent years - two week's basic weekly pay

(b) An employee eligible for a severance payment who resigns and, who at a later date will become eligible for an early retirement pension. The basic pay is to be calculated at the employee's Basic Rate in effect at the time of his/her resignation.

(c) An Eligible Employee may, upon submission of formal resignation from the Company's service, claim a severance payment as set forth above, but such severance payment will not in any event exceed the value of one and one-half year's salary at the Basic Weekly Rate of the position held at the time he/she was laid off.

(d) An employee will have seven calendar days from the date of lay off to decide to claim a severance payment under this Article.

Special Provisions for Employees with 20 Years or More of Cumulative Compensated Service

4.9 (a) An employee with 20 years of Cumulative Compensated Service who, in any calendar year, is laid off and unable to hold work on his/her basic Seniority Territory shall, upon return to work, count the period of layoff, up to a maximum of 100 days in any such calendar year from 1976 on, towards the qualifying period for vacation in the ensuing years: such period of layoff in one year shall, upon return to work, also count as service for determining the vacation entitlement in the following year. Layoff days credited for vacation purposes shall not be used in any other manner to obtain additional credit.

(b) An employee with 20 years of Cumulative Compensated Service who is laid off and unable to hold work on his/her basic Seniority Territory will have his/her group life insurance continued during the period of layoff, up to a maximum period of two years from date of layoff.

(c) An employee with 20 years of Cumulative Compensated Service who is laid off and unable to work on his/her basic Seniority Territory, in a province where medicare premiums the Company will pay the medicare premiums up to the amount of the maximum medicare allowance provided under the existing collective agreements, up to a

maximum period of two years from date of layoff.

4.10 Any agreement reached between parties will not be valid in respect of benefits under The Plan unless approved by the Canada Employment and Immigration Commission on the unemployment insurance payments by reason of supplemental unemployment benefits. Notwithstanding anything contained in The Plan, no Eligible Employee will receive for any week, a layoff payment under The Plan in excess of that which can be allowed the employee without any reduction in his/her unemployment insurance payment.

4.11 An employee who is on layoff on the effective date of The Plan and not receiving weekly layoff benefits, but who now qualifies for benefit payments in accordance with the terms of The Plan, shall be entitled to claim weekly layoff benefit payments for the period of layoff subsequent to the date such claim is received by the designated Company officer provided such claim is submitted within sixty calendar days of the effective date prior to the date claim is received by the designated Company officer shall be applied to the waiting period defined in Article 4.4(a)(ii). Such employee who fails to file a claim within sixty calendar days of the effective date of The Plan will forfeit his/her right to any benefit payments unless subsequently returned to work and again laid off.

4.12 Supplemental Unemployment Benefits (SUB) Plans provide that payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under the SUB plan.

ARTICLE 5

Training of Employees

5.1 An employee who has Employment Security under the provisions of Article 7 of The Plan who has his/her position abolished and is unable to hold work due to a lack of qualifications, will be trained for another position within (if necessary) in order to fill a position in keeping with the provisions of Article 7. Training (if necessary) will be provided for a position for which he/she has the suitability and adaptability to perform the duties of that position. Such employee will receive the 40-hour straight time pay associated with his/her last railway classification during his/her period of training (hourly rate employees, 40 x the basic hourly rate: seasonal and spare employees,

40 x the average hourly earnings over the eight weeks preceding layoff).

5.2 An employee who does not have Employment Security under the provisions of Article 7 and has two or more years of Cumulative Compensated Service and:

(a) has been laid off or who has been advised that he/she may be laid off and who is, or will be, unable to hold other work in the Company because of lack of qualifications, or,

(b) will be adversely affected by a notice served pursuant to Article 8 of The Plan requiring an employee to relocate or suffer a substantial reduction in his/her rate of pay, will be considered for training for another position within or without his/her seniority group, providing he/she has the suitability and adaptability to perform the duties of that position and provided he/she has indicated a willingness to work in the job for which he/she may be trained whenever vacancies exist.

5.3 At the option of the Company, training provided under the provisions of either Articles 5.1 or 5.2 may be:

(a) at training classes conducted by qualified Company personnel

(b) at classes conducted by an approved training agency.

The type of training for which an employee may apply must:

(i) qualify the employee for a recognized Company position;

(ii) offer a likelihood of employment in the Company on completion of the training period in a position for which the employee has been qualified; or

(iii) in the case of employees with 20 or more years of Cumulative Compensated Service, include the possibility of qualifying the employee for employment within or without the railway industry.

5.4 An employee covered by the provisions of Article 5.2 will receive 80 percent of the Basic Weekly Rate of his/her last job classification during his/her period of training. In addition, he/she will be provided for the training period with books, equipment, tools and allowed other necessary supplementary expenses associated with the training program.

5.5 Should an employee covered by the provisions of Article 5.2 be recalled from layoff before the scheduled completion of training, the employee will be allowed to complete the program without forfeiture of pay or seniority rights.

5.6 Notwithstanding any agreement to the contrary, the Company may require an employee who has completed a training program to take a position for which he/she has been trained.

5.7 In addition, the Company, where necessary and after discussion with any Organization signatory to The Plan, will provide classes (after work or as arranged) to prepare present Company employees for upgrading, adaptation to technological change and anticipated new types of employment in the Company. The cost of such retraining will be borne by the Company.

5.8 Upon request, the subject of training of an employee or groups of employees under any of the above provisions will be discussed by the Local Chairperson or equivalent and the appropriate officer of the Company either prior to or at the time of layoff or at the time of the serving of the notice pursuant to Article 8 or as retraining under Article 5.7 is considered. Any unresolved differences between the parties concerning the usefulness of training for future Company service, the necessity for retraining, or the suitability and adaptability of an employee for training, may be progressed to arbitration in keeping with Article 2.10 of The Plan.

ARTICLE 6

Relocation Expenses

Eligibility

6.1 To be eligible for relocation expenses an employee:

(a) must have been laid off or displaced, under conditions where such layoff or displacement is likely to be of a permanent nature, with the result that no work is available at his/her home location and in order to hold other work in the Company, such employee is required to relocate; or

(b) must be engaged in work which has been transferred to a new location and the employment moves at the instance of the Company; or

(c) must be affected by a notice which has been issued under Article 8 of The Plan and he/she chooses to relocate as a result of receiving an appointment on a bulletined permanent vacancy which at the time is not subject to notice of abolishment under Article 8 of The Plan and such relocation takes place in advance of the date of the change provided this will not result in additional moves being made; or

(d) must have Employment Security under the provisions of Article 7

or preferred employment security under Article 7A and be required to relocate to hold work under the provisions of Article 7 or 7A of The Plan.

6.2 In addition to fulfilling at least one of the conditions set forth above, the employee:

(a) must have two years' Cumulative Compensated Service; and

(b) must be a householder, i.e., one who owns or occupies unfurnished living accommodation. This requirement does not apply to Articles 6.5, 6.6, 6.7 and 6.10; and

(c) must establish that it is impractical for him/her to commute daily to the new location by means other than privately-owned automobile.

Relocation Benefits

6.3 Payment of door-to-door moving expenses for the Eligible Employee's household goods and his/her automobile including packing and unpacking, insurance and up to one month's storage; the mode of transportation to be determined by the Company.

6.4 An allowance of up to \$650. for incidental expenses actually incurred as a result of relocation.

6.5 Reasonable transportation expenses from his/her former location to his/her new location by rail, by bus or employee-owned automobile, and up to \$165. for an employee without dependants and that an additional amount of \$65. will be paid for each dependant for meals and temporary living accommodation. Receipts will be required for rail and bus transportation.

6.6 An employee may drive his/her automobile to his/her new location at the allowance per kilometer specified in the current Master Agreement.

6.7 In order to seek accommodation in his/her new location, an employee will be allowed a continuous period of leave up to one week (seven consecutive days). Payments for such leave shall not exceed one week's pay at his/her Basic Weekly Rate.

6.8 (a) Except as otherwise provided in Article 6.8(c), reimbursement of up to \$9,500. for loss sustained on the sale of a relocating employee's private home which he/she occupied as a year-round residence. Loss sustained is determined as the difference between the value determined at the outset plus any real estate agent fees, legal fees, including those legal fees on purchase of a home at the new location, and any mortgage closure penalties, and the amount

established as the selling price in the deed of sale.

(b) The procedure to be followed in respect of determining the loss, if any, on the sale of a home is described in Article 6.12.

(c) Notwithstanding the provisions of Article 6.8(a):

(i) should a change take place involving relocation of Company employees whereby the number of homes being listed for sale by such Company employees represent 15 percent or more of the residential homes in the municipality, the employees required to relocate shall be reimbursed for the full loss on such homes, which loss shall be determined by the procedures described in Article 6.12 of The Plan. The number of Company employees' homes referred to above shall, for the purpose of establishing the 15 percent, include the homes of all Company employees which are being offered for sale as a result of, and at time of the change; or

(ii) should a change occur involving relocation of Company employees covered by The Plan as well as Company employees covered by other collective agreements, the maximum amount of \$9,500. specified in paragraph (a) of this Article 6.8 shall be adjusted upward to equal the maximum amount paid account loss on sale of home to any employee covered by such other collective agreement.

(d) An eligible Employee who desires to sell his/her house and receive any benefit to which he/she may be entitled under Article 6.8 must advise the Company's officer concerned accordingly within twelve months of the date the initial changes takes place. No employee shall be entitled to any claim under Article 6.8 if the house is not listed for sale within sixty days of the sale of the final determination of value and thereafter the house continues to be listed for sale. Any claim for reimbursement under Article 6.8 must be made within twelve months of the final determination of value.

NOTE: Notwithstanding other provisions of Article 6.8, special cases of loss on sale of homes may be submitted to the Committee for adjudication, but such special cases will not be subject to arbitration.

6.9 Payment of the cost of moving a wheeled mobile home which the employee occupies as a year-round residence. The selection of the mover and the cost of moving the mobile home shall require the prior

approval of the Company and shall not, in any event, exceed a total cost of \$5,000. Receipts shall be required.

6.10 If an employee, who is eligible for moving expenses does not wish to move his/her household to his/her new location he/she may opt for a monthly allowance of \$145. which will be payable for a maximum of 12 months from the date of transfer to his/her new location. Should an employee elect to transfer to other locations during such twelve month period following the date of transfer, he/she shall continue to receive the monthly allowance referred to above, but subject to the aforesaid 12-month limitation.

An employee who elects to move his/her household effects to a new location during the twelve month period following the date of his/her initial transfer will only be eligible for relocation expenses under this Article for one such move and payment of the monthly allowance referred to above shall terminate as of the date of his/her relocation.

6.11 (a) Alternatively to Article 6.8, the cost of terminating an unexpired lease and legal costs connected therewith up to a value of three months' rent where the relocation employee was renting a dwelling, will be paid. Should the law require payment of more than three months' rent in order to terminate a lease, such additional amount will be paid providing the employee first secures the Company's approval to pay in excess of the three month's rent.

(b) Where a lease was entered into following the notice of the change without prior approval of the Company, no benefit will be provided. Such prior approval will not be unreasonably withheld.

Appraisal Procedure

6.12 When an Eligible Employee desires to sell his/her home, under the provisions of Article 6.8(b), the following procedures will apply:

(a) In advising the Company officer concerned of his/her desire to sell his/her house, the employee shall procure a formal appraisal from a recognized appraiser which will include pertinent particulars. In so doing, the employee shall advise the company of the chosen appraiser and on completion shall submit such appraisal to the company.

(b) Within 15 working days from date of receipt of employee's advice of his/her desire to sell his/her home, the Company officer shall arrange a second appraisal of the home. The fair market value shall be the average of the 2 appraisals provided they are not in excess of 10%.

(c) If, however, the average of the appraisals is greater than 10%, then an effort shall be made to resolve the matter through joint conference of the officer and the employee concerned and the appropriate Union representative if so desired by the employee; such joint conference to be held within 5 working days from date of advice to employee concerned as referred to in Article 6.12(c).

(d) If such joint conference does not resolve the matter, then within 5 days from the date of the final joint conference arrangements shall be made for an impartial appraisal to be undertaken as soon as possible by an independent real estate appraiser. The fair market price established by such appraiser shall become the fair market value for the purpose of The Plan, and such price shall be binding on both parties.

(e) The employee and Company officer concerned shall endeavour to mutually agree upon the independent appraiser referred to in Article 6.12(e). If they unable to agree, then the Minister of Labour shall be requested to appoint such an independent appraiser.

(f) This fair market price of the house shall be the price determined as of a date sufficiently prior to the date of the change in order that the fair value will be unaffected thereby.

(g) The residence shall not be listed for sale prior to the establishment of fair market value. Should the residence be sold prior to the establishment of a fair market value then the provisions of this Article are not applicable.

(h) The fees and expenses of any appraiser appointed in accordance with Article 6.12 shall be paid by the Company.

NOTE: In the event an employee desires to sell his/her home at a price which is less than the fair market value as determined by the provisions of this Article, the Company will be given the right in priority to everyone else to purchase the home.

Particulars of House to be Sold

Name of Owner

Address

Type of House, i.e. Cottage / Bungalow/ Split Level

Year Built

No. of Rooms.....Bathrooms

Type of Construction, i.e. brick, veneer, stucco, clapboard

.....
Finished Basement: Yes No

Type of Heating, i.e., oil, gas, electricity

Garage: Yes..... No.....

Size of lot.....

Fair Market Value: \$

Other Comments

.....

.....

.....

Date.....

Signature

ARTICLE 7

Employment Security

7.1 Subject to the provisions of this Article, and in the application of Article 8.1 of The Plan, an employee will have Employment Security when he/she has completed 8 years of Cumulative Compensated Service with the Company. New employees hired subsequent to June 17, 1996 will not become entitled to the provisions of this Article 7.

7.2 An employee who has Employment Security under the provisions of this Article will not be subjected to layoff as the result of a change issued pursuant to Article 8.1 of The Plan.

7.3 An employee who has Employment Security under the provisions of this Article and who is affected by a notice of change issued pursuant to Article 8.1 of The Plan, will be required to exercise his/her maximum seniority right(s), e.g., location and system, in accordance with the terms of the collective agreement applicable to the employee who has Employment Security.

7.4 An employee who has Employee Security under the provisions of this Article and is unable to hold a position on his/her seniority district e.g., at a location and system, will be required to exercise the following options provided he/she is qualified or can be qualified in a reasonable period of time to fill the position involved. In filling vacancies, an employee who has Employment Security must exhaust such available options, initially on a local basis, then on his/her seniority district:

- (a) fill an unfilled permanent vacancy within the jurisdiction of another seniority group and the same collective agreement;
- (b) there being none, fill an unfilled permanent vacancy within the jurisdiction of another seniority group with another collective agreement and the same Union;
- (c) there being none, fill an unfilled permanent vacancy within the jurisdiction of another seniority group and another signatory union; and
- (d) there being none, fill an unfilled permanent vacancy in a position which is not covered by a collective agreement.

NOTE: In the application of Article 7.4(d) and notwithstanding the provisions of any collective agreement to the contrary, an employee who has Employment Security while employed on a position which is

not covered by a collective agreement will remain, and continue to accumulate seniority, on the list from which transferred.

7.5 An employee who has Employment Security and who transfers from one seniority group to another under the provisions of Article 7.4 will, notwithstanding any provision of a collective agreement to the contrary, retain and continue to accumulate seniority in the seniority group from which transferred and will be subject to recall to his former seniority group.

7.6 An employee who has Employment Security and who fails to comply with the provisions of this Article will lose his/her Employment Security. Such employee will, however, be entitled to such other benefits under The Plan for which he/she is eligible. (i.e., Article 4)

ARTICLE 7A

Preferred Employment Security

7A.1 An employee who was in the service on June 17, 1996 and who has, or subsequently attains 7 years' service shall be defined as having "Preferred Employment Security".

7A.2 Such employee, who is displaced or has his/her job abolished, shall exercise his/her seniority as presently provided in his/her collective agreement, up to and including his/her basic seniority territory if necessary, in order to retain his/her Employment Security.

7A.3 If still unable to hold a position, then in order to retain Employment Security he/she shall (subject to qualifications);

- (i) fill an unfilled vacancy within the jurisdiction of another seniority group of the same union covered by the same collective agreement;
- (ii) there being none, fill an unfilled permanent vacancy within the jurisdiction of another seniority group and another signatory union;
- (iii) there being none, fill an unfilled permanent vacancy within the jurisdiction of another seniority group and a non-signatory union or in a position which is not covered by a collective agreement.

NOTE: In the application of above Clauses (i), (ii) and (iii) maintenance of basic wage rates shall apply.

- (iv) there being none, unless eligible for job protection under Article 7, be placed in a "waiting" status until such time as a vacancy

occurs within his/her classification on the seniority territory, or as per Clauses (i), (ii) and (iii) above. During this period the employee's U.I. benefits (subject to U.I. approval) and/or outside earnings, will be supplemented to a level equal to 80 percent of his/her weekly base pay continuing until such time as a position is found for the employee in accordance with the foregoing.

Also during this period the employee must accept temporary work at his/her layoff location.

7A.4 In each of the above cases, before proceeding to the next option, the employee shall be required to fill such unfilled vacancy as far as the basic seniority territory if necessary.

7A.5 Such employee shall retain and continue to accumulate seniority on his/her original list and be subject to recall. There will be no transfer of seniority rights on moves except as may be already provided by the current rules.

7A.6 Training shall be provided if necessary, to achieve qualifications, with maintenance of earnings as described above to prevail throughout the training period.

7A.7 An employee who declines to exercise any of the options detained in Article 7A.3 hereof, or who while on "waiting" status refuses recall to any permanent vacancy or temporary work as therein described, or refuses recall to a permanent position on his/her original basic seniority territory, shall forfeit his/her employment security. Such employee will, however, be entitled to such other benefits under The Plan for which he/she is eligible.

7A.8 This Article 7A does not apply to reductions in forces made necessary by strikes or lock outs in the railway industry.

ARTICLE 8

Technological, Operational and Organizational Changes

8.1 The Company will not put into effect any technological, operational or organizational change of a permanent nature which will have adverse effects on employees without giving as much advance notice as possible to the Local Chairperson representing such employees or other such other officer as may be named, by the Union concerned, to receive such notices. In any event, not less than three month's notice

shall be given, with a full description thereof and with appropriate details as to the consequent changes in working conditions and the expected number of employees who would be adversely affected.

8.2 When a notice is issued under Article 8.1 and it becomes known to the Company that the change will be delayed for reasons over which the Company has no control, advice will be issued to the Local Chairperson, or such other officer as may be named by the Union concerned, and employees involved, explaining the situation and revising the implementation dates. If necessary, more than one such advice may be issued.

8.3 When the implementation of a technological, operational or organizational change is delayed or is to be delayed, at the instance of the Company, in excess of thirty calendar days, a new notice as per Article 8.1 shall be given.

8.4 Upon request the parties shall negotiate on items, other than those specifically dealt with in The Plan, with a view to further minimizing the adverse effects on employees. Such measures, for example, may be related to exercise of seniority rights, or such other matter as may be appropriate in the circumstances, but shall not include any item already provided for in The Plan.

8.5 If the above negotiations do not result in mutual agreement within thirty calendar days of the commencement of such negotiations, or such other period of time as may be agreed upon by the parties, the matters in dispute may be referred for mediation to a Board of Review composed of an equal number of senior officers of the Company and of the Union.

8.6 If the Board of Review is unable to resolve the differences within a fixed period of time to be determined at the commencement of its meetings, or some mutually agreed extension thereof, the matters in dispute may be referred for final and binding settlement to an arbitrator as set out in Article 2.10 of The Plan. The matters to be decided by the arbitrator shall not include any question as to the right of the Company to make the change, which right the Unions acknowledge, and shall be confined to items not otherwise dealt with in The Plan.

8.7 The terms operational and organizational change shall not include normal reassignment of duties arising out of the nature of the work in which the employees are engaged nor to changes brought about by fluctuation of traffic or normal seasonal staff adjustments.

8.8 In addition to all other benefits contained in The Plan which are applicable to all Eligible Employees, the additional benefits specified in Article 8.9 and 8.10 are available to employees who are materially and adversely affected by technological, operational or organizational changes instituted by the Company.

Maintenance of Basic Rates

8.9 An employee whose rate of pay is reduced by \$2.00 or more per week, by reason of being displaced due to a technological, operational or organizational change, will continue to be paid at the basic weekly rate or hourly rate applicable to the position permanently held at the time of the change providing that, in the exercise of seniority, he/she;

- (a) First accepts the highest-rated position at his/her location to which his/her seniority and qualifications entitle him/her; or
- (b) if no position is available at his/her location, he/she accepts the highest-rated position on his/her basic Seniority Territory to which his/her seniority and qualifications entitle him/her.

The maintenance of basic rates, and four-week guarantees if applicable, will continue until:

- (i) the dollar value of the incumbent above the prevailing job rate has been maintained for a period of three years, and thereafter until subsequent general wage increases applied on the basic rate of the position he/she is holding erase the incumbent differential; or
- (ii) the employee fails to apply for a position, the basic rate of which is higher, by an amount of \$2.00 per week or more than the basic rate of the position which he/she is presently holding and for which he/she is qualified at the location where he/she is employed; or
- (iii) the employee's services are terminated by discharge, resignation, death or retirement.

In the application of (ii) above, an employee who fails to apply for a higher-rated position, for which he/she is qualified, will be considered as occupying such position and his/her incumbency will be reduced correspondingly. In the case of a temporary vacancy, his/her incumbency will be reduced only for the duration of that temporary vacancy.

An example of the application of Article 8.9 (b)(i) follows:

Date	Basic Rate	Level
------	------------	-------

Oct.1, Yr.1	\$450.00	\$500.00
Jan.1, Yr.2(4%)	468.00	518.00
Jan.1, Yr.3(3%)	482.04	532.04
Jan.1, Yr.4(3%)	496.50	546.50
Jan.1, Yr.5(3%)	511.40	546.50
Jan.1, Yr.6(3%)	526.64	546.50
Jan.1, Yr.7(3%)	542.54	546.50J
Jan.1, Yr.8(3%)	558.82	Incumbency

Disappears

For the purpose of this Article 8.9, the basic rate of a position paid on a four-week guarantee basis of the basic rate of a position with standby earnings shall be converted to a basic rate on a forty-hour week basis.

Example-Four-Week Guarantee

The basic rate of an employee who is guaranteed 179.3 hours for each four-week period, comprised of 160 straight time hours and 19.3 hours at time and one-half which is the equivalent of 189 straight time hours, is \$10.00 per hour at the straight time rate. In as much as his/her guarantee represents \$1,890. per four-week period, his/her Basic Weekly Rate shall be considered as \$472.50 and his/her basic hourly rate shall be considered as \$11.81.

Example-Standby Earnings

The basic rate of an employee who receives a 25-hour straight time standby allowance for each four-week period (which is equivalent to 46.25 hours per week) is \$10.00 per hour at the straight time rate. Such employee's Basic Weekly Rate shall be considered as 426,50 and his/her basic hourly rate shall be considered as \$11.563.

ARTICLE 9

Government Assistance Program

9.1 All payments under The Plan are to be reduced in whole, or in part, in each case by an amount payable for the same purpose under a Government Assistance Program.

ARTICLE 10

Seasonal Employees

10.1 Seasonal Employees are defined as those who are employed regularly by the Company, but who normally only work for the Company during certain seasons of the year. Articles 4 and 8 of The Plan shall apply to these employees except that payment may not be claimed by any seasonal employee during or in respect of any period or part of a period of layoff falling within the recognized seasonal layoff period for such group. In respect of seasonal employees laid off during the recognized seasonal working period, the seven and thirty-day waiting periods provided for in Articles 4.4(a)(ii) and 4.4(a)(iii) will apply, except that in the case of a seasonal employee who is not recalled to work at the commencement of the recognized seasonal working period, the even or thirty-day waiting period, as the case may be, will begin on the commencement date of the recognized seasonal working period. Seasonal employees and recognized seasonal working period shall be defined in Memoranda of Agreement signed between the Company and the affected Organizations signatory thereto.

ARTICLE 11

Casual and Part Time Employees

11.1 Casual and part time employees are those who work casually on an as required basis from day to day, including those who work part days as distinguished from employees who work on regular or regular seasonal positions.

11.2 Casual and part time employees are entirely excluded from the provisions of The Plan.

ARTICLE 12

Non-Applicability of Sections 52, 53 and

**54, Part 1, and Sections 214 to 226 inclusive
of Part III of the Canada Labour Code**

12.1 The provisions of The Plan are intended to assist employees affected by any technological change and Sections 52, 53 and 54, Part 1, of the Canada Labour Code do not apply.

12.2 The provisions of The Plan are intended to minimize the impact of termination of employment on the employees represented by The Unions and are intended to assist those employees in obtaining other employment and Sections 214 to 226 of Part III of the Canada Labour Code do not apply.

**ARTICLE 13
Amendment**

13.1 The parties hereto may at any time during the continuance of the Plan amend its provisions in any respect by mutual agreement.

ARTICLE 14

Commencement

14.1 Payment of benefits under The Plan shall commence on February 24, 1986.

ARTICLE 15
Duration

15.1 This Plan cancels and supersedes the Employment Security and Income Maintenance Plan dated June 17, 1996 between Ontario Northland Railway Company and the Associated Railway Unions.

15.2 The Plan will remain in effect until revised in the manner and at the time provided for in respect of the revision of the Master Agreement for which is current from time to time.

IN WITNESS WHEREOF the parties hereto have caused The Plan to be executed this 6th day of January, 2000 at North Bay, Ontario.

For the Company: For the Union:

R. S. Hutton
Acting President
Vice-President Transportation
Steelworkers Local 1826

R. E. Marleau
Assistant Division
Communication Union/

G. M. Louttit
Local Chairman
International Brotherhood
of Electrical Workers

B. E. Stevens
President
National Automobile, Aerospace,
Transportation and General

Workers Union of Canada

Local 4040

(CAW - Canada) Local 103 for

K. S. Caverly

Workers Union of Canada

Unit Chairperson
National Automobile, Aerospace,
Transportation and General

(CAW - Canada) Local 103

D. G. Graham
President
Ontario Northland Employees
Independent Union

R. M. Paulin
Local Chairman
Brotherhood of Maintenance

of Way Employees

APPENDIX "A"

Oragnization		Classificati on
B.M.W.E. Brotherhood of Mtce of Way Employees	7.1	All BMWWE employees in Track and B & B Departments Work Equipment and Welding Employees
	7.2	Extra Gang Labourers
I.B.E.W. International Bro. of Electrical Workers	6	Signal Foreman Signal Technician Asst. Signal Tech. Signal Maintainer Signal Assistant Signal Apprentice Signal Helper
C.A.W. National Automobile, Aerospace, Transportation and General Workers Union of Canada	4	Clerks and Other Classes of Employees including Stores Dept. (except office)

	5	Train Service Employees, Passenger Operations Dept.
O.N.E.I.U. Ontario Northland Employees Independent Union	1	Office Clerks
U.S.W.A. United Steelworkers of America	2	Train Operations- Agents, Operators Dispatchers
	3	Telecommunications Employees