

AGREEMENT No. 5.1

between

CANADIAN NATIONAL RAILWAYS

and

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
(CAW-CANADA)**

governing

employees as herein named

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CN EMPLOYEE AND FAMILY ASSISTANCE PROGRAM

Help is just a phone call away at any time of the day or night from anywhere in Canada.

All services can be accessed by calling a 24-hour a day toll-free number (1-800-268-5211 for English or 1-800-363-3872 for French), which will connect the caller to a Care Access Center. Or you can use the Internet www.fgiworldmembers.com, user id "cn" password "cn01".

All information received, beginning at the point of the initial call to the Care Access Center and continuing all the way to the closure of the client file will be treated as completely confidential, no identifying information is ever shared with CN unless the employee specifically authorizes it.

For additional information on the Employee and Family Assistance Program please contact your Local EFAP Peer or Union Representative. Or call the toll free number.

Useful Contact Numbers

EFAP	1-800-268-5211 (English)
EFAP	1-800-363-3872 (French)
Human Resources Centre	1-877-399-5421

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ARTICLE 1 Definitions

Work Week

1.1

- (a)** For regularly assigned employees - a week beginning on the first day on which the assignment is bulletined to work;
- (b)** For extra or unassigned employees - a period of seven (7) consecutive days starting Sunday.

Employee

- 1.2** The word "employee" as used hereinafter shall be understood to mean any employee holding seniority under this agreement.

Casual Help

- 1.3** Those persons engaged:

- (a)** on a temporary basis to shovel snow, stock and unstock coal, harvest and stock ice or temporary work of a similar nature. or
- (b)** as may be agreed between the designated Representative of the Union and the proper officer of the Company.

Temporary Vacancy

- 1.4** A vacancy in a position caused by the regularly assigned occupant being absent from duty (including on vacation but excluding preretirement vacation) or temporarily assigned to other duties.

Clerk

- 1.5** The term "Clerk" will be used in this agreement to describe any employee who regularly devotes not less than four hours per day to the writing or typing and calculating incident to keeping records and accounts, rendition of bills, reports and statements, handling of correspondence and similar work, such to include the use of tools which are generally recognized as falling within the category of "office" work and which may be carried out using equipment such as: telephones, typewriters, dictaphones, calculators, photocopiers, facsimile machines, computer terminals, etc. The term "Clerk" shall apply to those classifications listed in APPENDIX X under the heading "Clerical" and to such other classifications not specifically listed and which reflect the above description. It is not intended that the term

"Clerk" apply to employees performing manual work not requiring clerical ability.

Mutually Arranged (or mutually agreed)

1.6 An agreement in writing between the proper officer of the Company and the designated Representative of the Union.

Locally Arranged

1.7 An agreement in writing between the local supervisory officer of the Company and the Local Chairperson of the Union.

Terminal

1.8 The reference to "Terminal" as used hereinafter shall be understood to mean that location or locations as mutually arranged between the parties.

ARTICLE 2 Recognition and Scope

2.1 The Company recognizes the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) as the sole collective bargaining agent with respect to wages, hours of work and other working conditions for all classes of employees enumerated in article 10.

2.2 Supervisors, non-scheduled employees, or employees in other bargaining units shall not engage, normally, in work currently and traditionally performed by members of this bargaining unit.

2.3 The selection of a suitable employee to fill an opening in the following classifications shall be made from the employees without the necessity of bulletining and the appointment shall not be subject to appeal:

Secretary
Rate Advisor
Import Clerk, Vancouver, British Columbia Area
Export Clerk, Vancouver, British Columbia Area
Special Traffic Clerk, Vancouver, British Columbia Area
Special Traffic Clerk, Edmonton, Alberta Area
Senior Service Representative

While filling any of the above positions employees will retain their seniority in the group from which selected.

2.4 It is the policy of the Company to co-operate in every practical way with employees who desire advancement to official or excepted positions. Accordingly, such employees who make application to their supervisor or the Human Resources officer stating their desires, qualifications and experience will be given preference for openings in such official or excepted positions, providing they have the necessary capabilities.

ARTICLE 3 **Deduction of Union Dues**

3.1 The Company shall deduct on the payroll on the second payday of each month from wages due and payable to each employee coming within the scope of this collective agreement, an amount equivalent to the monthly union dues of the Union subject to the conditions and exceptions set forth hereunder.

3.2 The amount to be deducted shall be equivalent to the regular dues payment of the Union and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of the agreement except to conform with a change in the amount of regular dues of the Union in accordance with its constitutional provisions. The provisions of this article shall be applicable to the Union on receipt by the Company of notice in writing from the Union of the amount of regular monthly dues.

3.3 Employees filling positions of a supervisory or confidential nature not subject to all the rules of the agreement as may be mutually agreed between the designated officers of the Company and of the Union shall be excepted from dues deduction.

3.4 Membership in the Union signatory hereto shall be available to any employee eligible under the constitution of the Union on payment of the initiation or reinstatement fees uniformly required of all other such applicants by the local concerned. Membership shall not be denied for reasons of race, national origin, colour or religion.

3.5 Deductions for new employees shall commence on the second payday of the month.

3.6 If the wages of an employee payable on the payroll on the second payday of the 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 Company in such month. The Company shall not, because the employees did not have sufficient wages payable to them on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

3.7 Employees filling positions coming within the scope of more than one wage agreement in the pay period in which deduction is made shall have dues deducted from 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.

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

3.9 The amounts of dues so deducted from wages accompanied by a statement of deductions from individuals shall be remitted by the Company to the officer or officers of the Union, as may be mutually agreed by the Company and the Union, not later than 40 calendar days following the pay period in which the deductions are made.

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

3.11 The question of what, if any, compensation shall be paid the Company by the Union signatory hereto in recognition of services performed under this article shall be left in abeyance subject to reconsideration at the request of either party on 15 days' notice in writing.

3.12 In the event of any action at law against the parties hereto or either of them resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to paragraph 3.1, both parties shall cooperate 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 Union counsellees are incurred these shall be borne by the Union. Save as aforesaid the Union shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

ARTICLE 4
Hours of Work

4.1 Except as otherwise provided in paragraphs 4.3 and 4.4 and in the Wage Scale, eight consecutive hours shall constitute a work day, including within those eight hours, a 30-minute paid lunch.

4.2 Employees assigned to work eight consecutive hours will be allowed 30 minutes in which to eat between the end of the fourth and the beginning of the seventh hour of work without deduction in pay.

4.3 At the following locations, an 8.5 hour shift, including a one-hour lunch break (30 minutes paid and 30 minutes unpaid) will be established:

Operations Service Centre (OSC) Moncton - Group Service Representatives and Employee Service Representatives
Operations Service Centre (OSC) Edmonton - Group Service Representatives
Campbellton Accounting Office - all positions
Customer Support Centre - Senior Customer Support Centre Representatives

4.4 Weekly-rated employees assigned to shifts of less than 7.5 hours will maintain their hours of work (red circled) until they no longer occupy the position. Such positions, when they become vacant, may be bulletined as an eight-hour shift, including a paid 30-minute lunch break.

4.5 Regularly assigned employees who report for duty on their regular assignments shall be paid eight hours at their regular rate. Employees who are permitted to leave work at their own request shall be paid at the hourly rate for actual time worked, except as may be otherwise arranged locally.

4.6 Employees shall be allowed a regular meal period of not less than thirty (30) minutes nor more than one (1) hour, between the end of the fourth and beginning of the seventh hour of work unless otherwise locally arranged. Should employees not be allowed a meal period within the agreed hours, they shall be paid for time worked at punitive rates and at the first opportunity allowed 30 minutes for lunch without deduction in pay. Employees will not be assigned a meal period between the hours of 10:00 p.m. and 6:00 a.m.

4.7 The starting time of employees on regular assignments shall be the same on all days of the week unless agreed otherwise locally. Not less than 72 hours' notice will be given when changes are required. The employee and the Local Chairperson shall be notified in writing of such changes. Regular relief assignments will correspond to the starting time, duties and work locations of the employee relieved.

4.8 Unless necessary to meet the requirements of the service, employees will not be required to commence work between the hours of midnight and 6:00 a.m.

4.9 All possible regular relief assignments with five days' work per week and two consecutive rest days (subject to article 6) 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 under this agreement.

4.10 Where it is impracticable to establish relief assignments in accordance with paragraph 4.9, the designated Representative of the Union and the proper officer of the Company may by mutual agreement arrange for relief assignments on such other bases as may be suitable. Consent to such proposed arrangements shall not be unreasonably withheld in cases where employees would otherwise be required to work on assigned rest days or unreasonable travel time would be involved.

4.11 Extra or unassigned employees, except when relieving regular assignments, will be paid at the hourly rate with a minimum of four hours for each time required to commence work. The meal period provided for in paragraph 4.6 will not be considered a break.

4.12 Except in emergencies, extra or unassigned employees shall not be called for duty in any seven-day period commencing Sunday after they have completed 40 hours' work in such period.

4.13 Where work is required by the Company to be performed on a day which is not part of any assignment, it may be performed by available extra or unassigned employees who would otherwise not have 40 hours of work that week.

4.14 INTENTIONALLY LEFT BLANK

4.15 Notwithstanding the provisions of articles 4, 5 and 6, regular assignments consisting of four (4) days of ten (10) hours may be established as mutually arranged.

ARTICLE 5 Overtime and Calls

5.1 Subject to the provisions of paragraph 4.4, time worked by employees on regular assignments, continuous with, before, or after the regularly assigned hours of duty shall be considered as overtime and shall be paid at one and one-half times the hourly rate of pay in minimum increments of 15 minutes. Every effort will be made to avoid the necessity for overtime; however, when conditions necessitate,

employees will perform authorized overtime work as locally arranged in writing. An employee filling an established full time position, required to work overtime for more than two hours, continuous with completion of that employee's regular tour of eight hours' duty will be allowed without deduction of pay, 20 minutes in which to eat, immediately upon completion of two hours' overtime.

5.2 There shall be no overtime on overtime. Time worked in excess of 40 hours in a work week shall be paid for at time and one-half, but overtime hours paid for under paragraph 5.1 shall not be utilized in computing the 40 hours per week. However, up to eight hours paid for on holidays or when changing shifts may be so utilized. In addition, time paid for as arbitraries or special allowances (e.g., attending court, deadheading, travel time) shall be utilized in computing overtime when such payments apply during assigned working hours, or where such time is now included under existing articles in computations leading to overtime.

5.3 Time worked in excess of the regularly assigned hours, due to changing shifts, shall be paid at hourly rates, if due to application of seniority rules or where such changes in shifts are locally arranged.

5.4 Employees will not be required to suspend work during regular hours to absorb overtime.

5.5 Overtime shall be worked only by direction of proper authority. Where advance authority is not obtainable, overtime will not be allowed unless claim is made to the proper officer within 72 hours from the time service is performed.

5.6 Regularly assigned employees notified, or called to work not continuous with, before, or after their regular assigned hours, shall be allowed a minimum of three hours at one and one-half times the hourly rate for three hours' work or **less**, except that employees called to work and afterwards cancelled before leaving home shall be paid one hour at one and one-half times the hourly rate of pay.

5.7 The hourly rate for weekly rated employees is computed by dividing the weekly rate by 40.

5.8 Employees required to work on their assigned rest days shall be paid at one and one-half times their hourly rate with a minimum of three hours for which three hours service may be required, except:

(a) where such work is performed by an employee moving from one assignment to another in the application of seniority or as locally arranged.

5.9 Extra or unassigned employees, where three or less such employees, are employed will not receive overtime rates until after completion of 40 hours in a work week.

ARTICLE 6
Rest Days

6.1 Employees will be assigned two consecutive rest days in each seven-day period except where unforeseen operational requirements do not allow.

In establishing positions, preference shall be given to Saturday and Sunday, and then to Sunday and Monday.

In the event that rest days are changed or cannot be established consecutively, the Company will be required to provide the affected employees and the local chairperson with 72 hours advance notice in writing.

It shall be incumbent upon the Company to show that such departure is necessary to meet operational requirements.

ARTICLE 7
Spare Boards

7.1 Spare boards may be established as required under conditions to be arranged between the proper officer of the Company and the designated Representative of the Union.

ARTICLE 8
General Holidays

8.1 General holidays are:

	QUEBEC	OTHERS
New Year's Day	x	x
January 2 nd *	x	x
Good Friday	x	x
Victoria Day	x	x
Fête Nationale	x	
Canada Day	x	x
First Monday in August	x	x
Labour Day	x	x
Thanksgiving Day	x	x
Remembrance Day		x
Christmas Day	x	x

EMPLOYEES NOT REQUIRED TO WORK ON A GENERAL HOLIDAY

8.5 In order to be eligible for general holiday pay for any one of the holidays specified in paragraph 8.1, employees who are not required to work on a general holiday must satisfy the conditions set out in subparagraphs (a) and (b) of this paragraph:

- (a)** They must have been in the service of the Company and available for duty for at least 30 calendar days.
- (b)** They must be entitled to wages for at least seven shifts or tours of duty during the 30 calendar days immediately preceding 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: (1) bona fide injury; or (2) hospitalization; or (3) illness for which the employee qualifies for weekly indemnity benefits; or (4) authorized maternity leave; will be included in determining the seven shifts or tours of duty referred to in this subparagraph (b).

EMPLOYEES REQUIRED TO WORK ON A GENERAL HOLIDAY

8.6 Employees who work on a general holiday shall be eligible for general holiday pay. In addition, they shall be paid for actual time worked on the general holiday at time and one half of their regular rate of pay with a minimum of three hours for which three hours work may be required. However, an employee called for a specific purpose shall not be required to perform routine work to make up such minimum time.

NOTE: Shifts or tours of duty commencing between midnight and 2359, inclusive, on the day of the general holiday shall be considered as work on that holiday.

8.7

- (a)** When work is required to be performed on a general holiday the Company will inform the Local Chairperson concerned which position(s) will be required. The employee(s) required to work will be assigned as locally arranged. If such local arrangement is not concluded prior to four calendar days in advance of the general holiday the Company will designate the employee(s) required to work these positions.
- (b)** Advance notice of four calendar days will be given when employees are required to work on a general holiday except for unforeseen exigencies in which case the employees required to protect the work will be notified not later than the completion of their last shift or tour of duty

immediately preceding the general holiday that their services will be required.

8.8 Employees who are required or called to protect work and who fail to report for duty will not be eligible for general holiday pay.

ARTICLE 9 Vacations

9.1 An employee who, at the beginning of the calendar year, is not qualified for vacation under paragraph 9.2 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 paragraph 9.2.

9.2 Subject to the provisions of Note 1 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 3 years and have completed at least 750 days of cumulative compensated service, shall have their 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, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under paragraph 9.3.

NOTE 1: Employees covered by paragraph 9.2 will be entitled to vacation on the basis outlined therein if on their fourth or subsequent service anniversary date they achieve 1,000 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.1. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.3 Subject to the provisions of Note 2 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 9 years and have completed at least 2,500 days of cumulative compensated service, shall have their 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, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under paragraph 9.4.

NOTE 2: Employees covered by subparagraph 9.3 will be entitled to vacation on the basis outlined therein if on their tenth or subsequent service anniversary date they achieve 2,750 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.2. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.3

(a) Subject to the provisions of Note 2 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 9 years and have completed at least 2,250 days of cumulative compensated service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 12 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, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under paragraph 9.4.

NOTE 2: Employees covered by subparagraph 9.3(a) will be entitled to vacation on the basis outlined therein if on their tenth or subsequent service anniversary date they achieve 2,500 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.2. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.4 Subject to the provisions of Note 3 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 19 years and have completed at least 4,750 days of cumulative compensated service, shall have their 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, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under paragraph 9.5.

NOTE 3: Employees covered by paragraph 9.4 will be entitled to vacation on the basis outlined therein if on their twentieth or subsequent service anniversary date they achieve 5,000 days of cumulative compensated service; otherwise, their vacation entitlement will be calculated as set out in paragraph 9.3. Any vacation granted for which employees do not subsequently qualify will be deducted from

their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.5 Subject to the provisions of Note 4 below, employees who at the beginning of the calendar year, have maintained a continuous employment relationship for at least 28 years and have completed at least 7,000 days of cumulative compensated service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each $8 \frac{1}{3}$ days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 30 working days.

NOTE 4: Employees covered by paragraph 9.5 will be entitled to vacation on the basis outlined therein if on their twenty-ninth or subsequent service anniversary date they achieve 7,250 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.4. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.6 INTENTIONALLY LEFT BLANK

9.7 Where methods relating to calculation of vacations may differ from the foregoing, such methods will continue to apply.

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

9.9 Employees who, while on annual vacation, become ill or are injured, or who take bereavement leave under Article 31, shall have the right to terminate (temporarily) their vacation. For those ill or injured, they will be eligible for weekly indemnity benefits. Ill or injured employees who are again fit for duty shall immediately so inform the Company officer in charge, and bereaved employees who have completed their leave under Article 31, will continue their vacation if within their scheduled dates. The remaining vacation which falls outside the employee's scheduled dates, will be re-scheduled as may be locally arranged between the proper officer of the Company and the authorized Local Union representative.

9.10 Employees who, due to sickness or injury, are unable to take or complete their annual vacation in that year shall, at the option of that employee, have the right to have such vacation carried to the following year.

9.11 Employees who are entitled to vacation shall take same at the time scheduled. If, however, it becomes necessary for the

Company to reschedule employees scheduled vacation dates, they 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 their regular rate of wages for all work performed during the scheduled vacation period. The rescheduled vacation with pay to which they are entitled will be granted at a later date as locally arranged. This paragraph 9.11 does not apply where rescheduling is a result of employees exercising their seniority to a position covered by another vacation schedule.

9.12 Provided an employee renders compensated working service in any calendar year, time off duty, account bona fide illness, injury, authorized pregnancy leave, parental leave, to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 120 days in any calendar year, shall be included in the computation of service in that year for vacation purposes.

9.13 Vacation days shall be exclusive of the assigned rest days and the legal holidays specified in articles 6 and 8 respectively.

9.14 Days worked on any position covered by a similar Vacation Agreement will be counted as service for vacation purposes under this agreement.

9.15 Employees will be compensated for vacation at the rate of the position which they would have been filling during such vacation period. Employees not assigned to a permanent or temporary position or temporary vacancy at the commencement of their vacation period will be compensated at the rate of pay of the last position worked.

9.16 Employees terminating their employment for any reason at a time when an unused period of vacation with pay stands to their credit shall be allowed vacation calculated to the date of their leaving the service, as provided for in Articles 9.1, 9.2, 9.3, 9.4 and 9.5, and, if not granted, will be allowed pay in lieu thereof.

9.17 Employees who are laid off shall be paid for any vacation due them at the beginning of the current calendar year 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 them at the beginning of the following calendar year.

9.18 Employees who (1) leave the service of their own accord, (2) are dismissed for cause and not reinstated in their former seniority standing within two years of date of such dismissal, will, if subsequently returned to the service be required to again qualify for vacation with pay as provided in paragraphs 9.1, 9.2, 9.3, 9.4 and 9.5.

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

9.20 Applications for annual vacations from employees, other than those employed at main locomotive or car shops, shall be filed prior to February 1st.

9.21 Applications filed prior to February 1st, insofar as it is practicable to do so, will be allotted vacation during the summer season and Christmas season, in order of seniority of applicants, and unless locally arranged or failing such local arrangements, authorized by the officer in charge, the vacation shall be continuous. Applicants will be advised in February of dates allotted them, and unless otherwise locally arranged, employees must take their vacation at the time allotted.

9.22 Unless otherwise locally arranged, employees who do not apply for vacation prior to February 1st, shall be required to take their vacation at a time to be prescribed by the Company.

9.23 Employees at main locomotive or car shops who are entitled to a vacation with pay will be granted such vacation during the period the shop at which employed is closed, unless otherwise locally arranged.

9.24 Notwithstanding the provisions of paragraphs 12.1 and 12.6, the officer in charge and the local chairperson of the employees will, as far as practicable, make local arrangements to carry on the work while members of the staff are on vacation, with the object of avoiding additional expense to the Company. Should such arrangements result in the establishment of a vacation relief position, it shall be bulletined in accordance with article 12. If this is not practicable (first sentence), employees engaged temporarily, or employees temporarily promoted from one position to another to provide vacation relief will be paid the schedule rate applicable to such position. Employees engaged temporarily, or employees temporarily promoted to a Clerk's position to assist in keeping up the work, will be paid not less than the minimum schedule rate for a Clerk's position on the staff on which employed. In the application of this rule due regard will be given to article 23 "Starting Rates".

9.25 Employees who exercise their seniority after vacation dates are allotted and transfer from the group to which assigned when vacation dates were allotted will be required to take their vacation at a time as locally arranged.

9.26 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 earnings, less an appropriate amount (approximately 30%) to cover standard deductions.

9.27 Extra and unassigned employees will be compensated for vacation on the basis of a percentage of their previous year's earnings, the percentage amounts to be determined based on entitlement as specified under paragraphs 9.1 through 9.5 of this agreement.

ARTICLE 10
Seniority Groupings

10.1 Clerical and other classes of employees, as listed below, in the following departments of the Company, shall be grouped for the purposes of seniority:

- Accounting
- Administrative Services
- Automotive Services
- CN Real Estate
- Crew Management Centre (CMC)
- Customer Support Centre (CSC)
- Engineering*
- Fleet Management
- Intermodal **
- Marketing
- Mechanical *
- Operations Service Centres (OSC)
- Revenue Management
- Rail Traffic Control Centre •
- Safety and Loss
- Supply Management
- Transportation •
- Transportation Services

* Other than these covered by other Collective Agreements.

** Intermodal seniority as per Articles 6 and 7 and Appendix 2 of the Supplemental Agreement.

10.2 The seniority groups shall be:

- i) The former Atlantic Region
- ii) The former St. Lawrence Region
- iii) The former Great Lakes Region
- iv) The former Prairie Region
- v) The former Mountain Region

NOTE: These modifications to Article 10 are not intended and should not be interpreted or construed as either diminishing or expanding

the scope of this bargaining unit, in relation to any other bargaining unit or units, non-bargaining unit employees or any other individuals or groups not party to this Collective Agreement.

ARTICLE 11 Seniority

11.1 Employees will be considered on probation until they have completed 60 days of actual work in the service of the Company. If considered to be unsuitable during the probationary period, employees will be subject to an investigation under Article 24.2, after which such employees may not be retained in the service.

11.2 Seniority lists will be maintained for each seniority group showing seniority numbers, names, positions, location and date of last entry into the Company's service on or for a position covered by such seniority group, from which date seniority will accumulate. Seniority lists shall be updated and posted at the headquarters locations of all employees concerned, on or before June 30 and December 31 of each year. A copy of said list shall also be furnished to the Union representatives of the employees. The date the seniority list is posted at each location will be shown on the seniority list. The designated Representative of the Union shall, at any time and upon request, be provided with an updated copy of the seniority list.

11.3 The name of an employee shall be placed on the seniority list immediately upon being employed on or for a position covered by this agreement. Employees transferred to an excepted position or on leave of absence will have appropriate notation placed opposite their names. Casual help shall not establish seniority under this agreement. Extra and unassigned employees will remain on the seniority list providing that they assume a regular position bulletined under paragraph 12.1 within eighteen months from the first day of compensated service as an extra and unassigned employee. Failure to do so will result in extra and unassigned employees forfeiting their seniority and their names will be removed from the seniority list.

11.4 Protests respecting seniority status must be submitted in writing within 60 calendar days from the date seniority lists are posted. When proof of error is presented by employees or their representative, such error will be corrected. Except by mutual agreement, seniority standing shall not be changed after becoming established by being posted for sixty calendar days following date of issue, without written protest.

11.5 No change shall be made in the seniority date accredited an employee which has appeared on four consecutive seniority lists unless the seniority date appearing on such lists was protested in writing within the 60-calendar-day period allowed for correctional

purposes. Names which have not appeared on four consecutive seniority lists shall not be restored to such seniority lists except in accordance with paragraph 11.13 or by agreement with the designated Representative of the Union.

11.6 Employees with less than one year's seniority who, while filling a position under this agreement, accept a non-supervisory position under another wage agreement shall forfeit their seniority under this agreement and their names shall be removed from the seniority list. This shall not apply when employees accept temporary and/or relief work under another wage agreement but should such temporary and/or relief work extend into a continuous period exceeding six months they shall forfeit their seniority under this agreement and their names shall be removed from the seniority list.

11.7 Employees with one year's seniority or more who, while filling a position under this agreement, accept non-supervisory work under another wage agreement shall be permitted to perform such work for a continuous period up to ~~six~~ months without loss of seniority. However, provided they can hold work in their own seniority group, they must return to such group at or prior to the expiration of such six months' period or forfeit their seniority rights under this agreement and their names shall be removed from the seniority list. After return from work under another wage agreement, employees must remain on a position covered by this agreement for a continuous period of at least ~~six~~ months. If they return to work under another wage agreement before the expiration of such six months, except when required for emergency work under another wage agreement, they will forfeit their seniority under this agreement. The foregoing does not apply to scrap yard employees promoted to positions of Burner or Cutter.

11.8 The provisions of paragraphs 11.6 and 11.7 shall not apply to employees who, while holding seniority rights under another wage agreement, obtain employment and establish seniority rights under this agreement. If such employees, while filling a position under this agreement, exercises their seniority under the provisions of another wage agreement, their names shall be removed from the seniority list. Employees shall not be regarded as having exercised seniority rights when used for emergency service only.

11.9

(a) The name of employees holding seniority under this Agreement who were

- (i)** filling permanent official or excepted positions with the Company, or its subsidiaries, prior to June 14, 1995, will be continued on the seniority list and shall continue to accumulate seniority until June 30, 1996. Following this period, such employee shall no longer accumulate seniority but shall

retain the seniority rights already accumulated up to June 30, 1996.

- (ii) who, on or after June 14, 1995, will fill permanent official or excepted positions with the Company, or its subsidiaries, will be continued on the seniority list and shall continue to accumulate seniority for a period of one year after the date of appointment. Following this period, such employee shall no longer accumulate seniority but shall retain the seniority rights already accumulated.
- (iii) who, subsequent to April 1, 2001, is temporarily promoted to a non scheduled, official or excepted position with the Company for a period of up to twenty four months, will continue to accumulate seniority. Should the employee remain on such a position for a period of time in excess of twenty-four months, the requirements of sub Article 11.9(a)(ii) will apply and the employee will, at the completion of the two year period, no longer continue to accumulate seniority but continue to retain the seniority rights already accumulated.

NOTE: In the application of this paragraph, should an employee holding a non-scheduled, official or excepted position be set back to a position covered by this Collective Agreement for a period of less than forty five days, such time will be considered as part of the twenty four months.

- (b) When employees are released from such excepted employment, except at their own request or as provided in paragraph 12.19, such employees may exercise their seniority rights to any position in their seniority group which they are qualified to fill. They must make their choice of a position, in writing, within ten calendar days from the date of release from excepted employment and commence work on such position within 30 calendar days from the date of release from excepted employment. Failing this, they shall forfeit their seniority and their names shall be removed from the seniority list.

NOTE: When an employee is temporarily promoted to an excepted position:

- (i) for less than one hundred and eighty (180) days by reason of the regular incumbent having elected Maternity or Child Care Leave, or

- (ii) for less than one hundred and twenty (120) days in all other cases,

such employee's position will be filled in accordance with paragraph 12.6. When released from excepted positions, employees must return to their regular assignments.

11.10 INTENTIONALLY LEFT BLANK

11.11 The name of employees transferred with their work from a staff covered by this agreement to a staff not covered by this agreement, shall be removed from the seniority list.

11.12 The seniority status of employees transferred with their work from a staff not covered by this agreement to a staff covered by this agreement shall be decided by agreement between the proper officer of the Company and the designated Representative of the Union. The basis of such decision shall be the seniority to which they would have been entitled had their service on such other staff been governed by the terms of this agreement.

11.13 Employees who have been discharged and are subsequently returned to the service on a position covered by this agreement will only be allowed seniority from the date of their return to the service, unless reinstated with their former seniority status. Employees who are not reinstated with their former seniority status within two years of the date of their discharge may only be so reinstated by agreement between the proper officer of the Company and the designated Representative of the Union.

11.14 When two or more employees commence work in the same seniority group on the same day the procedure for establishing their relative seniority shall be as follows:

- (a) The employee who commenced work at the earliest hour of the day shall be senior;
- (b) When the employees commenced work at the same hour the one who signed the company's application form for employment (Form **858**) first shall be senior;
- (c) All other things being equal they shall be placed on the seniority list as mutually agreed between the proper officer of the Company and the designated Representative of the Union.

ARTICLE 12
Bulletining and Filling Positions

12.1 When required, permanent assignments (which shall include permanent vacancies in assignments and new permanent assignments) and seasonal positions, will be advertised on Regional Bulletins.

12.2 When required, regional bulletins will be issued every third Wednesday. Bulletins will be posted promptly for a period of five calendar days in places accessible to all employees affected and a copy of each bulletin will be furnished to the Local Chairperson concerned.

12.3 All bulletins will show classification and location of the position, general description of duties, necessary qualifications (where applicable), rate of pay, hours of assignment including meal period, assigned rest days, the approximate date of commencement for seasonal and temporary assignments and their approximate duration. Where the nature of the work will require successful applicants to perform their duties outside, such information will be specified in the bulletin.

Where applicable, bulletins advertising for permanent positions or temporary vacancies will indicate the previous incumbent on the position being advertised.

Employees, other than those referred to in paragraph 11.9, desiring such position will submit written application showing seniority number, present classification and location, together with their qualifications. Applications must be filed to reach the designated officer not later than the tenth day after the date of bulletin. As evidence that an application has been submitted, a copy of the application must be forwarded to the Local Chairperson by the employee.

12.4 INTENTIONALLY LEFT BLANK

12.5 When the starting time of a permanent assignment is changed more than two hours but less than eight hours, or the rest days are changed, such assignment will be considered vacant and advertised at the terminal. The incumbents of such assignments may exercise their seniority to another permanent assignment, at the same rate or lower rate of pay, for which they are qualified, within the terminal. The employees affected thereby will also exercise their seniority to another permanent assignment, at the same rate, or a lower rate for which they are qualified, within the terminal. Such employees will not be considered as displaced within the meaning of Article 13.

12.6 Temporary assignments, when known to be for more than 30 working days' duration, will not be bulletined. However, suitable advice notice will be posted, as required, at the terminal affected. Such assignments shall be awarded to the qualified senior employee at the terminal who makes application therefore within five calendar days from the date notice is posted. The advice notice shall contain an estimated duration of the temporary assignment. The successful applicant shall be permitted to assume the assignment within ten days from the date the advice notice is posted. Applications from regularly assigned employees may only be accepted when it is known the assignment is for more than 30 working days and when it involves an increase in rate of pay, or a change in shift, or rest day or days. When other qualified employees are available, regularly assigned employees will not be allowed to commence work on a temporary assignment and their permanent assignment on the same day. Should the temporary assignment go beyond its predicted duration, the Company will re-post the advice notice.

12.7 Temporary assignments of 30 working days or less, and vacancies in other assignments pending occupancy by the successful applicant, may be filled by a senior qualified employee at the terminal affected, who desires the assignment, without the necessity of advice notice or bulletin. An employee filling an assignment under this paragraph may be required to remain on such assignment until its completion and will not be subject to displacement except by a senior qualified employee who is unable to hold either a permanent assignment or a temporary assignment of more than 30 working days' duration at the terminal. When it is known that a temporary assignment under this paragraph 12.7 will occur, employees desiring same may be required, as locally arranged, to make their intentions known some time prior to the starting time of the assignment.

12.8 Employees, who have applied for a bulletined position, may cancel their application provided written cancellation reaches the designated officer not later than the tenth calendar day after date of a regional bulletin or the fifth calendar day in the case of a terminal bulletin. As evidence that the application has been cancelled, a copy of the cancellation must be forwarded to the Local Chairperson by the employee. Unless there is no other qualified applicant, an employee vacating a position will not be considered for such position until it again becomes vacant.

12.9 Where no applications are received from qualified employees in the seniority group in which a vacancy occurs, and no qualified employees are available on the Region laid-off list, a written application from the qualified senior employee from another seniority group will be given preference. Such employees will accumulate seniority rights in the new group from the date they start work on a position in that new seniority group. They will also retain all rights in the

former group until such time as they exercise their seniority in the new seniority group. Upon returning to their former seniority group, they will forfeit their rights in the group to which they had transferred.

12.10 Employees who, in accordance with paragraph 12.9, transfer from one group to another and later transfer to a third group will forfeit their seniority in the original group. Similarly, employees transferred from the second seniority group to an excepted position will forfeit their seniority in the first seniority group.

12.11 In the event that there is an unfilled vacancy for which there is no qualified applicant, the junior qualified employee at the terminal may be required to fill such position. In such cases, the Company will arrange the training of another employee for the position so that employees required to fill the positions may be returned to their regular assignment as soon as is practicable and shall be able to resume their former positions after 30 calendar days. The Company shall inform the Local Chairperson under whose jurisdiction the employee comes that this article has been invoked (see Appendix III).

12.12 When a vacancy or a new position is to be filled, it shall be awarded to the senior applicant who has the qualifications required to perform the work. Management will be the judge of qualifications subject to the right of appeal by the employee and/or the Union. The names of the appointees and their seniority will be shown on the next bulletin.

12.13 Employees appointed to an assignment bulletined in accordance with paragraph 12.1 may be permitted to assume such assignment within 45 calendar days in their appointment, or on completion of their present temporary assignment. Employees appointed to an assignment bulletined in accordance with paragraph 12.1 may be required to remain on such assignment for up to 9 months.

12.14 Regularly assigned employees who work a temporary assignment advertised under paragraph 12.6 must complete such temporary assignment. Upon completion of such assignment (including abolishment under paragraph 13.2 and displacement under sub-paragraph 13.3 (a)), employees will return to their permanent assignment and may be required to remain on such assignment for up to 45 calendar days, or may be allowed to fill a temporary assignment in accordance with paragraph 12.7.

NOTE: Notwithstanding the above provisions, an employee will have the option of applying for one additional temporary assignment posted under advice notice at the terminal provided that they can perform the entire required job related duties without any training or familiarization. Upon completion of this one subsequent move (including abolishment under Article 13.2 and displacement under sub paragraph 13.3(a)), the employee will return to his/her

permanent assignment and may be required to remain for up to 45 calendar days on that assignment or may be allowed to fill a temporary assignment in accordance with sub paragraph 12.7.

12.15 Employees returning from vacation or leave of absence (except as provided in paragraph 11.9) may be required to return to their permanent assignment. Within three working days of their return, they may exercise their seniority to any permanent assignment bulletined in accordance with paragraph 12.1 during their absence. Employees thereby displaced will return to their former permanent assignments, or may exercise their seniority rights to any permanent assignments awarded under paragraph 12.1 to a junior employee during the period between their appointment and subsequent displacement.

12.16 Employees, who are assigned to positions by bulletin, will receive a full explanation of the duties of the position and must demonstrate their ability to perform the work within a reasonable probationary period up to 30 working days, the length of time dependent upon the character of the work. In any event, such probationary period will not be less than 5 working days. Any extension of time beyond 30 working days shall be locally arranged. Failing to demonstrate their ability to do the work they shall be returned to their former position without loss of seniority and employees so displaced will be allowed to exercise their seniority. When employees who have been assigned to a position by bulletin fail to demonstrate their ability to perform the work, the position will be rebulletined.

12.17 When senior applicants are not awarded a bulletined position, they may appeal the appointment, in writing, within 14 calendar days of such appointment through the grievance procedure. After making an appeal, they may be required or shall at the request of the Local Chairperson be allowed to demonstrate their qualifications for the position. The Local Chairperson may be present at such demonstration.

12.18 Employees, removed from a position to which they had been appointed, as a result of a grievance filed by a senior employee, may return to their former position, or exercise their seniority rights to any position for which they are qualified, awarded to a junior employee during the period between their appointment and subsequent removal and employees so displaced will be allowed to exercise their seniority.

12.19 Employees, who are removed from their regular position as a disciplinary measure, will not be permitted to displace any regularly assigned employee but will be permitted to apply for any vacancies within their group.

ARTICLE 13

Staff Reduction, Displacement and Recall to Service

13.1 When staffs are reduced, senior employees with sufficient ability to perform the work will be retained.

13.2 In instances of staff reduction, four working days' advance notice will be given to regularly assigned employees whose positions are to be abolished, except in the event of a strike or work stoppage by employees in the railway industry, in which case a shorter notice may be given. The Local Chairperson will be supplied with a copy of any notice in writing.

13.3 Employees whose permanent assignments are abolished or who are displaced from their permanent assignments may:

- (a) displace a junior employee in their own seniority group on a permanent assignment for which they are qualified or, if there are no such permanent assignments for which they are qualified, they may displace on a temporary assignment under paragraph 12.6, or
- (b) after exhausting their seniority rights at their home terminal, they may elect to protect spare and relief work in their own seniority group at their present terminal or at any terminal on their Region at which they have previously been laid off or displaced, provided work is available at such point. The number of employees protecting spare and relief work in any seniority group at any one point shall not exceed one such employee for every five assignments established in that seniority group at that point.

Such employees will forfeit their seniority and their name will be removed from the seniority list if they do not notify the officer in charge and the local chairperson, in writing, of their choice within two working days in the case of assignments or work at their home terminal and within four working days in respect of assignments or work outside their home terminal, from the date of receiving notification of displacement or notification of abolition of their assignment.

Employees who do not elect (b) above and have exhausted their seniority rights under their Basic Seniority Territory will have their name placed on their regional laid-off list. Copies of the regional laid-off list will be supplied to the designated Representative upon request. Copies of the spare and relief list will be supplied to the Local Chairperson concerned upon request.

13.4 Employees who have signified their intention to displace a junior employee, at their terminal, will forfeit their seniority and their

name will be removed from the seniority list if they fail or refuse to commence work on the permanent assignment they have chosen within 3 working days of having their permanent assignment abolished or of being displaced.

Employees who have signified their intention to displace a junior employee, outside their terminal, will forfeit their seniority and their names will be removed from the seniority list if they fail or refuse to commence work on the permanent assignment they have chosen within 5 working days of having their permanent assignment abolished or of being displaced.

13.5 Employees, who have signified their intention to remain available for spare work, shall forfeit their seniority and their names shall **be** removed from the seniority list, if they fail to apply for a bulletined position which they are qualified to **fill** or have previously worked in their seniority group at the terminal where they remain available for spare work **or if** they fail or refuse to report for local work which they are qualified to **fill** or have previously worked upon eight hours' notice to do **so**. The foregoing provisions will also apply to employees hired on a temporary basis.

13.6 Senior employees allowed to displace a junior employee shall receive a full explanation of the duties of the position and must demonstrate their ability to perform the work within a reasonable probationary period up to 30 working days, the length of time dependent upon the character of the work. In any event, such probationary period will not be less than 5 working days. Any extension of time beyond 30 working days shall be locally arranged. The provisions of paragraph 12.17 may be applied in cases when an employee is not allowed to displace.

13.7 Employees who have exercised their seniority in accordance with this article and fail to show necessary qualifications for the position chosen, will **be** required to vacate such position. They may again displace a junior employee for whose position it is considered they are qualified. The employee originally displaced, and other employees displaced as a direct consequence thereof, shall return to their former positions.

13.8 When employees are on leave of absence or vacation at the time their positions are abolished or they are displaced, the time limits specified in this article will apply from the time they report for duty.

13.9 Employees, who fail to comply with paragraphs 13.4 or 13.5 because of illness, **or** other cause for which leave of absence has been granted, shall not lose their seniority.

13.10 Laid-off employees must register their names, addresses and telephone numbers, in writing at time of layoff, with their immediate

supervisory officer and their Local Chairperson. They must also advise, in writing, the proper officer of the Company and the Local Chairperson of any change of address and telephone number. Employees who fail to comply with either of these requirements will forfeit their seniority and their names shall be removed from the seniority list.

13.11 When a vacancy is not filled in accordance with paragraph 12.9, laid-off employees, if qualified, shall be given preference of employment in seniority order in filling new positions or vacancies in other than their own seniority group. The designated Representative of the Union will be advised in writing when any laid-off employees are awarded positions pursuant to this article.

13.12 Laid-off employees, who accept work in a seniority group other than their own, will accumulate seniority from the date they commence work in such group. They will retain full seniority rights in their former group until such time as they refuse to accept a recall to such former group. Upon returning to their former group they will forfeit all rights in the group to which they had transferred.

13.13 Laid-off employees shall, if qualified, be recalled to service in order of seniority when an assignment in their seniority group remains unfilled after having been bulletined.

(a) An employee, recalled from layoff, shall be notified by telephone at the last number on record with the Company.

(b) When employees cannot be contacted by telephone, they will be advised that they have missed a recall to return to work by double registered mail to the last address on record. Employees will have two calendar days from the date the missed recall notification is received to contact the Company to determine if the work opportunity is still available. If employees do not contact the Company, they will forfeit their seniority and their name shall be removed from the seniority list.

13.14 Laid-off employees subject to recall will not be required to report for duty providing that:

(a) It is definitely known that the duration of the work will not exceed 30 calendar days and another junior qualified laid-off employee is available: or

(b) the position available is not in their job security eligibility territory; or

(c) the employees are not qualified for weekly layoff benefits.

In all events, the employees concerned must give written advice of their intentions to their immediate supervisor immediately upon receipt of notification to resume duty.

NOTE: This article does not constitute a guarantee of 30 calendar days of employment.

13.15 Laid-off employees who are contacted and fail to report for duty or to give a Satisfactory reason for not doing so within two calendar days from date of notification by telephone, will forfeit their seniority and their name will be removed from the seniority list.

Employees who have not been recalled within two (2) years or who have exhausted their entitlement to benefits, whichever is the later, will forfeit their seniority and their name will be removed from the seniority list unless they advise the Company and the Local Chairperson otherwise. This advice must be in writing, including his/her current address and phone number, and must be received by the proper officer of the Company within 30 days prior to the date they would otherwise forfeit their seniority.

If the employee properly advises the Company as above, he/she will be permitted to remain available for recall for one (1) additional year (for a total of 3 calendar years from the last date of lay off) to any position that has been properly bulletined, has remained vacant and for which he/she is qualified to perform. During this additional year, should the employee refuse any recall in accordance with the terms of the Collective Agreement 5.1 or the Supplemental Agreement, he/she will forfeit his/her seniority.

ARTICLE 14 Transfers

14.1 When through an unusual development it becomes necessary to transfer work from a group to another seniority group, not more than a sufficient number of employees to perform such work shall, in seniority order be given the opportunity to transfer, carrying their seniority rights with them. The proper officer of the Company and the designated Representative of the Union shall cooperate to determine the number of employees who shall transfer.

14.2 The names of such employees shall be removed from the seniority list of the group from which transferred and included with full seniority on the list of the group to which transferred. Employees who transfer under this provision shall after 90 calendar days lose their seniority on the seniority group they left.

ARTICLE 15
Rehabilitation

15.1 When mutually agreed to between the proper officer of the Company and the designated Representative of the Union, employees who have become unfit to follow their usual occupation may:

- (a)** Displace a junior employee in their own seniority group for whose position they are qualified; or
- (b)** Be placed, when mutually agreed between the proper officer of the Company and the designated Representative of the Union, in a position on their Region notwithstanding that it may be necessary to displace an able bodied employee to provide suitable employment for them. Such mutual agreement will not be unreasonably or arbitrarily withheld:
- (c)** If, after the application of sub-paragraphs (a) and (b) above, employees who are still not able to hold work, they may be trained, providing they have the suitability and adaptability, to fill a vacant assignment or to displace a junior employee.

NOTE: The Company medical department will determine employees' fitness to follow their usual occupation. The designated Representative of the Union will be advised when rehabilitated employees become fit to follow their usual occupation.

In the event of a dispute regarding the Company medical department's determination, the employee will be entitled to one independent medical assessment, selected and paid for by the Company in line with the Company's current medical department's policy.

15.2 In dealing with incapacitated employees, seniority shall govern in respect of preference of shift and employment.

15.3 Rehabilitated employees placed on positions shall not be displaced by an able-bodied employee so long as they remain on such positions, except when senior employees are otherwise unable to hold a position in their seniority group. Should they subsequently recuperate they shall be subject to displacement, in which case they shall exercise their seniority rights.

ARTICLE 16
Training

16.1 Employees shall be encouraged to learn the duties of other positions and every opportunity shall be afforded them to learn the work of such positions in their own time, and during the regular working hours when it will not unduly interfere with the performance of their regularly assigned duties. The supervisory officer may for this purpose arrange with the interested employees to exchange positions for temporary periods without affecting the rates of pay of the employees concerned. The Local Chairperson of the Union will be informed when employees exchange positions in accordance with this article.

Training During Normal Working Hours

16.2 Employees required by the Company to take training during their normal working hours will be paid their regular rate of pay while in training. In this article, the use of the word "training" is meant to encompass both on-the-job and/or classroom instruction.

Training Outside Normal Working Hours

16.3 Employees required by the Company to take training outside their normal working hours will be compensated at their regular rate of pay while in training, except that on any day when the Company requires employees to take training in addition to working their regular assignment, they shall be compensated for all such combined time, in excess of eight hours, at punitive rates.

Voluntary Training

16.4 Where training facilities are provided by the Company on a voluntary basis an employee taking advantage of such training will not be compensated.

16.5 The Company shall have training courses which will be sufficient to allow the employees opportunities to upgrade their knowledge and skills when it is known a permanent position will become vacant or there is a need to qualify additional employees for a given position. Applications for training will be invited and bulletins will be posted as locally arranged for employees covered under this Agreement for a period of not less than 14 calendar days in January of each year and thereafter when necessary. The bulletin will contain all pertinent information, such as type of course, hours, duration and location of courses. Applicants will be considered in seniority order provided they have the suitability and adaptability to fill the positions. For the purpose of an employee being absent, the provisions of Paragraph 12.15 will apply, provided that the training course has not yet commenced. Time spent in training will be considered for all intents and purposes as time worked. Employees presently in the service of

the Company who have the suitability and adaptability will be considered for training before a person not already in the employ of the Company. When trained for more than 5 days, employees who have successfully completed training for work in a certain classification may be required to remain on a position or cover work in such classification for a maximum period of 120 shifts.

When an employee is the successful applicant to a higher-rated position bulletined in accordance with the provisions of Paragraph 12.1 and is not permitted to immediately assume such position as a result of being required, at any time during the 120 shifts referred to above, to remain on another position or cover work in a certain classification, such employee will be compensated at the higher rate of pay during such time. Upon being released, the employee may be required to assume such higher-rated position.

16.6 Provided they have the suitability and adaptability to perform the work, employees required to exercise their seniority in accordance with Article 13 and who would otherwise be unable to hold work at their terminal will, upon request, be trained for the permanent position held by the junior employee at their

- (a) own level of pay; or
- (b) lower level of pay; or
- (c) where an employee required to exercise his seniority in accordance with the above is on a position at a lower level rate of pay than a level H position, they may displace up to a level H position inclusive.

The junior employee so displaced will be required to exercise seniority in accordance with Article 13 and, if otherwise unable to hold work at the terminal, will be trained, upon request, for the permanent position held by the junior employee at the terminal. Employees trained under this Paragraph 16.6 for work in a certain classification may be required to remain on a position or cover work in such classification for a maximum period of 120 shifts.

16.7 Employees designated to train others by direction of the appropriate Company officer for one hour or more during a shift, will receive a trainer's allowance of \$2.00 per hour spent training. The Company may designate those employees who will provide such training.

16.8 Employees required to attend training at other than their home terminal will be allowed necessary actual expenses, in accordance with the provisions of Article 18.

ARTICLE 17
Leave of Absence and Free Transportation

17.1 Employees appointed or elected as salaried representatives of the employees shall, upon request, be granted leave of absence without pay while so engaged.

17.2 Employees shall be granted free transportation in accordance with pass regulations, and leave of absence without pay to attend union and labour conventions and recognized labour educational seminars. The request for leave of absence must be provided by the local chairperson or designated Representative to the employee's immediate supervisor no less than 72 hours prior to the commencement of the leave of absence.

17.3 Local Chairpersons or authorized committee members shall, upon request, be granted free transportation in accordance with pass regulations, and leave of absence without pay for the investigation, consideration and adjustment of grievances.

17.4 Employees shall, upon request, be granted free transportation in accordance with pass regulations and leave of absence without pay to attend local Union general meetings or other Union meetings. Such leave of absence will be granted only when it will not interfere with the Company's business nor put the Company to additional expenses.

17.5 Employees, at the discretion of the Company, may be granted leave of absence of up to three months, permission to be obtained in writing. Leave of absence may be extended by application in writing to the proper officer in ample time to receive permission or return to duty at the expiration of such leave. Unless such extension of leave of absence is granted or absolute proof is furnished of bona fide sickness preventing such return, a registered letter will be sent to employees instructing them to report for an investigation, in connection with the unauthorized leave of absence. If within a period of three (3) months from the date of the letter they fail to report for duty and investigation, they shall forfeit their seniority and their names shall be removed from the seniority list and the Local Chairperson shall be so informed.

17.6 Leave of absence for educational purposes may be granted to employees in accordance with the company's regulations. The designated Representative of the Union will be informed when such leaves are granted. Such employees who return to the service between school terms, or prior to terminating the educational course for which leave of absence has been granted, will not be permitted to exercise their seniority.

17.7 Leave of absence under article 17 shall not be granted for the purpose of engaging in work outside the Company service, except in cases involving sickness, or when made the subject of mutual agreement between the proper officer of the Company and the designated Representative of the Union.

17.8 The names of employees on authorized leave of absence shall be continued on the seniority list for the group in which they have established seniority rights.

17.9 The Union must provide the proper officer of the Company, at each location or terminal, by January 15th of each year, a list with the names of all local officers and authorized committee members, for whom it may request authorization for leaves of absence, in relation to the foregoing paragraphs. The Company must also be advised of any changes to that list, in advance of any requests for leaves by or for persons whose names do not appear on said list.

ARTICLE 18

Service Away From Home Headquarters

18.1 Employees who are regularly assigned to positions, the duties of which require them to be on the line from time to time, will be allowed necessary actual expenses while away from Headquarters. This will also apply to employees relieving on such positions. The provisions of paragraph 18.1 do not apply to employees engaged in the operation of vehicles in Highway Services, except as otherwise agreed.

18.2 Regularly assigned employees required to perform service away from the station at which regularly employed will be compensated in accordance with the schedule rules applicable at the point at which such service is performed for the time actually worked. Unless sleeping car accommodation is furnished or paid for by the Company such employees will be compensated at the hourly rate for the time occupied in traveling. The number of hours paid for will not be less than they would have earned on their regular assignment. Necessary actual expenses will be allowed while away from Headquarters when supported by receipts.

ARTICLE 19

Attending Court

19.1 Employees who lose time by reason of being required to attend Court or Coronets inquest or to appear as witnesses, in cases in which the Company is involved, or subpoenaed by the Crown in such cases, will be paid for time so lost. If no time is lost, they will be paid for actual time held with a minimum of two hours at one and one-half

times the hourly rate. Necessary actual expenses while away from the home terminal will be allowed when supported by receipts.

19.2 Any fee or mileage accruing shall be assigned to the Company.

ARTICLE 20

Held for Investigation or Company Business

20.1 Employees held for company's investigation and no responsibility is attached to them in connection with the matter under investigation (i.e., not subject to discipline) or on Company business on the order of the proper officer will, if required to lose time by reason thereof, be paid for time lost. If no time is lost they will be paid from the time required to report until actually released at one and one-half times the hourly rate, with a minimum of two hours. Necessary actual expenses will be allowed when supported by receipts.

ARTICLE 21

Relief Work and Preservation of Rates

21.1 An employee temporarily assigned to a higher-rated position, shall receive the higher rate while occupying such position. Employees temporarily assigned to lower-rated positions shall not have their rate reduced.

21.2 INTENTIONALLY LEFT BLANK

21.3 Paragraph 21.1 shall not apply to a weekly rated employee who is filling a higher-rated position through a higher-rated employee being absent from duty with pay due to sickness or similar cause, other than vacation.

21.4 An employee engaged temporarily or an employee temporarily promoted, on account of an employee being off duty without pay due to sickness or similar cause, or on vacation with pay, shall receive the rate applicable to the position on which employed.

21.5 The classifications and rates of pay for additional positions established on staffs covered by this agreement shall be in conformity with classifications and rates of pay for positions of similar kind or class covered by this agreement.

21.6 Established positions shall not be discontinued and new ones created covering relatively the same class of work for the purpose of reducing the rate of pay.

21.7 No change shall be made in agreed classifications or basic rates of pay for individual positions unless warranted by changed conditions resulting in changes in the character of the duties or responsibilities. When changes in classifications and/or basic rates of pay are proposed, or when it is considered that a position is improperly classified or rated, the work of the positions affected will be reviewed and compared with the duties and responsibilities of comparable positions by the proper officer of the Company and the designated Representative of the Union, with the object of reaching agreement on revised classifications and/or rates to maintain uniformity for positions on which the duties and responsibilities are relatively the same.

ARTICLE 22 Service Letters

22.1 The Company will, within 30 days from date of employment, return all service cards and letters of recommendation taken up for inspection by the Company, except for those addressed to or issued by the Company.

22.2 Employees dismissed or leaving the service of their own accord, after giving due notice, will, upon request, be given the usual letter of reference and will be paid as soon as possible.

ARTICLE 23 Starting Rates

23.1 Attached as Appendix X of the Collective Agreement is a wage scale depicting the clerical wage levels and examples of basic job rates.

23.2 Employees entering the service prior to March 1, 1988, are subject to the existing rates of pay and the rules and practices related thereto.

23.3 Employees entering the service on or after March 1, 1988, will be compensated as follows:

- (a)** Employees who have attained less than 7 months cumulative compensated service will be paid at 85% of job rate:
- (b)** Employees who have attained 7 months or more but less than 14 months cumulative compensated service will be paid at 90% of job rate;

- (c) Employees who have attained **14** months or more but less than **21** months cumulative compensated service will be paid at **95%** of job rate;
- (d) Employees who have attained **21** or more months cumulative compensated service will be paid the full job rate.

NOTE 1: Each 7 months of compensated service equates to 7 X **21** working days = **147** working days of compensated service.

NOTE 2: This provision will replace all existing step rate provisions.

NOTE 3: Effective April **14, 1989**, the provisions of this article do not apply to employees employed on the position of Mechanic "A".

ARTICLE 24 Discipline and Grievance Procedure

24.1 Employees will not be disciplined for or discharged for major offenses without a fair and impartial hearing.

24.2 Investigations in connection with alleged irregularities will be held as quickly as possible. Employees may be held out of service for investigation (not exceeding three working days). Except as provided under Article **24.3**, "Corrective Behaviour -- Informal Investigation", when a formal investigation is to be held, the employee and the designated Union representative will be given at least forty-eight (**48**) hours notice of the investigation and will be notified of the time, place, and subject matter of such investigation. (A copy of the notice for an investigation will be given to the local chairperson.) This shall not mean that the proper officer of the Company, who may be on the premises when the cause for investigation occurs, shall be prevented from holding an immediate investigation.

Employees may only, if they so desire, have the assistance at the investigation of one or two co-workers, which could include their local chairperson or authorized committee members of the union who are employees of the Company. At the beginning of the hearing, the employee (and the authorized representative if present) will be provided with a copy of all the written evidence that is to be introduced. The employee and the authorized representative will be given an opportunity through the presiding officer to ask relevant questions of the witnesses present at the hearing. The questions and answers will be recorded and the employee and the authorized representative will be furnished with a copy of statements and all evidence presented.

The decision will be rendered within **21** calendar days from the date the statement is taken from the employee being investigated. Employees will not be held out of service pending the rendering of a decision, except in the case of a dismissible offense.

24.3 Corrective Behaviour - Informal Process

This process is designed to help employees modify behaviour which may not be considered appropriate in the workplace. These are minor incidents and it is preferred that the behaviour is modified before the situation worsens.

Articles **24.1** or **24.2** will be applicable to employees subject to discipline or discharge for a major offense.

Before an informal discussion takes place, related to discipline, the employee will be offered union representation for the informal process.

Minor incidents may be handled without the necessity of a formal investigation. Minor incidents are defined as those for which no more than five (5) demerit marks would normally be assessed. The Company and the Union agree that an employee may not be discharged under this informal process. The informal process will not apply to employees whose discipline records stand at thirty (30) or more demerit marks.

Such incidents will be investigated as quickly as possible by a proper officer(s) of the Company. An employee who is alleged to have committed a minor offence will not be assessed discipline without having been subject to the informal process as described above.

The substance of the discussion shall be recorded on an incident report which shall contain the following information:

DATE:
LOCATION:
EMPLOYEE'S NAME AND PIN:
SUPERVISORS NAME AND PIN:
BRIEF DESCRIPTION OF THE INCIDENT:
EMPLOYEE'S REMARKS:
CORRECTIVE ACTION:
UNION REPRESENTATIVE:

A copy of the incident report shall be given to the employee when action has been decided upon, and a copy may be placed on the employee's file.

In cases where the assessment of discipline is deemed warranted, the employee will be advised in writing within fourteen (**14**) calendar days from the date the incident is reviewed with the employee concerned.

Should the employee disagree with the discipline assessed at this stage, the employee so notified may initiate an appeal of the discipline in accordance with the provisions of Step 2 of the grievance procedure.

Should the employee disagree with any of the conclusions reached by the Company during the informal process, the employee (or their duly authorized union representative) may, within fourteen (14) calendar days of receipt of notification of discipline, advise the proper officer of the Company that they require that a formal investigation be held pursuant to this Agreement which will then be held without undue delay. In such instances the incident report and the discipline assessed through the informal process will be considered null and void.

24.4 Should employees be exonerated they shall be paid at their regular rate of pay for any time lost (one day for each 24 hours), less any amount earned in other employment. If away from home they shall, on production of receipts, be reimbursed reasonable expenses for traveling to and from the investigation.

24.5 Any complaint raised by employees concerning the interpretation, application or alleged violation of this agreement shall be dealt with in the following manner; this shall also apply to employees who believe that they have been unjustly dealt with:

Step 1

Within fourteen (14) calendar days from cause of grievance the employee and/or the Local Chairperson, or the authorized committee member, may present the grievance in writing to the immediate Supervisor who will give a decision within fourteen (14) calendar days of receipt of grievance.

step 2

Within twentyeight (28) calendar days of receiving decision under Step 1, the Local Chairpersons or their designate of the Union may appeal in writing to the Designated Senior Functional Officers identified in the letter given to the Union on March 6, 2001.

A decision will be rendered within twenty-eight (28) calendar days of receiving appeal.

step 3

Within forty-five (45) calendar days of receiving decision under Step 2, the designated Representative of the Union may appeal to the

designated Company officers identified in the letter given to the Union on March 6, 2001.

NOTE: Each party will notify the other of any changes in designated officers.

A decision will be rendered within forty-five **(45)** calendar days of receiving appeal. The appeal shall include a written statement of the grievance and where it concerns the interpretation or alleged violation of the collective agreement, the statement shall identify the article and paragraph of the article involved.

24.6 A grievance concerning the discipline of an employee will be processed commencing with Step 2 of the grievance procedure within 28 calendar days of the date the employee is notified of the discipline. A grievance concerning the discharge of an employee will be processed commencing with Step 3 of the grievance procedure within 28 calendar days of the date the employee is discharged. On request, the designated Representative of the Union shall be shown all evidence in the case.

24.7 The settlement of a dispute shall not under any circumstances involve retroactive pay beyond a period of 60 calendar days prior to the date that such grievance was submitted at Step 1 of the Grievance Procedure.

24.8 Where a grievance other than one based on a claim for unpaid wages is not progressed by the Union within the prescribed time limits the grievance will be considered to have been dropped. Where a decision with respect to such a grievance is not rendered by the appropriate officer of the Company within the prescribed time limits the grievance will be processed to the next step in the grievance procedure.

NOTE: All grievances and responses, at all steps of the grievance procedure, as well as requests for time limit extensions, and referrals to arbitration must be submitted in writing. Verbal or "email" grievances, responses, requests or referrals not submitted in written form shall not be considered as having been properly transmitted, and therefore may, unless remedied within their time limits, trigger the provisions of Articles **24.8** and **24.9**.

24.9 When a written grievance based on a claim for unpaid wages is not progressed by the Union 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 rule shall not constitute an interpretation of the Collective Agreement.

24.10 The time limits as provided under this article may be extended by mutual agreement between the Company officer and Union representative at any step.

ARTICLE 25

Final Settlement of Disputes

25.1 Provision shall be made in the following manner for the final and binding settlement, without stoppage of work, of differences or disputes, including personal grievances, which arise concerning the application or interpretation of this agreement governing rates of pay and working conditions which cannot otherwise be disposed of between officers of the Company and the Union.

25.2 A grievance concerning the interpretation or alleged violation of this agreement or appeals by employees that they have been unjustly disciplined or discharged and which are not settled at Step 3 may be referred by either party to the Canadian Railway *office* of Arbitration and Dispute Resolution for final and binding settlement without stoppage of work in accordance with the regulations of that office.

25.3 The request for arbitration must be made in writing within 45 calendar days following receipt of the decision rendered at Step 3 of the grievance procedure by filing notice thereof with the Canadian Railway office of Arbitration and Dispute Resolution and on the same date by transmission of a copy of such filed notice to the other party.

25.4 The time limits as provided herein may be extended by mutual agreement.

ARTICLE 26

Health and Welfare

26.1 Health and Welfare benefits will be provided in accordance with the supplemental agreement governing the non-operating Employee Benefit Plan.

ARTICLE 27

Paid Maternity Leave Plan

27.1 The Paid Maternity Leave Plan shall be that Plan established by the Paid Maternity Leave Plan Agreement dated June 18, 1985, as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

ARTICLE 28
General

28.1 Employees will be paid every other Thursday. At the discretion of the Company, all payments to employees may be made through the Direct Deposit System (DDS). When a holiday falls on a Thursday, which is a pay day, employees will be paid on the preceding Wednesday."

28.2

- (a) The daily rate of pay shall be the weekly rate divided by five
- (b) Weekly and daily rates will be calculated to the nearest whole cent figure.
- (c) In any situation where an employee's regular assignment is other than on a five-day week basis, the formulas specified in subparagraph 28.2(a) will be adjusted accordingly.
- (d) The hourly rate of pay will be computed to the nearest tenth of a cent by dividing the weekly rate of pay by 40.

28.3 When employees are short paid the equivalent of 10 hours' pay or more for their regularly assigned hours of service or the equivalent of 16 hours' pay at punitive rates, the Company shall arrange to cover the shortage within three days of an employee's request for payment, by voucher or through the Direct Deposit System, whichever is applicable.

28.4 Employees used to: (a) move locomotives, (b) accompany a locomotive moving equipment on shop tracks, (c) move locomotives beyond the recognized shop track switch, will be compensated for the actual time so occupied at the following rates per hour respectively:

Hostlers **hired on** or after **March 1/88**

(a)	Effective		
	Jan. 1/2004	Jan. 1/2005	Jan. 1/2006
7 months service	18.11	18.65	19.21
8 - 14 months service	19.17	19.75	20.34
15 - 21 months Service	20.24	20.84	21.47
Thereafter	21.30	21.94	22.60
(b)			
7 months Service	17.00	17.51	18.04
8 - 14 months service	18.00	18.54	19.10
15 - 21 months service	19.00	19.57	20.16

Thereafter	20.00	20.60	21.22
(c)			
7 months service	19.93	20.53	21.14
8 - 14 months service	21.11	21.74	22.38
15 - 21 months	22.28	22.94	23.63
Thereafter	23.45	24.15	24.87

This will not apply to employees at subsidiary stations.

28.5 Where mobile steam generators are substituted for stationary boilers to supply steam, air and/or water for purposes other than engine service, one classified labourer on each shift on which a steam generator is so used, shall be paid the stationary power plant operator's rate for each such shift for looking after such steam generators.

28.6 Employees in the Mechanical Department required to perform whitewashing work, assist in sandblasting operations or clean locomotive parts in lye baths, shall be compensated for the time so occupied at their regular rate of pay, but not less than the minimum rate for classified labourers.

28.7 In order that the health of the employees will not be jeopardized, heating plant employees will not be required, while in a heated condition, to perform work outside during cold or inclement weather.

28.8 INTENTIONALLY LEFT BLANK

28.9 The following types of work shall be performed by employees governed by this agreement.

- (1)** Unloading fuel and lubricating oil from railway tank cars to storage tanks and vice versa, also the operation of railway fuel pumps during any operation from any vehicle. At smaller terminals where insufficient work is available to justify the employment of a classified labourer, the performance of such work shall be at the discretion of the Company;
- (2)** Fueling of any type of locomotive equipment using fuel oil or the responsibility of checking fuel oil prior to the dispatch of such equipment. At points where there is insufficient work of the above nature to justify a full-time employee, the performance of such work shall be at the discretion of the Company;
- (3)** Drying sand and filling sand boxes on diesel and electrical units;

- (4) Filling of water tanks for steam generators of Diesel Units and Steam Generator Cars;
- (5) Mixing of compound and supplying same to Diesel Units;
- (6) When the Company considers it necessary, responsibility for watching Diesel Units, engines of which are required to be kept idling, and movement of Diesel Units on shop tracks at subsidiary stations;
- (7) Transcribing inspection records and technical data into records and files;
- (8) Filling lubricators inside and outside, cleaning, fueling, and placing supplies on locomotives at roundhouses to be performed by classified labourers.

28.10 Employees transferred by direction of the Company to positions which necessitate a change of residence will receive free transportation for themselves, dependent members of their family and household goods, in accordance with the company's regulations. Such employees will be compensated for time lost up to a maximum of three (3) days, unless otherwise arranged.

28.11 Employees exercising seniority rights to a position which necessitates a change of residence, will receive free transportation for themselves, dependent members of their family and household goods. in accordance with the company's regulations.

28.12 Employees required to wear uniform clothing will be supplied with same as well as subsequent essential replacements, free of charge. When uniform clothing is so supplied to employees, they will be held responsible for protection against loss, also maintenance of same in a clean, neat and repaired condition. Employees who have been supplied with uniform clothing will be required upon leaving the service, or when so requested by an authorized representative of the Company, to return without delay, the last issue of such articles of clothing, or assume the cost thereof.

28.13 At points or in departments where five or more employees are employed, it will be permissible for notices of interest to said employees to be posted. The notice board shall be supplied by the employees and shall be in keeping with the general furnishings.

28.14 All reasonable efforts will be made to ensure that premises will be heated, lighted and ventilated; suitable accommodation will be provided in which the employees may eat.

28.15 Employees assigned to positions of Tractor Trailer Operator or Vehicle Helper, operating in over-the-road highway service, shall be governed by the following provisions. Should these provisions be at variance with the provisions contained elsewhere in this agreement, paragraph 28.15 will govern for employees in over-the-road highway service.

- (a) Employees may be assigned to work more than eight hours in any shift and overtime will not accrue until after 40 hours of work in any work week. Such overtime will be compensated for on the actual minute basis at one and one-half times the hourly rate.
- (b) Existing practices for over-the-road highway service of providing for away-from-home accommodation and meals will be continued for existing runs and extended to new runs.
- (c) Tractor Trailer Operators operating tractor trailers in either pick-up and delivery and/or over-the-road highway service for one hour or more, cumulative, in any one day, shall be paid the Tractor Trailer Operators rate of pay for the time so occupied.

28.16 Where an automobile mileage allowance is paid such allowance will be 28 cents per kilometre.

28.17 All overtime earned shall be shown as a separate item on the pay cheques of employees.

28.18

- (a) "It is agreed by the Company and the Union that there shall be no discrimination or harassment towards an employee based on the employee's age, marital status, race, colour, national or ethnic origin, political or religious affiliation, sex, family status, pregnancy, disability, union membership, sexual orientation, or conviction for which a pardon has been granted.
- (b) It is agreed that the terms discrimination and harassment as used in this Rule, shall be defined and interpreted in the Canada Human Rights Act."

EMPLOYMENT EQUITY

28.19 As a matter of principle and in compliance with the Employment Equity Act, the Company and the Union are fully committed to achieving equality in the workplace so that no person shall be denied employment opportunities or benefits based on any of the prohibited grounds of discrimination. Employment Equity means

treating people the same way despite their differences, and respecting their differences to allow them to participate equally.

ARTICLE 29
Wage Rates for New Jobs

29.1 When a bona fide new job or position is to be established which cannot be properly placed in an existing classification by mutual agreement, management will establish a classification and rate on a temporary basis.

29.2 Written notification of the temporary rate and classification will be furnished to the designated Representative of the Union.

29.3 The new rate and classification shall be considered temporary for a period of 60 calendar days following the date of notification to the designated Representative of the Union. During this period (but not thereafter) the designated Representative of the Union may request the Company to negotiate the rate for the classification. The negotiated rate, if higher than the temporary rate, shall be applied retroactively to the date of the establishment of the temporary classification and rate, except as otherwise mutually agreed. If no request has been made by the Union to negotiate the rate within the 60-calendar day period, or if no grievance is filed within 60 calendar days from the date of notification to the designated Representative of the Union, or upon completion of negotiations, as the case may be, the temporary classification and rate shall become a part of the wage scale.

29.4 If the Company and the Union are unable to agree on a classification, and rate for the new job, the disputed rate and/or classification may be treated as a grievance. The grievance may be taken up at Step No. 3 of the grievance procedure and if it is not resolved it may be referred to an arbitrator under article 25.

29.5 It is specifically agreed that no arbitrator shall have the authority to alter or modify the existing classifications or wage rates but shall have the authority, subject to the provisions of this agreement, to determine whether or not a new classification or wage rate has been set properly within the framework of the Company's established classification and rate setting procedure.

ARTICLE 30
Extra Gang Timekeepers

Notwithstanding the provisions of Articles 4 and 6 of this Agreement, the following will apply with respect to the rates of pay, working rules and conditions for Extra Gang Timekeepers.

30.1 Eight hours within a spread of ten hours shall constitute a day's work. The spread of hours may be extended by mutual agreement.

30.2 The starting time of Extra Gang Timekeepers may be changed to meet the operational requirements of the gang to which assigned, and the requirements of the timekeeping activity.

30.3 Work cycles (i.e. work days and rest days) will also be established, where required, to conform to those established for the gang to which assigned.

30.4 Working conditions including meals, sleeping accommodations and travel provisions, etc., will be no less favourable than those of other schedule employees on the gang with whom the Extra Gang Timekeeper is working.

30.5 The work location of the gang will be considered the Headquarters location for Extra Gang Timekeeper positions during the work season.

30.6

(a) Employees will maintain the Job Security Eligibility Territory they established prior to exercising their seniority on an Extra Gang Timekeeper position.

(b) New employees hired for positions of Extra Gang Timekeepers will have their Job Security Eligibility Territory established at the closest point to their permanent residence.

30.7 The positions of Extra Gang Timekeepers will be bulletined on the Region as temporary seasonal positions, in accordance with the provisions of Article 12. An employee awarded a position of Extra Gang Timekeeper will be required to remain on the position awarded until the completion of the work season, and will not be subject to displacement under Article 13, except by another qualified Extra Gang Timekeeper whose work season concluded earlier or where a qualified Extra Gang Timekeeper has been displaced and cannot hold another permanent position elsewhere within the home terminal. At the completion of the work season, the provisions of Article 13 will apply to all Extra Gang Timekeepers.

30.8 Vacation for employees working on the position of Extra Gang Timekeeper will not be allotted during the work season. Should the work season extend beyond the calendar year, vacation allotment shall be as locally arranged.

ARTICLE 31
Bereavement Leave

31.1 Upon the death of an employee's spouse, child or parent, the employee shall be entitled to five (5) working days' bereavement leave without **loss** of pay provided that the employee has not less than three months' cumulative compensated service.

31.2 Upon the death of an employee's brother, sister, step-parent, father-in-law, mother-in-law, step-brother or step-sister, grandchild or grandparent, the employee shall be entitled to three (3) working days' bereavement leave without **loss** of pay provided that the employee has not less than three months' cumulative compensated service.

31.3 It is the intent of this Rule to provide for the granting of leave from work on the occasion of a death as aforesaid and for the payment of the employee's regular wages for that period to the employee to whom leave is granted.

Definition of Eligible Spouse

The person who is legally married to the Eligible Employee and who is residing with or supported by the Eligible Employee, provided that if there is no legally married spouse that is eligible, it means the person that qualifies as a spouse under the definition of that word in Section 2(1) of the Canadian Human Rights Benefit Regulations, so long as such person is residing with the Eligible Employee.

ARTICLE 32
Employment Security and Income Maintenance Plan

32.1 The Employment Security and Income Maintenance Plan shall be that Plan established by the Employment Security and Income Maintenance Plan Agreement dated June 18, 1985 as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

ARTICLE 33
Jury Duty

33.1 Employees who are summoned for jury duty and is required to lose time from their assignment as a result thereof, shall be paid for actual time lost with a maximum of one basic day's pay at the straight time rate of their position for each day lost, less the amount allowed them for jury duty for each such day excluding allowances paid by the court for meals, lodging or transportation, subject to the following requirements and limitations:

- (a) An employee must furnish the Company with a statement from the court of jury allowances paid and the days on which jury duty was performed.
- (b) The number of working days for which jury duty pay shall be paid is limited to a maximum of 60 days in any calendar year.
- (c) No jury duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. Employees who have been allotted their vacation dates will not be required to change their vacation because they are called for jury duty.
- (d) **Effective March 1, 1988**, notwithstanding the provisions contained in the last sentence of paragraph (c) above an employee's annual vacation will, if the employee so requests, be rescheduled if it falls during a period of jury duty.

ARTICLE 34 Shift Differentials

34.1 Employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of seventy-five cents (75¢) per hour, and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of eighty cents (80¢) per hour.

Effective January 1, 2005, for employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of one dollar (\$1) 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.

ARTICLE 35 Contracting Out

35.1 Effective February 3, 1988, work presently and normally performed by employees who are subject to the provisions of this collective agreement will not be contracted out except:

- (a) when technical or managerial skills are not available from within the Railway; or

- (b) where sufficient employees, qualified to perform the work, are not available from the active or laid-off employees; or
- (c) when essential equipment or facilities are not available and cannot be made available at the time and place required (a) from Railway-owned property, or (b) which may be bona fide leased from other sources at a reasonable cost without the operator; or
- (d) where the nature or volume of work is such that it does not justify the capital or operating expenditure involved; or
- (e) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property; or
- (f) 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 or warranty work.

35.2 the Company will advise the Union representatives involved in writing, as far in advance as practicable, but no less than thirty days (except in cases of emergency), of its intention to contract out work which would have a material and adverse effect on the employees.

In all instances of contracting out, the Company will hold discussions with the representative of the Union in advance of the date contracting out is contemplated, except in cases where time constraints and circumstances prevent it.

35.3 The Company will provide the Union with 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, and any other details as may be pertinent to the Company's decision to contract out. During such discussions, the Company will give due opportunity and consideration to the Union's comments on the Company's plan to contract out and review in good faith such comments or alternatives put forth by the Union. If the Union can demonstrate that the work can be performed internally in a timely fashion as efficiently, as economically, and with the same quality as by contract, the work will be brought back in or will not be contracted out, as the case may be. Where a business case cannot be made to have the work performed by CAW members under existing collective agreement terms and conditions, the parties may,

by mutual agreement, modify such terms and conditions in an effort to have the work performed by CAW members.

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

35.5 Intentionally left blank.

35.6 Where the Union contends that the Company has contracted out work contrary to the provisions of this Article, the Union may progress a grievance commencing at Step 3 of the grievance procedure. The Union officer shall submit 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.

ARTICLE 36 Life Insurance Upon Retirement

36.1

(a) An employee who retires from the service of the Company subsequent to April 1, 2001, will, provided he/she is fifty-five years of age or over and has not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$6,000 death benefit, fully paid by the Company.

(b) An employee who retires from the service of the Company subsequent to January 1, 2003, will, provided he/she is fifty-five years of age or over and has not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$7,000 death benefit fully paid by the Company.

ARTICLE 37 Printing of Agreements

37.1 Effective the first of the month following ratification, the Company agrees to undertake the responsibility for the printing of the collective agreements within 60 days of signing the 5.1 Master Agreement. In addition, the Company will examine the feasibility of combining the Benefit Booklet, the ESIMA and the 5.1 Collective Agreement into one document.

37.2 A copy of the collective agreement will be supplied to all employees.

ARTICLE 38
Dental Plan

38.1 The Dental Plan shall be that Plan established by the Dental Plan Agreement dated November 30, 1979, as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

ARTICLE 39
Extended Health Care Plan

39.1 The Extended Health Care Plan is established by the Extended Health Care Plan Agreement dated December 9, 1982, as revised, amended or superseded by any Agreement to which the parties to this Collective Agreement are signatories.

ARTICLE 40
Injured on Duty

40.1 Employees prevented from completing a shift due to a bona fide injury sustained while on duty will be paid for their full shift at straight time rates of pay, unless they receive Worker's Compensation benefits for the day of the injury in which case the employees will be paid the difference between such compensation and payment for their full shift.

ARTICLE 41
Duration of Agreement

41.1 This Agreement shall remain in full force and effect until December 31, 2006, and thereafter, subject to 120 days notice in writing by either party to this Agreement to revise, amend, or terminate it. Such notice may be served any time subsequent to September 1, 2006 unless specified herein.

Signed at Toronto, Ontario, this 14th day of March 2004

FOR THE COMPANY:

FOR THE UNION:

(Sgd) Doug Fisher

(Sgd) R. Fitzgerald

**For: Vice-President
Labour Relations
North America**

President, Council 4000

APPENDICES

APPENDIX I

March 6, 2001

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston,

As agreed during National Negotiations this letter will serve to confirm that the parties have agreed to implement an Informal Investigation Process as per the attached.

The parties agree that this process will apply to all employees covered under the 5.1 Agreement and Intermodal Supplemental Agreement, with the exception of Monterm and Brampton Intermodal Terminals.

Should the parties desire to extend this process to include Monterm and Brampton Intermodal Terminals during the life of this collective agreement the Vice-President Labour Relations (or his designate), and the President of Council 4000 will meet in order to implement this Informal Investigation process.

Should problems arise in the interpretation or application of this process, the matter must be referred to the appropriate officials of the Union and the Company at the national level, who will attempt to clarify the intention of the parties and ensure the smooth implementation of this agreement.

The Company will inform the Supervisors of the intent of the informal process and will monitor its use to ensure that the range of disciplinary action assessed is consistent with the nature of the offense and the overall intent of Article 24.3.

This process is subject to cancellation as follows: The President of Council 4000 will meet with the Vice-president of Labour Relations or his designate, to discuss and fully investigate any allegations of abuse of the informal discipline system. Should either party consider that the informal process is not being used in the manner in which it was originally intended, or is being applied in bad faith, either of the aforementioned national officers of the Union and the Company may suspend for a limited period of time, or completely withdraw from the informal process, at that specific department, office, or location until the expiration of the collective agreement.

If the above reflects our discussions on this matter, please **so** indicate in the space provided.

Yours truly,

I CONCUR:

Richard J. Dixon
Vice President
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX II

March 6, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace
Transportation and General Workers
Union of Canada (CAW - Canada)
545 Cremazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Sir:

During national negotiations discussions took place with respect to General Holidays, and, more specifically, to converting the January 2 General Holiday to a "floating General Holiday". Frequently the Company's departments are fully operational with the entire staff in attendance on the General Holiday in order to provide service to their customers. In order to allow employees to have a holiday the Company and the Union have agreed that the January 2 General Holiday will be designated as a "floating General Holiday" in the following operations:

1. Customer Support Centre in Winnipeg;
2. all Intermodal terminals in Canada where the parties mutually agree in writing;
3. other locations or in Departments where the parties mutually agree in writing.

In the above cited operations the January 2 General Holiday will be designated as a "floating General Holiday" for the Department at that location.

The January 2 General Holiday will be changed to another day in the same calendar year as locally agreed to and can not unilaterally be changed. As well, the floating General Holiday, based on agreement between the employee and his/her immediate supervisor, cannot consecutively precede or follow another General Holiday resulting in a four-day weekend.

Should either party fail to reach "January 2 floating General Holiday" arrangements at any location, the dispute may be raised to the senior Company officer at that location and the Designated Representative of Council 4000 for settlement.

If this reflects our discussions on this matter, please signify your concurrence by countersigning below.

Yours truly,

I concur.

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX III

October 1, 1981

Mr. J.D. Hunter,
National Vice-President,
Canadian Brotherhood of Railway,
Transport & General Workers,
2300 Carling Avenue,
Ottawa, Ontario,
K2B 7G2

Dear Mr. Hunter.

During Agreement 5.1 Article III negotiations the Brotherhood expressed concern with respect to the application and use of Article 12.11 by Company supervisors. In particular the Brotherhood was concerned that some supervisors are applying Article 12.11 in a manner to avoid punitive payments and not training other employees to replace those employees forced to fill vacancies.

To alleviate the concern expressed by the Brotherhood the Company agreed to issue instructions to supervisors that the Company shall not apply Article 12.11 to avoid punitive payments to an employee forced to work on the rest days of his regular assignment where such employee would normally, in the application of the collective agreement, be paid punitive payments for working on his assigned rest days. In addition it is recognized that the Company is obligated under the provisions of Article 12.11 to commence training another employee within a reasonable period of time so that the employee required to fill the position may be returned to his regular assignment as soon as practicable.

In addition employees should be encouraged under Article 16 to learn the duties of other positions to ensure that whenever possible there is a pool of qualified staff available to possibly avoid having to force employees under Article 12.11.

This matter is being brought to the attention of our operating officers.

Yours truly,

(Sgd) D.C. Fraleigh
Director
Labour Relations

APPENDIX IV

March 6, 2001

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

Notwithstanding Article 28.18, the Company has indicated its concern that based on experience, certain employees misunderstand the legal concepts of harassment and/or discrimination. In order to avoid any confusion, the Company and the Union agree that the actions of a lead hand, supervisor or management personnel telling employees "to get back to work" or to perform their assigned duties, does not in and of itself constitute harassment or discrimination.

If you concur with this understanding, would you please so indicate by signing below.

Yours truly,

I concur.

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX V

March 6, 2001

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

Effective the first of the month following ratification, all positions or classifications to which Article 4.14 or Appendix V of Collective Agreement 5.1 previously applied, shall have their listed rate of pay increased by $1 \frac{2}{3}$ %. Any other employee presently receiving an allowance or other consideration for clock punch or checking in and out shall continue to receive said allowance or consideration provided they remain on the position they presently occupy.

The allowance provided for under Article 4.14 equivalent to $1 \frac{2}{3}$ % will be rolled into the basic hourly rates of pay. The Union acknowledges that the Company may institute any new or revised time/work reporting procedures or technologies, which may require employee action or inter-action and no additional compensation would be prescribed.

If this reflects our discussions on this matter, please signify your concurrence by countersigning below.

Yours truly,

I concur.

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX VI

August 22, 1998

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston,

During National Negotiations, the Union and Management of CN Rail agreed to the following with respect to testing for determining suitability and adaptability for training under Article 16 of Agreement 5.1, as well as Article 5 of the ESIMA.

1. If requested by the employee (and/or by the Union), the Company will provide employees with a pre-testing training seminar similar to that which has been offered previously in Winnipeg and Montreal. The purpose of this seminar will be to assist employees who may not be familiar with testing procedures and/or to assist employees who have little or no experience in writing tests.
2. The Company agrees there will be no personal interviews given to employees to determine suitability and adaptability except where there is a bona fide occupational requirement for oral communication. An employee required to undertake a personal interview to determine his/her level of oral communication, may upon request, have the interview audio-taped.
3. Prior to making any changes to the present testing system, the Company (i.e. Selection Systems, Functional Representatives and Labour Relations) will meet with the President of Local 4000 and his/her associates, in order to explain the proposed changes and provide necessary background information that may be required by the Union. If the Union questions the validity of the changes or whether the criteria being tested is a BFOR, they may file a grievance within 14 calendar days from the meeting, commencing at Step 3 of the grievance procedure of Agreement 5.1. If the Company declines the grievance then the Union may expedite the grievance to arbitration within 21 days of receiving the Company's response. The proposed changes in contention will not be made to the testing system until after the arbitration decision has been rendered.
4. Training opportunities shall be posted in January of each year as per Article 16.5 of Agreement 5.1. For those training opportunities

posted at other times of the year, the Company, upon request of the Union, will meet to determine the appropriate bulletining procedure.

5. If an employee is not successful in completing or passing a test, upon the request of the employee, or the local chairperson, the Company will review the test results with the employee and the local chairperson to ensure an understanding of the results, where the employee was successful or not successful. Employees will not be given an item by item review of any test. The employee will then make a determination whether he/she wishes to retest.

6. The Union expressed its concern for employees that failed a first test may not have an opportunity to retest in time prior to the commencement of training. The Company recognizes the Union's concern and agrees that wherever practicable arrangements will be made for such a retest.

7. Flowing from the test review, opportunities for improvement will be outlined to the employee. It is recognized that, where practicable, these opportunities for improvement, and the resources to complete these opportunities shall be a shared responsibility between the Company and the employee.

Within sixty days of signing the Collective Agreement, the parties agree to meet in order to identify appropriate career paths within departments or functions, where suitability and adaptability for training opportunities are evident and do not require testing.

APPENDIX VII

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APPENDIX VIII

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APPENDIX IX

March 6, 2001

Mr. Rick Johnston
President, Local **4000**
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard West, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

During the negotiations, it has been agreed that, with respect to the National Day of Mourning, each year on April 28 at 11:00 a.m., work will stop and one minute of silence will be observed in memory of all Canadian workers killed or injured on the job to affirm the parties' commitment to the issue of health and safety in the workplace. The parties agree that it will only apply to the non-clerical employees.

If the above reflects our discussions on this matter, please so indicate in the space provided.

Yours truly,

I concur.

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX X

**Examples of applicable rates of pay for employees
entering the service
on or after ~~Of~~ March 1988 are as follows:**

	Jan 1, 2004	Jan 1, 2005	Jan 1, 2006
Clerical			
Level A Messenger			
GT21MO	635.60	654.80	674.40
15-21MO	604.00	622.00	640.80
08-14MO	572.00	589.20	606.80
00-07MO	540.40	556.40	573.20
Level B Junior Clerk			
GT21MO	682.00	702.40	723.60
15-21MO	648.00	667.20	687.60
08-14MO	614.00	632.00	651.20
00-07MO	579.60	597.20	615.20
Level C Transcription Typist			
GT21MO	756.40	\$779.20	\$802.40
15-21MO	718.40	740.40	762.40
08-14MO	680.80	701.20	722.00
00-07MO	642.80	662.40	682.00
Level C Car Checker, Stenographer			
GT21MO	775.20	798.40	822.40
15-21MO	736.40	758.40	781.20
08-14MO	697.60	718.40	740.00
00-07MO	658.80	678.80	699.20
Level C/D Clerk-Steno			
GT21MO	790.00	813.60	838.00
15-21MO	750.40	772.80	796.00
08-14MO	711.20	732.40	754.40
00-07MO	671.60	691.60	712.40
Level D General Clerk, Siding Checker			
GT21MO	\$802.80	826.80	851.60
15-21MO	762.80	785.60	809.20
08-14MO	722.40	744.00	766.40
00-07MO	682.40	702.80	724.00

	Jan 1, 2004	Jan 1, 2005	Jan 1, 2006
Level E Rate Biller, Timekeeper, Extra Gang Timekeeper			
GT21MO	822.80	847.60	873.20
15-21MO	781.60	805.20	829.60
08-14MO	740.40	762.80	786.00
00-07MO	699.20	720.40	742.40
Level F Admin. Clerk, Stores Clerk			
GT21MO	843.20	868.40	894.40
15-21MO	801.20	824.80	849.60
08-14MO	758.80	781.60	804.80
00-07MO	716.80	738.00	760.40
Level G Engineering Clerk, Sr. Admin. Clerk			
GT21MO	865.20	891.20	918.00
15-21MO	822.00	846.80	872.00
08-14MO	778.80	802.00	826.40
00-07MO	735.60	757.60	780.40
Level H Sr. Engineering Clerk, Industrial Services Clerk, Carload Waybill Clerk, Pay Clerk "B" Forces, "B" Force Timekeeper			
GT21MO	887.60	914.40	942.00
15-21MO	843.20	868.80	894.80
08-14MO	798.80	822.80	848.00
00-07MO	754.40	777.20	800.80
Level I Rate Advisor, Recov. Exp. Clerk, Sr. Transportation Clerk, CSC Representative			
GT21MO	910.80	938.00	966.00
15-21MO	865.20	891.20	917.60
08-14MO	819.60	844.40	869.60
00-07MO	774.00	797.20	821.20
Level J Buyer, Group Service Representative, Senior CSC Representative			
GT21MO	935.20	963.20	992.00
15-21MO	888.40	915.20	942.40
08-14MO	841.60	866.80	892.80
00-07MO	794.80	818.80	843.20
Non-Clerical			
Labourer			
GT21MO	750.40	772.80	796.00
15-21MO	712.80	734.00	756.40
08-14MO	675.20	695.60	716.40
00-07MO	638.00	656.80	676.80

	Jan 1, 2004	Jan 1, 2005	Jan 1, 2006
Motorman			
GT21MO	802.80	826.80	851.60
15-21MO	762.80	785.60	809.20
08-14MO	722.40	744.00	766.40
00-07MO	682.40	702.80	724.00
Tractor Trailer Operator			
GT21MO	820.40	845.20	870.40
15-21MO	779.20	802.80	826.80
08-14MO	738.40	760.80	783.20
00-07MO	697.20	718.40	740.00
Customer Service Centre			
Carload Biller			
GT21MO	843.20	868.40	894.40
15-21MO	801.20	824.80	849.60
08-14MO	758.80	781.60	804.80
00-07MO	716.80	738.00	760.40
Industrial Services Clerk			
GT21MO	887.60	914.40	942.00
15-21MO	843.20	868.80	894.80
08-14MO	798.80	822.80	848.00
00-07MO	754.40	777.20	800.80
Train Movement Clerk			
GT21MO	887.60	914.40	942.00
15-21MO	843.20	868.80	894.80
08-14MO	798.80	822.80	848.00
00-07MO	754.40	777.20	800.80
Senior Transportation Clerk			
GT21MO	910.80	938.00	966.00
15-21MO	865.20	891.20	917.60
08-14MO	819.60	844.40	869.60
00-07MO	774.00	797.20	821.20
Supply Management			
Stores Attendant 1			
GT21MO	770.00	793.20	816.80
15-21MO	731.60	753.60	776.00
08-14MO	693.20	714.00	735.20
00-07MO	654.40	674.40	694.40

	Jan 1, 2004	Jan 1, 2005	Jan 1, 2006
Stores Attendant 2			
GT21MO	792.00	815.60	840.00
15-21MO	752.40	774.80	798.00
08-14MO	712.80	734.00	756.00
00-07MO	673.20	693.20	714.00
Stores Attendant 3			
GT21MO	797.60	821.60	846.40
15-21MO	757.60	780.40	804.00
08-14MO	718.00	739.60	761.60
00-07MO	678.00	698.40	719.60
Stores Attendant 4			
GT21MO	822.80	847.60	873.20
15-21MO	781.60	805.20	829.60
08-14MO	740.40	762.80	786.00
00-07MO	699.20	720.40	742.40

APPENDIX XI

March 6, 2001

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

With reference to our discussions during contract negotiations in Montreal concerning Rule 35 - Contracting Out.

The Union has expressed its concern that the Company has been relying on Rule 35.1 exception (b) as justification for contracting out work at locations where the Company has created its own workforce shortages through downsizing initiatives.

With respect to the Union's concerns on Rule 35.1(b), the Company confirms that it is not its intent to rely on this exception to justify contracting out at locations where, after February 15, 1999, employment levels were reduced through Company downsizing.

The above understanding will be appended to Collective Agreement 5.1 and will be effective from the date of signing this letter and remain in force until December 31, 2003.

If this reflects our discussions on this matter, please signify your concurrence by countersigning below.

Yours truly,

I concur.

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX XII

March 6, 2001

Mr. Gary Fane
National Director of Transportation
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Fane:

During this round of negotiations, you have highlighted the concerns of your membership that with the acquisition of the Illinois Central Railroad, some work may be rationalized on a cross-border basis.

Specifically, in your letter to Mr. Tellier dated February 26, 1998, you served notice that you would seek clear commitments at the negotiating table, in regard to the following two questions, and I quote:

1. "Will work performed in Canada flow to the U.S. (as an example, will the combined railway maintain two customer service centres, or can we expect to see a single future one in Chicago, etc.)?"
2. "Will job numbers be reduced in Canada as a result of the merger?"

Mr. Tellier replied the very next day, inviting you to work together with CN as a team to provide "high quality, reliable service, without unnecessary disruptions" to our customers and to "continue to ensure the competitiveness of Canadian National".

He went on to say:

"On the basis of this commitment to work together, I can respond to your two specific issues emphatically. I see no reason why this transaction will lead to work performed in Canada flowing to the United States. Nor do I see any reason why it will reduce employment levels in Canada - on the contrary, as I have said, it should increase jobs on both sides of the border."

Therefore, for the term of this Collective Agreement, the Company agrees that there will be no net reduction of your work and/or jobs as a result of any cross-border rationalization.

Yours truly,

**Richard J. Dixon
Vice-President
Labour Relations and Employment Legislation**

March 14, 2003

Mr. John Moore-Gough
National Representative
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW)
200 Riverview Drive
Chatham, Ontario N7M 5Z8

Dear Mr. Moore-Gough:

Re. Reinstatement of Previous Discipline System

This will confirm discussions held during collective bargaining in 2004 regarding the Company's approach to discipline.

The Union put forward its view that discipline is now being imposed with greater severity than in the past, using different methods (suspensions and deferred suspensions) and on grounds which rarely or never attracted discipline before.

To resolve the issue of discipline, for the life of the collective agreement or until otherwise mutually agreed, the Company will reinstate the discipline system and standards that were in effect at the commencement of the previous collective agreement, in accordance with past practice and jurisprudence.

In addition, in order to reflect the foregoing, the Company and the Union have agreed to resolve all outstanding discipline cases in accordance with the aforementioned principles.

The Company and Union will meet within twelve (12) months of ratification to discuss and agree upon improvements to the discipline system. Any changes will require mutual consent.

Kim Madigan
Vice-president,
Labour Relations



SUPPLEMENTAL AGREEMENT

BETWEEN

THE CANADIAN NATIONAL RAILWAY COMPANY

AND

**THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA
(CAW - CANADA)**

**GOVERNING RATES OF PAY & WORKING CONDITIONS FOR
EMPLOYEES IN INTERMODAL & CARGO-FLO TERMINALS**

EFFECTIVE JANUARY 1, 2004

CN EMPLOYEE AND FAMILY ASSISTANCE PROGRAM

Help is just phone call away at any time of the day or night from anywhere in Canada.

All services can be accessed by calling a 24-hour a day toll-free number (1-800-268-5211 for English or 1-800-363-3872 for French), which will connect the caller to a Care Access Center. Or you can use the Internet www.fgiworldmembers.com, user id "cn" password "cn01". All information received, beginning at the point of the initial call to the Care Access Center and continuing all the way to the closure of the client file will be treated as completely confidential, no identifying information is ever shared with CN unless the employee specifically authorizes it.

For additional information on the Employee and Family Assistance Program please contact your Local EFAP Peer or Union Representative. Or call the toll free number.

Useful Contact Numbers

EFAP	1-800-268-5211 (English)
EFAP	1-800-363-3872 (French)
Human Resources Centre	1-877-399-5421

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ARTICLE 1

RECOGNITION AND REPRESENTATION

Recognition

1.1 The **CANADIAN NATIONAL RAILWAY COMPANY**, herein referred to as "the **Company**", recognizes the **NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW - CANADA)**, herein referred to as "the **Union**", as the sole collective bargaining agent for all employees of the **Company** employed in the classifications listed in Article 8 of this collective agreement in Intermodal terminals (including cargo-flo terminals operated by the **Company**) in all provinces of Canada excluding Newfoundland.

1.2 In this collective agreement, "employee" shall mean a person holding seniority under this collective agreement.

1.3 The **Company** agrees not to enter into any agreement or contract with employees, individually or collectively, which in any way conflicts with the terms and provisions of this collective agreement without the express consent of the **Union**. Any such agreement will be null and void.

1.4 All employees covered by paragraph 1.1 of this article shall become and remain members of the **Union** as a condition of their employment during the continuance of this collective agreement.

1.5 When hiring a new employee, the **Company** shall have such new employee sign a **Union** membership card and forward it to the chief shop steward. The **Union** shall furnish a supply of blank **Union** membership cards.

Representation

1.6 Officers and committee persons of the **Union** shall be recognized by the **Company** as representatives of the employees in matters affecting the collective agreement relationship between the **Company** and employees covered by this collective agreement.

1.7 The **Union** agrees that there will be no **Union** activities carried out during working hours except those necessary in connection with the administration of this collective agreement.

1.8 Accredited representatives of the **Union** shall have access to the **Company's** premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that this collective agreement is being adhered to, provided that there is no interruption of the **Company's** operations.

1.9 For the purposes of this collective agreement "mutual agreement" or "mutually agreed" shall mean an agreement, in writing, between the proper officer of the **Company** and the designated representative of the **Union**.

1.10 For the purposes of this collective agreement "local agreement" or "locally agreed" shall mean an agreement, in writing, between the terminal manager and the chief shop steward.

ARTICLE 2

UNION DUES

2.1 The Company shall deduct on the payroll on the second payday of each month from wages due and payable to each employee coming within the scope of this collective agreement an amount equivalent to the monthly union dues of the Union subject to the conditions and exceptions set forth hereunder

2.2 The amount to be deducted shall be equivalent to the regular dues payment of the Union and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of this agreement excepting to conform with a change in the amount of regular dues of the Union in accordance with its constitutional provisions. The provisions of this article shall be applicable to the Union on receipt by the Company of notice in writing from the Union of the amount of regular monthly dues.

2.3 Employees filling positions of a supervisory or confidential nature not subject to all the rules of this agreement, as may be mutually agreed between the designated officers of the Company and of the Union, shall be excepted from dues deductions.

2.4 If the wages of an employee payable on the payroll on the second payday of the 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 Company in such month. The Company shall not, because the employee did not have sufficient wages payable on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month. Only payroll deductions now or hereafter required by law, deductions of monies due or owing the Company, and pension deductions shall be made from wages prior to the deduction of dues.

2.5 Employees filling positions coming within the scope of more than one collective agreement in the pay period in which deduction is made shall have dues deducted from the Union holding the collective 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.

2.6 The amounts of dues so deducted from wages, accompanied by a statement of deductions from individuals, shall be remitted by the Company to the designated officer or officers of the Union not later than 40 calendar days after deductions are made.

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

2.8 In the event of any action at law against either or both of the parties resulting from any deduction or deductions made or to be made from payrolls by the Company pursuant to paragraph 2.1, both parties shall cooperate fully in the defense of such action. Each party shall bear its own cost of such defense except that ~~if~~ at the request of the Union, counsel fees are incurred, these shall be borne by the Union. Save as aforesaid, the Union shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

ARTICLE 3

MANAGEMENT RIGHTS

3.1 Except to the extent that management's rights have been otherwise limited or modified by the specific terms and conditions of this collective agreement, the Union recognizes the exclusive right and authority of the Company to manage the affairs of its business and to direct its work force subject always to the terms of this collective agreement. Management's rights include:

- (a)** The right to hire, direct, assign, and adjust the work force;
- (b)** The right to determine schedules of work: type of equipment: work and operational standards: and the qualifications of individual employees.
- (c)** The right to maintain order and to discipline for just cause.
- (d)** The right to make and enforce rules, regulations and policy.

3.2 Only those identified as management will have the authority to hire, classify, promote, demote, lay off, suspend, discharge or otherwise discipline employees subject to the provisions of this collective agreement.

3.3 The exercise of the foregoing rights shall in no way violate this collective agreement nor shall it deprive employees of the right to

exercise the grievance procedure where it is alleged that one or more of the provisions of this collective agreement have been violated.

3.4 Supervisors, non-scheduled employees, or employees in other bargaining units shall not engage, normally, in work currently and traditionally performed by members of this bargaining unit.

ARTICLE 4

STRIKES AND LOCKOUTS

4.1 During the term of this collective agreement, there shall be no lockout by the Company nor any strike or work stoppage by employees covered by this collective agreement.

ARTICLE 5

GRIEVANCE AND ARBITRATION PROCEDURES

Grievance Procedure

5.1 The Company and the Union recognize and agree that the prompt resolution of differences concerning the interpretation, application, administration or alleged contravention of this collective agreement is of the utmost importance.

5.2 A grievance concerning the interpretation, application, administration or alleged contravention of this collective agreement or alleging that an employee has been unjustly disciplined or discharged shall be dealt with in the manner set out in this article.

NOTE: A grievance concerning discipline or discharge may be processed commencing at Step 2 of the grievance procedure within the time limits specified in respect of that step.

5.3 The Company and the Union recognize that open and frank discussions will promote the resolution of grievances. Therefore, subsequent to submission of a grievance at step 1 or step 2 of the grievance procedure, each grievance will be examined in a meeting as set out in paragraph 5.5 and paragraph 5.8 and within the time frames set out therein before a decision is rendered at either of the steps of the grievance procedure.

Step 1

5.4 Within ten **(10)** calendar days from the cause of grievance, the employee and/or the chief shop steward will present the grievance to the terminal manager. The grievance shall consist of a written statement explaining the cause of grievance.

5.5 The meeting referred to in paragraph 5.3 will be held between the employee and/or chief shop steward of the Union and the terminal manager (or designate) no later than ten **(10)** calendar days following the receipt of the grievance. Every effort shall be made to schedule such meeting during normal working hours. Neither the employee nor the chief shop steward shall sustain any **loss** of wages when such meeting is conducted during their regularly scheduled working hours.

5.6 Within seven (7) calendar days of such meeting, the terminal manager (or designate) will render a decision in writing.

Step 2

5.7 Within twenty-one (21) calendar days of receiving the terminal manager's decision under step 1, the designated representative of the Union may present the grievance to the General Manager of terminal operations. The grievance shall consist of a written statement outlining the Union's contentions and identify the specific provision or provisions of the collective agreement which the grievance concerns.

5.8 The meeting referred to in paragraph 5.3 will be held between the designated representative of the Union (or designate) and the General Manager of terminal operations (or designate) no later than twenty-one (21) calendar days following the receipt of the grievance.

5.9 Within seven (7) calendar days of such meeting, the General Manager of terminal operations (or designate) will render a decision in writing.

Arbitration

5.10 A grievance concerning the interpretation, application, administration or alleged contravention of this collective agreement or alleging that an employee has been unjustly disciplined or discharged which is not settled at step 2 may be referred by either party to the Canadian Railway Office of Arbitration and Dispute Resolution for final and binding settlement in accordance with the regulations of that Office.

5.11 The request for arbitration must be filed with the Canadian Railway Office of Arbitration and Dispute Resolution, in accordance with the regulations of that Office, within 60 days following receipt of the decision rendered at step 2 of the grievance procedure.

General

5.12 The settlement of a grievance shall not under any circumstance involve retroactive pay beyond a period of 60 calendar days prior to the date that such grievance was submitted at step 1 of the grievance procedure.

5.13 When a grievance is not progressed by the Union within the prescribed limits, it will be considered as withdrawn.

5.14

(a) When a decision other than one concerning a claim for unpaid wages is not rendered by the applicable officer of the Company within the prescribed time limits, the grievance may be progressed by the Union to the next step of the grievance procedure.

(b) When a decision concerning a claim for unpaid wages is not rendered by the applicable officer of the Company within the prescribed time limits, the claim will be paid.

The application of this paragraph **5.14** shall not constitute an interpretation of the collective agreement.

NOTE: All grievances and responses, at all steps of the grievance procedure, as well as requests for time limit extensions, and referrals to arbitration must be submitted in writing. Verbal or "email" grievances, responses, requests or referrals not submitted in written form shall not be considered as having been properly transmitted, and therefore may, unless remedied, within the time limits, trigger the provisions of Articles **5.12**, **5.13**, and **5.14**.

5.15 The time limits set out in this article may be extended as may be locally or mutually agreed, as the case may be, between the Company and Union officer concerned.

5.16 The Company officers designated herein may be altered consistent with the organizational structure upon written notification to the appropriate designated representative(s) of the Union.

ARTICLE 6

PROBATIONARY PERIOD

6.1 Employees shall be considered as on probation until they have completed ~~sixty~~ (60) days of actual work in the service of the Company. If found unsuitable during such period, the employee will not be retained. This shall not deny an employee the right to appeal the matter in the grievance procedure.

ARTICLE 7

SENIORITY

Seniority Groupings

7.1 For the purpose of seniority, employees will be grouped as follows:

- Atlantic Region
- St. Lawrence Region
- Great Lakes Region
- Prairie Region
- Mountain Region

Seniority Lists

7.2 Seniority lists will be maintained for each seniority group as defined in paragraph 7.1 showing seniority number, name, classification, location and last date of entry into service on a position in such seniority group from which date seniority will accumulate.

7.3 Seniority lists shall be updated and posted at the headquarters locations of all employees concerned (including outlying points) on or before March 31 and September 30 of each year. A copy of the applicable seniority list shall be furnished to chief shop stewards and the designated representative of the Union. The date on which the seniority list is posted at each location will be shown on the seniority list.

7.4 The name of an employee shall be placed on the applicable seniority list immediately upon being employed on a position covered by this agreement.

7.5 When two or more employees commence work in the same seniority group on the same day, the procedure for establishing their relative seniority standing shall be as follows:

- (a) The employee who commenced work at the earlier hour of the day shall be senior.
- (b) When employees commenced work at the same hour of the day, the employee who signed the company's application for employment first shall be senior.

Promotion to Management or **Non-Schedule** Positions

7.6 Employees transferred to an excepted position or on leave of absence will have the appropriate notation placed opposite their names.

7.7 The names of employees holding seniority under this agreement who:

- (a) Prior to June 14, 1995, were promoted to a permanent management or non-scheduled position with the Company, its subsidiaries or parent Company, will be continued on the seniority list and shall continue to accumulate seniority up to June 30, 1996. Following this period, such employees shall no longer accumulate seniority but shall retain the seniority rights already accumulated up to June 30, 1996.
- (b) On or after June 14, 1995, are promoted to a permanent management or non-scheduled position with the Company, its subsidiaries or parent Company, will be continued on the seniority list and shall continue to accumulate seniority for a period of one year after the date of promotion. Following this period, such employees shall no longer accumulate seniority but shall retain the seniority rights already accumulated.
- (c) Subsequent to April 1, 2001, is temporarily promoted to a non scheduled, official or excepted position with the Company for a period of up to twenty four months, will continue to accumulate seniority. Should the employee remain on such a position for a period of time in excess of twenty-four months, the requirements of sub Article 11.9(a)(ii) will apply and the employee will, at the completion of the two year period, no longer continue to accumulate seniority but continue to retain the seniority rights already accumulated.

NOTE 1: In the application of this paragraph, should an employee holding a non-scheduled, official or excepted position be set back to a position covered by this Collective Agreement for a period of less than forty five days, such time will be considered as part of the twenty four months.

NOTE 2: When employees are temporarily promoted:

- (1) For less than 180 days by reason of the regular incumbent having elected maternity or child care leave; or
 - (2) For less than 120 days in all other cases,
- their positions will be filled in accordance with the provisions of paragraph 14.2 of Article 14. When released from such management or non-scheduled position, employees must return to their regular assignment.

7.8 When released from a management or non-scheduled position except at their own request or as a disciplinary measure, such employees may exercise their seniority rights to any assignment in their seniority group for which qualified. They must make their choice of assignment, in writing, within 10 calendar days from the date of release and commence work on such assignment within 30 calendar

days from the date of release. Failing this, they shall forfeit their seniority and their services will be dispensed with.

Corrections to Seniority Lists

7.9 Protests respecting seniority status must be submitted, in writing, within 60 calendar days from the date the seniority list is posted. When proof of error is presented by an employee or representative, such error will be corrected. Seniority standing shall become established by being shown on the posted seniority list for 60 calendar days without written protest. Thereafter, seniority standing will not be changed except by mutual agreement between the designated representative of the Union and the proper officer of the Company.

7.10 No change shall be made in the seniority date accorded an employee which has appeared on two consecutive seniority lists unless the seniority date appearing on such lists was protested, in writing, within the 60 calendar day period allowed for correctional purposes.

Discharged Employees Re-entering Service

7.11 An employee who has been discharged and subsequently returned to service on a position covered by this collective agreement will only be allowed seniority from the date of return to service unless reinstated with former seniority status. An employee who is not reinstated with former seniority status within two years of the date of discharge may only be so reinstated by mutual agreement between the proper officer of the Company and the designated representative of the Union.

Transfer of Work

7.12 The seniority status of an employee transferred with their work from a staff not covered by this collective agreement to a staff covered by this collective agreement shall be decided by mutual agreement between the proper officer of the Company and the designated representative of the Union. The basis of such decision shall be the seniority to which they would have been entitled had their service on such other staff been governed by the terms of this collective agreement.

ARTICLE 8
CLASSIFICATIONS

List of Classifications

8.1 Classifications are:

(a) Operational and Clerical:

- Dispatcher
- Lead Hand Operations
- Lead Hand Clerk
- Heavy Equipment Operator
- Equipment Operator
- Clerk

(b) Repair and Maintenance:

- Lead Hand Mechanic
- Heavy Duty Mechanic
- Mechanic

(c) General:

- Helper
- Composite Employee
(as defined in paragraph 8.8)

(d) Mileage and Zone Rated:

- Tractor Trailer Operator

8.2 All hourly, mileage and zone rates in effect at each terminal for the classifications listed in paragraph 8.1 will be posted locally.

8.3 Established assignments shall not be discontinued and new ones created covering the same class of work for the purpose of reducing the rate of pay.

8.4 When additional assignments are created, the classification of such assignments shall be in conformity with the classifications set out in this article.

8.5 No change shall be made in the classification of individual assignments unless warranted by changed conditions resulting in changes in the character of the duties and responsibilities of the assignment.

8.6 If the Union contends that an assignment is improperly classified, the matter may be treated as a grievance. If not resolved during the grievance procedure, the matter may be referred to arbitration in accordance with Article 5. It is agreed that the arbitrator shall not have the authority to alter or modify existing classifications or

wage rates but shall have the authority, subject to the provisions of this collective agreement, to determine whether or not the disputed assignment is properly classified.

Combination Assignments

8.7 Assignments may combine the duties of two classifications. Employees employed on such combination assignments will be paid the applicable hourly rate for the time worked in each classification. For example, a combination assignment established to perform four hours work as equipment operator and four hours work as clerk will be paid four hours at the equipment operators' rate and four hours at the clerks' rate.

Composite Employees

8.8 A composite employee is defined as an employee qualified to perform the work of the classifications of heavy equipment operator, equipment operator, clerk and helper.

8.9 The Company may establish assignments calling for the qualification of composite employee, as required. The number of such assignments may not exceed 50% of the total number of assignments (excluding employees employed in repair and maintenance classifications) on each shift. However, on shifts regularly employing five or less employees (excluding employees employed in repair and maintenance classifications), the 50% limitation shall not apply.

Utilization of Qualified Employees

8.10 The Company may utilize qualified employees as may be necessary to meet the requirements of the operation. During the hours of their assignment, employees may, as required, be assigned to perform the duties of other assignments and classifications. If assigned to perform the duties of a lower rated classification, employees will not have their regular rate reduced. If assigned to perform the duties of a higher rated classification, the employee shall be paid the higher rate for the time so occupied.

ARTICLE 9

TRAINING AND QUALIFICATIONS

9.1 Full-time employees will be required to undergo training for all classifications employed at the terminal except:

- (a)** The classifications of lead hand and dispatcher.
- (b)** Repair and maintenance classifications listed in subparagraph 8.1(b) of Article 8.

(c) Employees in the repair and maintenance classifications listed in sub-paragraph 8.1(b) of Article 8 shall not be required to undergo training in the classification of clerk.

9.2 The Company will establish the requisite training programs, including a maintenance of qualifications program, which may consist of classroom or on the job training or a combination of both.

9.3 Employees will take training as determined by the Company. Except as may be necessary to overcome a shortage of qualified employees, employees will, as a general principle, be trained in the order of equipment operator, clerk and heavy equipment operator. Training for a particular classification will, to the extent practicable, be done in seniority order.

9.4

(a) While in training, employees will be compensated as follows:

- (1) For regularly assigned employees, at the rate of the assignment regularly held.
- (2) For spare board employees, at the equipment operators' rate.
- (3) For unassigned part time employees, at the helpers' rate.

(b) On any day when employees are required to undergo training in addition to working their regular assignment, they shall be compensated for all such combined time in excess of regularly assigned hours at overtime rates.

(c) When a regular rest day coincides with a classroom training session, other rest days will be substituted without **loss** of pay. Employees will be allowed such substituted rest days immediately upon completion of the training session. Notwithstanding the provisions of paragraph 13.5 of Article 13, the substitution of rest days in accordance with this paragraph shall not require the payment of overtime rates.

NOTE: It is understood that, in certain exceptional cases, the substitution of rest days, may result in a situation where the total of days worked and days in training amounts to less than 80 paid hours in the pay period. In such cases, the hours paid for the pay periods when the employee is in training will be averaged so as to ensure that the employee is not paid less than 80 hours for each such pay period, due regard being had to any time absent.

(d) Employees required to undergo training at other than their home terminal will be allowed actual expenses reasonably incurred.

9.5 For the purpose of training, the Company may require employees to exchange assignments for a temporary period without alteration in rates of pay for either employee.

NOTE: The temporary period referred to in this paragraph 9.5 shall not exceed five consecutive shifts.

9.6 Employees will cooperate with other employees in learning and understanding the various aspects of their jobs.

9.7 In the application of this Article 9, employees designated to train others by direction of the Company for a period of one hour or more during a shift will be paid a trainer's allowance of \$2.00 per hour spent training. The Company may designate those employees who will provide such training. This shall not apply to incidental instruction, direction or correction of co-workers or to the lead hands' monitoring and assisting an employee's performance.

9.8 At each terminal, the Company will maintain and post an up-to-date list of employees' names, in seniority order, identifying the classifications in which each is qualified.

9.9 In instances where employees have undergone training and been declared qualified for a particular classification but have not worked in such classification for a period of one calendar year, such employees will be required to undergo the maintenance of qualifications program.

9.10 Employees who fail to qualify for a classification after undergoing the training program in respect of that classification and employees who fail to maintain their qualifications will not be considered qualified to perform the work of that classification.

9.11 Employees who fail to qualify for a classification or who fail to maintain their qualifications or who have failed to demonstrate their ability to perform the work of a classification will be allowed the opportunity to qualify for such Classification on their own time. Employees who avail themselves of this opportunity and who again fail to qualify will be required to wait a calendar year before again attempting to qualify on their own time.

ARTICLE 10

LEAD HAND AND DISPATCHER CLASSIFICATIONS

10.1 An employee's qualifications to fill lead hand and dispatcher classifications will, to the extent possible, be determined in advance through the screening process as set out in this article for Dispatch Coordinators and in Appendix 12 for new Lead Hand Operations qualified positions.

10.2 Employees not already declared qualified, as indicated on the list of qualifications described in paragraph 9.8 of Article 9, who wish to be declared qualified, shall be allowed to make their intentions known in the following manner:

- (a) As may be required from time to time, bulletins will be posted at the terminal, for a period of five calendar days, calling for applications from interested employees.
- (b) Bulletins will show the classification concerned, a description of the duties of the classification, and the minimum qualifications that the employee must possess and the number of employees who will undergo the screening process.
- (c) Applications will be considered in seniority order.

10.3 Applicants will be assessed using standardized criteria including an interview.

10.4 Employees declared qualified in the applicable classification will be so identified on the list of qualifications described in paragraph 9.8 of Article 9.

10.5 Employees not declared qualified may within a period of five calendar days request a review of the decision. The review will be done in a meeting between the designated representative and the General Manager of terminal operations which will take place within 21 calendar days from the date of the employee's request. If the matter is not resolved, the decision may be appealed in the grievance procedure beginning at Step 2.

10.6 Employees shall be encouraged to learn the duties and responsibilities of lead hand and dispatcher classifications and every effort shall be afforded them to learn the work of such classifications in their own time and when it will not unduly interfere with the performance of their regularly assigned duties.

Dispatch Coordinators

10.7 Effective August 22, 1998, the Company will create a new position called Dispatch Coordinator. This position will form part of the Dispatcher classification but will be paid at the established Dispatcher rates as in Appendix 5, plus \$1.50 per hour more. The provisions of this Understanding supersede any provisions of the Supplemental Agreement which conflict with this Understanding. Subject to the above, provisions now applying to Dispatchers will be deemed to apply to Dispatch Coordinators.

10.8 The Dispatch Coordinator will perform duties similar to a Dispatcher but at a higher level of performance and with greater accountability.

10.9 Employees currently qualified as Dispatchers will be offered, in order of seniority, the opportunity to apply for and undergo a trial period to become Dispatch Coordinators. Applicants will be allowed a minimum of fifteen working days and up to a two-month trial period (which can be extended by mutual consent with the Union) to demonstrate that they are qualified to become a Dispatch Coordinator. Should the candidate fail to demonstrate such qualifications in the judgment of the Company, and is accordingly disqualified, the Company agrees that this shall not be done in an arbitrary or discriminatory manner or in bad faith. The Union retains the right to appeal the disqualification through the grievance procedure.

10.10 Current holders of permanent Dispatcher positions who fail the trial period will have their rate of pay protected by the application of Article 8.9 of the ESIMA. In such an event, should the disqualification cause a layoff from the Intermodal Supplemental Agreement, the provisions of Article 7 of the ESIMA will also apply, including Transfer of Benefits.

10.11 Although the Agreement already allows management the right to determine qualifications, the Company agrees to consult with the Union prior to finalizing a decision on any qualification or disqualification of Dispatchers during their trial period. Upon request of the employee, the Company will advise the employee, in writing, of the reason for the disqualification, identifying the shortcomings involved.

10.12 During the trial period, and afterwards as required by the Company, candidates for the Dispatch Coordinator positions will be required to undergo and pass training as prescribed by the Company. This training will be designed to enhance their ability to work as Dispatch Coordinator at a high performance level.

10.13 Upon completion of the trial period, the employee will become a Dispatch Coordinator and will be paid the Dispatch Coordinator rate from the time the employee entered the trial period.

10.14 Following the initial phase-in period, applicants who wish to become qualified for future vacancies in Dispatch Coordinator positions shall be accepted first from employees having a minimum of one-year service at the Internodal terminal before other employees are considered.

10.15 After the trial period, employees must continue to demonstrate a level of performance satisfactory to the Company while on the job. In the event that this does not happen, the Company will bring required improvements to the employee's attention in a timely fashion and endeavour to assist the employee in overcoming shortcomings where appropriate. Employees may be disqualified for cause, but this disqualification shall not be treated or recorded as discipline. However, the Company has agreed to apply the investigation provisions of Articles 23.3 to 23.9 prior to disqualifying the employees.

10.16 Employees who become Dispatch Coordinators will be required to remain as a Dispatch Coordinator for one year, after which time they will be permitted to give a three-month notice in writing of their desire to vacate the classification before being allowed to bid another position in another classification. They must provide copies to the Manager - Road Operations and the Local Chair. However, in special cases, the Manager - Road Operations and the Local Chair may locally agree to permit an individual to vacate the classification earlier upon proof of good reason supplied by the Dispatch Coordinator.

10.17 The Company will, from time to time, provide the Dispatch Coordinators with training on regional geography, customer skills, commodities, safety, etc.

10.18 Because of the number of terminals involved and the length of the agreed process, the Company will phase in the new Dispatch Coordinator position on a terminal by terminal basis and will advise the Union in advance. Such process will be initiated at all terminals within one year of ratification of the collective agreement.

10.19 During the phase-in period at an Intermodal terminal, the Company and the Union will cooperate to minimize adverse effects of the implementation and operation of this Understanding.

10.20 After the phase-in period, the Company and the Union will meet to review and measure the results of the Dispatch Coordinator position, including its effect on customers, owner-operators and Company operations, with a view of further improving the results of this classification.

ARTICLE 11

HOURS OF WORK, STARTING TIME AND REST DAYS

General

11.1 This article does not apply in respect of spare board, or part time employees.

11.2 In respect of regularly assigned employees, the work week shall mean a calendar week beginning on the first day of the week on which the assignment is bulletined to work.

11.3 The regular work week shall consist of forty (40) hours of work, scheduled in accordance with this article, and at least two consecutive rest days. The daily scheduled hours of work shall be consecutive.

NOTE: see Appendix 14

11.4 Regularly assigned employees who report for duty on their regular assignments shall be paid for regularly scheduled hours of such assignment at their regular rate. Employees who are permitted to leave work at their own request shall be paid for actual time worked at their regular rate.

NOTE: An employee prevented from completing a shift due to a bona-fide injury sustained while on duty will be paid for the full shift at straight time rates of pay unless in receipt of workers' compensation benefits for the day of the injury in which case the employee will be paid the difference between the payment of a full shift and such workers compensation benefits.

Hours and Starting Times of Assignments

11.5 Flexibility to meet the requirements of the operation is of critical importance. To meet the requirements of the operation, assignments may be established consisting of:

- (a) Five (5) eight-hour shifts in the work week.
- (b) Four (4) ten-hour shifts in the work week.
- (c) When conditions require, other shift arrangements may be established by local agreement between the terminal manager and the chief shop steward. Agreement will not be unreasonably or arbitrarily withheld. When local agreement cannot be achieved, the matter will be discussed, as quickly as possible, between the General Manager of terminal operations and the designated representative of the Union with a view to reaching agreement on a shift arrangement that satisfies the concerns of both parties. In the event that agreement cannot be reached, the matter may be referred to arbitration in the Canadian Railway Office of Arbitration and Dispute Resolution for final and binding resolution.

NOTE: It is agreed that, where the requirements of the business allow, the rest days of an assignment will be scheduled consecutively but each work week will have at least two consecutive rest days.

11.6 To the extent practicable, assignments having regular hours and starting times will be established. However, it is recognized that the nature of the work may require the establishment of assignments having irregular hours and/or different starting times on different days of the week. Such assignments will be established consistent with the provisions of this article.

NOTE: In establishing assignments having irregular hours, no shift of less than eight hours shall be scheduled as part of such assignment.

11.7 In the application of paragraph 11.5 and/or 11.6, when it is necessary to establish assignments consisting of other than five

(5) eight-hour shifts and/or irregular hours and/or different starting times on different days of the week, the designated representative of the Union will be advised of the reasons therefor not less than seven (7) calendar days prior to the commencement of such assignment.

11.8 To meet the requirements of the operation, the normal scheduled starting times of designated regular assignments may be changed by up to two (2) hours, either way, such assignments to be designated by bulletin. When it is necessary to do so, employees will be so advised not later than completion of the previous shift or, in the case of regularly assigned employees on rest days, not later than 16 hours in advance of the normal scheduled starting time. Such notice will be given on each day that such change is required. The changing of starting times in accordance with this paragraph shall not require the payment of overtime rates. (See Appendix 8.)

Change in Rest Days or Starting Times

11.9 When the rest days of an assignment are changed or when the starting time of an assignment is changed by more than two hours, the assignment will be abolished upon three days notice and the employee concerned will exercise seniority, at the terminal, in accordance with Article 15. The new assignment with changed rest days or starting times, and subsequent vacancies, will be bulletined to the terminal in accordance with paragraph 14.2 of Article 14.

ARTICLE 12

LUNCH PERIOD

12.1 Regularly assigned employees and employees assigned to shifts of eight hours or more will be entitled to a lunch period between the end of the third and the beginning of the sixth hour of work. It is understood that the lunch period will be arranged so as not to conflict with the operation.

12.2 Such lunch period will be of thirty (30) minutes duration without deduction in pay.

12.3 Should employees not be allowed a meal period during the spread of hours specified herein, they shall be paid thirty (30) minutes at overtime rates and, at the first opportunity, allowed thirty (30) minutes for lunch without deduction in pay.

ARTICLE 13

OVERTIME

13.1 This article does not apply in respect of tractor trailer operators.

13.2 Overtime rates shall be calculated at one and one-half times the posted rate.

13.3 Time worked by employees on regular assignments, continuous with, either before or after, their regularly assigned hours of duty shall be considered as overtime and shall be paid at overtime rates in minimum increments of 15 minutes. Time worked in excess of regularly assigned hours due to changing of shifts in the application of seniority **rules** shall not be paid at overtime rates.

13.4 Regularly assigned employees called to work not continuous with their regular assigned hours shall be paid for all hours worked, with a minimum of three hours, at overtime rates except that employees, who are called to work and are subsequently canceled before leaving home, shall be paid one hour at overtime rates.

13.5 Employees required to work on their assigned rest days shall be paid for all hours worked, with a minimum of three hours, at overtime rates. This shall not apply where such work is performed by an employee moving from one assignment to another in the exercise of seniority.

13.6 Time worked in excess of forty **(40)** hours in a work week shall be paid for at overtime rates. In the application of this paragraph:

(a) Time paid for a general holiday or any other time paid for will be used in computing the forty **(40)** hours when such payments apply during an employee's normal scheduled working hours.

(b) Time paid for at overtime rates shall not be used in the computation of overtime. Overtime hours paid for under paragraphs 13.3 to 13.5, inclusive, shall not be used in computing the forty **(40)** hours per week.

13.7 Employees shall not be required to suspend work during regular hours to absorb overtime.

13.8 Employees filling a full-time assignment who are required to work in excess of two hours overtime continuous with the completion of assigned hours will be allowed a lunch period of 20 minutes, without deduction in pay, upon completion of two hours overtime.

13.9 Every effort will be made to avoid the necessity for overtime. However, when conditions warrant, employees will perform authorized overtime work. Such overtime work will be allotted as locally agreed.

ARTICLE 14

BULLETINING AND FILLING OF ASSIGNMENTS

Assignments and Vacancies

14.1 When required, permanent assignments (which shall include permanent vacancies in assignments and new permanent assignments) will be advertised on regional bulletins.

14.2 When required, the following will be advertised on terminal bulletins:

- (a) Temporary assignments of more than 10 working days (which shall include temporary vacancies of more than ten working days).
- (b) Permanent assignments abolished in accordance with paragraph 11.9 of Article 11 because of a change in rest days or a change in starting times of more than two hours and subsequent vacancies.
- (c) Spare board assignments when the number of employees on the spare board is increased.
- (d) Regular part time assignments.

14.3 Temporary assignments of ten working days or less (which shall include temporary vacancies of ten working days or less) and vacancies in permanent or temporary assignments while under bulletin or pending occupancy by a successful applicant will, where necessary, be filled from the spare board or, at terminals where no spare board has been established, by qualified employees from the list of part time employees.

14.4 For the purpose of this collective agreement, a temporary vacancy is defined as a vacancy in an assignment caused by the regularly assigned employee being absent from duty, including on vacation but excluding on pre-retirement vacation.

Regional Bulletins

14.5 When required, regional bulletins will be issued every second Thursday. Bulletins will be posted promptly for a period of five calendar days in places accessible to all employees concerned. A copy of each regional bulletin will be furnished to the chief shop stewards concerned.

14.6 All regional bulletins will show the classification and location of the assignment, general description of the duties, necessary qualifications where applicable, rate of pay, hours of assignment and assigned rest days.

14.7 Employees making application for an assignment advertised on the regional bulletin will submit a written application showing seniority number, present classification and location, together with their qualifications. Applications must be filed to reach the designated officer no later than the tenth day after the date of bulletin. As evidence that an application has been submitted, each applicant must forward a copy of such application to the chief shop steward.

14.8

- (a)** Assignments advertised on the regional bulletin will be awarded to the senior applicant from the regional seniority list who has attained the necessary qualifications for the classification in accordance with Article 9 or Article 10 or Appendix 12, as the case may be.
- (b)** Successful applicants may be held on their former assignment for not more than 28 days from the date the assignment is awarded. If the rate of the awarded assignment is higher, employees will be compensated at such higher rate if held in excess of 14 calendar days.

Terminal Bulletins

14.9 Terminal bulletins will be posted at the terminal and outlying points, as required, for a period of five calendar days in places accessible to all employees concerned. A copy will be furnished to the chief shop steward.

14.10 All terminal bulletins will show the Classification of the assignment, rate of pay, hours of assignment, assigned rest days and, for temporary assignments, the approximate date of commencement and approximate duration.

14.11 Employees making application for an assignment advertised on the terminal bulletin will submit a written application showing seniority number. Applications must be received no later than the closing date of the bulletin.

14.12

- (a)** Applications for assignments advertised on the terminal bulletin will only be accepted from employees employed at the terminal where the bulletin is posted or outlying points.
- (b)** Applications from regularly assigned employees will only be accepted when it involves an increase in rate of pay, a change in classification, or a change in shift, or rest days. When other qualified employees are available, regularly assigned employees will not be allowed to commence work on a temporary assignment and their regular assignment on the same day.

14.13 Assignments advertised on the terminal bulletin will be awarded to the senior applicant at the terminal who has attained the necessary qualifications for the classification in accordance with Article 9 or Article 10 or Appendix 12, as the case may be. Successful applicants may be held on their former assignment for not more than 10 days from the date the assignment is awarded. If the rate of the awarded assignment is higher, employees will be compensated at such higher rate if held in excess of 5 calendar days.

No Applications from Qualified Employees

14.14

- (a)** In the event that no applications are received from qualified employees for an assignment advertised on a regional or terminal bulletin, the junior qualified unassigned part time employee at the terminal may be assigned.
- (b)** If there are no unassigned part time employees qualified to fill the assignment, the junior qualified full time employee at the terminal will be assigned for a maximum period of 90 calendar days. In such cases, the Company will arrange for the training of another employee for the position so that employees required to fill positions may be returned to their regular assignment as soon as is practicable. Should a junior qualified employee subsequently become available (including employees who subsequently become qualified) such junior employee will be required to fill the assignment and the senior full time employee will be returned to his/ her former assignment.
- (c)** The regular assignment of a junior employee assigned to another assignment in the application of sub-paragraph (b) will be treated as a temporary vacancy of more than 10 working days.

Assignment Awarded (Other than Dispatcher or Lead Hand Assignments)

14.15

- (a)** Employees who are awarded an assignment by bulletin in other than a dispatcher or lead hand classification will receive a full explanation of the duties of the assignment.
- (b)** Employees must demonstrate the ability to perform the work within a reasonable probationary period of up to 10 working days, the length of time dependent upon the character of the work.
- (c)** Failing to demonstrate their ability to do the work, employees will be required to undergo the maintenance of qualifications program for the classification during which time the

assignment will, if necessary, be filled in accordance with paragraph **14.3**. Upon completion of the program, employees will be returned to the awarded assignment and allowed a second probationary period of up to 10 working days.

- (d)** if, after undergoing the maintenance of qualifications program, employees still fail to demonstrate the ability to do the work, they will be removed from the assignment and returned to their former assignment. They will not, thereafter, be considered qualified to perform the work of that classification and the list of qualifications described in paragraph 9.8 will be revised accordingly.
- (e)** Employees removed from an assignment in the application of this paragraph **14.15** may appeal the matter in the grievance procedure. After making an appeal, they may be required, or shall at the request of the chief shop steward, be allowed the opportunity to demonstrate their ability to perform the work of the assignment. The chief shop steward may be present at such demonstration.
- (f)** When employees are removed from an assignment in the application of this paragraph **14.15**, such assignment will be re-advertised.

Assignment Awarded (Dispatcher or Lead Hand **Assignments**)

14.16

- (a)** Employees who are awarded an assignment by bulletin in a dispatcher or lead hand classification will receive a full explanation of the duties of the assignment.
- (b)** Employees must demonstrate the ability to perform the work of the dispatchers or lead hand assignment within a reasonable probationary period of up to 30 working days, the length of time dependent upon the character of the work. In any event such probationary period shall not be less than five working days. Any extension of time beyond the **30** working days will be as locally agreed between the terminal manager and the chief shop steward.
- (c)** Failing to demonstrate their ability to do the work, they will be removed from the assignment and returned to their former assignment. They will not, thereafter, be considered qualified to perform the work of that classification and the list of qualifications described in paragraph 9.8 will be revised accordingly. This will not prevent the employee concerned from again applying for and undergoing the selection procedures set out in Article **10** and Appendix **12** at some future time.

- (d) Employees removed from an assignment in the application of this paragraph 14.16 may appeal the matter in the grievance procedure. After making an appeal, they may be required, or shall at the request of the chief shop steward, be allowed the opportunity to demonstrate their ability to perform the work of the assignment. The chief shop steward may be present at such demonstration.
- (e) When employees are removed from an assignment in the application of this paragraph 14.16, such assignment will be re-advertised.

Employees Returning From Vacation or Leave of Absence

14.17 Employees returning from vacation or leave of absence shall resume their former assignment. Within three working days of their return to their former assignment, they may exercise seniority to any assignment bulletined during their absence in accordance with paragraphs 14.1 or 14.2. When exercising their seniority in accordance with paragraph 14.2, employees will only be permitted to do so at their terminal.

General

14.18 Employees displaced from an assignment awarded by regional bulletin as a result of:

- (a) Employees being returned to their former assignment in the application of paragraph 14.15 or 14.16;
- (b) A grievance filed by a senior employee in the application of paragraph 14.15 or 14.16;
- (c) A senior employee returning from a vacation or leave of absence in the application of paragraph 14.17;

may return to their former assignment or, qualifications being sufficient, immediately exercise seniority rights to displace a junior employee from any assignment awarded on a regional bulletin between the time of their appointment and subsequent displacement. Junior employees displaced as a result will also be governed by the provisions of this paragraph 14.18.

14.19 Employees displaced from an assignment awarded by terminal bulletin as a result of:

- (a) Employees being returned to their former assignment in the application of paragraph 14.15 or 14.16;
- (b) A grievance filed by a senior employee in the application of paragraph 14.15 or 14.16;
- (c) A senior employee returning from a vacation or leave of absence in the application of paragraph 14.17;

may return to their regular assignment or, qualifications being sufficient, immediately exercise seniority rights to displace a junior employee from any assignment at the terminal awarded on a terminal bulletin between the time of their appointment and subsequent displacement. Junior employees displaced as a result will also be governed by the provisions of this paragraph 14.19.

14.20 Employees awarded a temporary assignment by terminal bulletin will return to their regular assignment at the completion of the temporary assignment.

ARTICLE 15

STAFF REDUCTION AND DISPLACEMENT

Staff Reduction and Notice

15.1 When staff is reduced, the senior employees with sufficient ability to perform the work will be retained.

15.2 In instances of staff reduction, four working days' advance notice will be given to regularly assigned employees whose assignments are to be abolished, except in the event of a strike or work stoppage by employees in the railway industry, in which case a shorter notice may be given. Such notice will specify the time limits with which the employee must comply in exercising seniority rights and the penalty of failing to comply with such time limits. The chief shop steward will be supplied with a copy of any notice in writing.

Entitlements and Declarations

15.3 Employees whose permanent assignments are abolished or who are displaced from their permanent assignment will be entitled to displace a junior employee from a permanent assignment at any terminal on the region or a temporary assignment at their own terminal, qualifications being sufficient. Employees will not, however, be required to exercise seniority to another terminal. If, after exhausting their seniority at their terminal, they are unable to hold a full time assignment (including spare board assignments), they may elect to protect part time work or assume layoff.

15.4

- (a)** Employees wishing to exercise seniority rights to another assignment at the terminal must make their declaration and assume the new assignment within three calendar days of the abolition of their assignment or displacement.
- (b)** Employees wishing to exercise seniority rights to an assignment at another terminal must make their declaration and assume the new assignment within ten calendar days of the abolition of their assignment or displacement.

NOTE: The ten day time limit set out in this sub-paragraph (b) may be extended by local agreement between the terminal manager and the chief shop steward at the terminal to which the employee is transferring.

- (c) Employees failing to comply with the time limits set out in this paragraph will forfeit their seniority and their names will be removed from the seniority list (i.e. their services will be dispensed with).
- (d) In respect of employees who are on vacation or authorized leave of absence for illness or other reason at the time their assignment is abolished or they are displaced, the time limits specified in this paragraph will apply from the time they report for duty.

Displacement Onto Other than Dispatcher or Lead Hand Assignments

15.5

- (a) Employees who are allowed to displace a junior employee on other than a dispatcher or lead hand assignment will receive a full explanation of the duties of the assignment.
- (b) Employees must demonstrate the ability to perform the work within a reasonable probationary period of up to 10 working days, the length of time dependent upon the character of the work.
- (c) Failing to demonstrate their ability to do the work, employees will be required to undergo the maintenance of qualifications program for that classification during which time the assignment will, if necessary, be filled in accordance with paragraph 14.3 of Article 14. Upon completion of the program, employees will be returned to the assignment and allowed a second probationary period of up to 10 working days.
- (d) If, after undergoing the maintenance of qualifications program, employees still fail to demonstrate the ability to do the work, they will be removed from the assignment and will be required to displace another junior employee from an assignment for which they are qualified. They will not, thereafter, be considered qualified to perform the work of the classification concerned and the list of qualifications described in paragraph 9.8 will be revised accordingly.
- (e) Employees removed from an assignment in the application of this paragraph 15.5 may appeal the matter in the grievance procedure. After making an appeal, they may be required, or shall at the request of the chief shop steward, be allowed the opportunity to demonstrate their ability to

perform the work of the assignment. The chief shop steward may be present at such demonstration.

Displacement Onto Dispatcher or Lead Hand Assignments

15.6

- (a) Employees who are allowed to displace a junior employee on a dispatcher or lead hand assignment will receive a full explanation of the duties of the assignment.
- (b) Employees must demonstrate the ability to perform the work of the dispatchers or lead hand assignment within a reasonable probationary period of up to 30 working days, the length of time dependent upon the character of the work. In any event such probationary period shall not be less than five working days. Any extension of time beyond the 30 working days will be as locally agreed between the terminal manager and the chief shop steward.
- (c) Failing to demonstrate their ability to do the work, they will be removed from the assignment and will be required to displace another junior employee from an assignment for which they are qualified. They will not, thereafter, be considered qualified to perform the work of the classification concerned and the list of qualifications described in paragraph 9.8 will be revised accordingly. This will not prevent the employee concerned from again applying for and undergoing the selection procedures set out in Article 10 at some future time.
- (d) Employees removed from an assignment in the application of this paragraph 15.6 may appeal the matter in the grievance procedure. After making an appeal, they may be required, or shall at the request of the chief shop steward, be allowed the opportunity to demonstrate their ability to perform the work of the assignment. The chief shop steward may be present at such demonstration.

General

15.7 When employees are removed from an assignment in the application of paragraph 15.5 or 15.6, the employee they originally displaced and any other employees displaced as a direct consequence thereof shall return to their former assignments.

15.8 Employees removed from their regular assignment as a disciplinary measure will not be permitted to displace any other employee but will be permitted to apply for any bulletined vacancies.

ARTICLE 16

LAYOFF AND RECALL

16.1 Laid-off employees must register their name and address and telephone number, in writing, at the time of layoff, with their immediate supervisor and their chief shop steward. They must also advise, in writing, the proper officer of the Company and the chief shop steward of any subsequent change in address and/or telephone number. Employees who fail to comply with either of these requirements will forfeit their seniority and their services will be dispensed with.

16.2 Laid off employees shall, if qualified, be recalled to service in order of seniority when a vacancy in their seniority group remains unfilled after having been bulletined. An employee, recalled from layoff, shall be notified by telephone at the last number on record with the Company. When employees cannot be contacted by telephone, they will be advised to return to work by registered mail to the last address on record.

16.3 Laid off employees subject to recall will not be required to report for duty providing that it is definitely known that the duration of the work will not exceed 30 calendar days and another junior qualified laid-off employee is available. In either event, the employees concerned must give written advice of their intentions to their immediate supervisor immediately upon receipt of notification to resume duty.

NOTE: This paragraph 16.3 does not constitute a guarantee of 30 calendar days of employment.

16.4 Laid-off employees who fail to report for duty or to give a satisfactory reason for not doing so, within ten calendar days from date of notification (the date contacted by telephone or the date notification is mailed), will forfeit their seniority and their services will be dispensed with.

16.5 Employees who have not been recalled within two (2) years or who have exhausted their entitlement to benefits, whichever is the later, will forfeit their seniority and their name will be removed from the seniority list unless they advise the Company otherwise. This advice must be in writing, including his/her current address and phone number, and must be received by the proper officer of the Company within 30 days prior to the date they would otherwise forfeit their seniority. If the employee properly advises the Company as above, he/she will be permitted to remain available for recall for one (1) additional year (for a total of 3 calendar years from the last date of lay off) to any position that has been properly bulletined, has remained vacant and for which he/she is qualified to perform. During this additional year, should the employee refuse any recall in accordance

with the terms of the Collective Agreement 5.1 or the Supplemental Agreement, he/she will forfeit his/her seniority.

ARTICLE 17

SPAREBOARDS

General

17.1 Spare boards may be established as required by the Company. When so established, spare boards will be operated in conformance with the provisions of this article. It is understood that spare boards shall not be utilized so as to replace or avoid regular assignments.

17.2 Spare boards shall be utilized to perform relief and extra work of eight hours duration or more and, where no qualified part time employees are available, for relief and extra work of less than eight hours duration.

17.3 For the purposes of this collective agreement, employees assigned to the spare board are considered to be occupying permanent assignments.

17.4 Employees assigned to a spare board should be qualified to perform the work of all the classifications protected by that spare board. If employees are not qualified in all the classifications, they will be required to so qualify and the training will be covered by Article 9 of this Agreement.

17.5 When required to work in accordance with this article, spare board employees will be paid for all time worked at the rate of the classification in which the work is performed.

17.6 In the application of the annual vacation, general holiday and bereavement leave provisions of this Collective Agreement, employees will be paid at the equipment operators' rate.

17.7 The work week for spare board employees is a calendar week beginning on each Friday.

17.8 Spare board employees will be entitled to overtime rates:

- (a)** For all hours in excess of forty (40) after accumulating forty (40) hours at straight time rates in the work week.
- (b)** For all hours worked on a second assignment when required to commence such second work assignment without an interval of eight hours or more between the completion of work on the previous work assignment and the time required to report for duty on the second.

- (c) Where a spare board employee relieves on a regular assignment, for all hours in excess of the regular assigned hours of such assignment.
- (d) Where a spare board employee works on an extra assignment, for all hours in excess of eight.

Guarantee

17.9 The guarantee period shall be a period of one calendar week beginning on Friday.

17.10 While assigned to the spare board, an employee will be guaranteed wages for each guarantee period in the amount of 40 hours at the equipment operators' rate, subject to the provisions of paragraph 17.12. In cases where the employee is assigned to the spare board for only a portion of the guarantee period, the guarantee will be prorated based on the number of days so assigned.

17.11 All compensation paid to an employee while assigned to the spare board will be used to offset the guarantee.

17.12 The guarantee will be reduced by eight hours at the equipment operators' rate:

- (a) For each calendar day or portion thereof that an employee is not available for duty.
- (b) For each assignment not worked due to missing the call.
- (c) In those guarantee periods in which one or more general holidays occur, for each general holiday on which the employee does not qualify for holiday pay.

17.13 Employees who are unavailable on more than **two** days, including missed calls, will not be entitled to the guarantee.

Operation of Spare Boards

17.14

- (a) Spare board employees will be called on a first in, first out basis. If not qualified for the work available, the employee first out will not be called but will retain first out status. In such cases, the first out employee qualified to perform the work will be called.
- (b) Employees will be called by telephone at their regular telephone number a minimum of two hours prior to the time required to report for duty. The two hour minimum may be extended by means of local agreement.

NOTE: Procedures governing the manner in which employees are called may be established by local

agreement so long as such procedures are consistent with the provisions of this article.

17.15 Employees who would be entitled to payment at overtime rates in the application of subparagraphs (a) and (b) of paragraph 17.8 will not be called if there are other qualified employees on the spare board available at straight time rates. However, such employees will retain their standing on the board.

17.16 A qualified employee standing first out and available at straight time rates who is not called in the proper turn will be entitled to four (4) hours pay at the equipment operators' rate and will remain first out.

17.17 Employees who are called and report for duty and are afterwards cancelled will be paid eight (8) hours pay at the equipment operators' rate and their names will be placed at the bottom of the board as of the time of cancellation. This shall not apply to employees held on duty and used on a work assignment other than that for which called.

17.18 Upon completion of the work for which called, the employee's name will be placed at the bottom of the board. If two or more employees go off duty at the same time, their names will be placed at the bottom of the board in the same order in which called.

17.19 Employees who are unavailable when called will have their name immediately dropped to the bottom of the board.

17.20 Employees added to the spare board, returning from vacation, leave of absence for illness or other reasons, returning from a temporary assignment, exercising seniority onto the spare board, etc. will have their names placed on the bottom of the board at such time as they give notification of their availability.

Regulation of Spare Boards

17.21 The number of employees on the spare board will be regulated by the Company in accordance with the requirements of the operation. The spare board will be regulated in a manner to avoid, as near as possible, excessive guarantee payments or excessive overtime.

17.22 When it becomes necessary to increase the number of employees on the spare board, such increase will be accomplished through the application of Article 14.

17.23 When it becomes necessary to reduce the number of employees on the spare board, such reduction will be done in inverse order of seniority, the junior employee(s) first. The provisions of Article 15 will apply to reductions in the spare board.

NOTE: Spare board positions will be exempt from a four (4) day advance notice and may be abolished immediately. No employee will

be on layoff status during the four (4) days following the abolishment as a result of the position being abolished immediately. Should an employee face layoff as a result of the position being abolished they will be retained until the expiration of the four (4) day period.

ARTICLE 18

PART TIME EMPLOYEES

18.1 To the extent practicable, full time assignments will be established and maintained to perform the work. Consistent with this principle, the Company may employ part time employees to supplement the normal work force. It is understood that part time employees shall not be utilized so as to replace or avoid full time assignments. Part time employees will be utilized in conformance with the provisions of this article.

18.2 Part time employees are employees engaged to perform less than forty hours work in the work week.

18.3 Part time employees may be utilized in circumstances which include:

- (a)** Peak periods;
- (b)** When full time employees are absent from their regular assignment and the spare board is exhausted;
- (c)** To handle traffic arriving late or outside normal working hours.
- (d)** When work is required to be performed on a day or at a time which is not part of any full time assignment or which cannot practicably be made part of any full time assignment.

18.4 The work described in paragraph 18.3 may be performed by regularly assigned part time employees or by unassigned part time employees. At any given time, the total number of part-time employees under this Supplemental Agreement shall not exceed one part-time employee for every fourteen (14) occupied full time positions under this Supplemental Agreement.

NOTE: It is understood that the part-time limits established in the grievance settlement document dated February 9, 1998 concerning BIT shall be continued. i.e. twenty (20) between May 1 and October 31 inclusive, and sixteen (16) between November 1 and April 30.

18.5 In respect of regularly assigned part time employees, the work week shall mean a calendar week beginning on the first day of the week on which the assignment is bulletined to work; and, in respect of unassigned part time employees, a calendar week beginning on Friday.

18.6 Qualifications being sufficient, unassigned part time employees shall, when available for work, be called in seniority order except that:

- (a)** Part time employees who have worked a tour of duty will not be considered as available for another call in the calendar day unless there are no other part time employees available.
- (b)** Part time employees will not be called after they have accumulated forty (40) hours of work in the work week, except in the case of emergency or where there are no other employees available.

18.7 Part time employees will be called by telephone at their regular telephone number, unless other arrangements have been made, a minimum of two hours prior to the time required to report for duty.

18.8 Part time employees will be guaranteed a minimum of three hours pay when required to commence work except when relieving a full time employee on a regular assignment, in which case the part time employee shall be guaranteed the regular assigned hours of such assignment.

18.9 Part time employees will be paid overtime for hours worked in excess of forty (40) hours in the work week.

18.10 The provisions of Articles 11 and 13 of this collective agreement do not apply in respect of part time employees.

ARTICLE 19

SPECIAL RULES - MILEAGE AND ZONE RATED EMPLOYEES

19.1 This article applies to tractor trailer operators operating tractors owned or leased by the Company.

Mileage Rated Runs

19.2 For mileage rated runs, tractor trailer operators will be paid on the basis of miles run, point to point, as set out in the (title of standard road atlas) at the applicable mileage rate as posted at the terminal in accordance with paragraph 8.2 of Article 8.

19.3 Terminal delay, wait time and work time will be paid on the actual minute basis at the applicable hourly rate as posted at the terminal in accordance with paragraph 8.2 of Article 8.

- (a)** Terminal delay occurs when tractor-trailer operators are held over at the terminal. Terminal delay is exclusive of time spent performing such normal duties as inspecting and servicing tractor and equipment, picking up trip documentation, installing tachometer cards, and so on, it

being understood that all such duties are covered by the mileage rate of pay.

- (b) Wait time includes waiting to be loaded or unloaded, waiting for equipment to be repaired or for impassable roads to be cleared.
- (c) Work time shall include loading and unloading, shunting and repairing equipment. Work time is exclusive of hooks and drops it being understood that the work associated with hooks and drops is covered by the mileage rate of pay.

19.4 When directed to layover away from their home terminal, tractor-trailer operators will be provided suitable sleeping accommodations and an allowance for meals in the following amounts:

- Breakfast - \$ 6.00
- Lunch - \$ 9.00
- Dinner - \$ 12.00

Zone Rated Operations

19.5 For zone rated runs, tractor trailer operators will be paid on the basis of runs, zone to zone, at the applicable zone rate as posted at the terminal in accordance with paragraph 8.2 of Article 8.

19.6 All time in excess of the first 15 minutes at the terminal and in excess of the first 15 minutes at the customer will be paid, calculated in 15 minute increments, as wait time at the applicable hourly rate as posted at the terminal in accordance with paragraph 8.2 of Article 8.

General

19.7 Tractor-trailer operators required to bobtail or deadhead will be paid at the applicable mileage or zone rate.

19.8 Employees may be required to wear uniforms while on duty. When so required, employees will be supplied uniforms free of charge and will be held responsible for maintenance of their uniforms in a clean, neat and repaired condition as well as protection against loss. Employees will be required to promptly return all articles of the last issue of uniform clothing when leaving the service or assume the cost thereof.

ARTICLE 20

SUB-CONTRACTING

20.1 The Company may, from time to time, subcontract work to other parties as required. Unless otherwise agreed by the parties

there shall be no permanent reduction in the number of full time employees as a result of sub-contracting work.

NOTE: Appendix 3 to this collective agreement will cover the manner in which trucking services may be contracted.

20.2 Except in cases where time constraints and circumstances prevent it, the Company will hold discussions with representatives of the Union in advance of the date contracting out is contemplated. The Company will provide the Union 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, and any other details as may be pertinent to the company's decision to contract out. During such discussions the Company will give due opportunity and consideration to the Union's comments on the Company's plan to contract out and review in good faith such comments or alternatives put forth by the Union. If the Union can demonstrate that the work can be performed internally in a timely fashion as efficiently, as economically, with the same level of risk, and with the same quality as by contract, the work will be brought back in or will not be contracted out. Where a business case cannot be made to have the work performed by CAW members under the existing collective agreement terms and conditions, the parties may, by mutual agreement, modify such terms and conditions in an **effort** to have the work performed by CAW members.

20.3

(a) At the request of either party, a meeting may be held, from time to time, for the purpose of discussing possible ways and means of having sub-contracted work performed within the bargaining unit.

(b) Where mutually agreed, the parties may amend the terms and conditions of this collective agreement to facilitate the performance of such work by bargaining unit employees.

20.4 In the application of this article, the use of owner-operators contracted by the Company or its subsidiaries and represented by the Union shall not constitute sub-contracting.

ARTICLE 21

REHABILITATION

21.1 When mutually agreed between the designated representative of the Union and the General Manager of terminal operations, full time employees who have become unfit to perform the work of their assignment will be allowed to displace a junior employee from a full time assignment for which qualified.

NOTE: The provisions of this paragraph 21.1 may be applied in respect of a pregnant employee who works continuously with a video display terminal. If, because of insufficient seniority or qualifications, such employee cannot displace onto an assignment which does not work continuously with a video display terminal, she will be granted a leave of absence without pay where justified. It is the responsibility of the individual employee to initiate a request for application of this paragraph 21.1.

21.2 Disabled employees allowed to displace onto an assignment in accordance with paragraph 21.1 will not be subject to displacement by an able-bodied employee unless such able-bodied employee would otherwise be unable to hold full time work at the terminal. However, should such employees recuperate, they will again be subject to displacement by senior employees.

21.3 Employees displaced in the application of this Article 21 will exercise seniority in accordance with the provisions of Article 15.

21.4 The Company's physician will determine employees' fitness to perform the work of their assignment.

ARTICLE 22

LEAVE OF ABSENCE

Leave of Absence for Union Business

22.1 Employees elected or appointed as salaried representatives of the Union shall, upon request, be granted leave of absence without pay while so engaged.

22.2 Employees elected or appointed to serve on committees for investigation, consideration and adjustment of grievances shall, upon request, be granted necessary leave of absence without pay.

22.3 Employees shall be granted leave of absence without pay to attend general meetings, union conventions and union business, and union meetings upon the request of the chief shop steward. Such leave of absence will only be granted when it will not interfere with the Company's business nor put the Company to additional expense.

Leave of Absence for Personal Reasons

22.4 At the discretion of the Company, employees may be granted leave of absence of up to three months in duration. Such permission must be applied for in writing. Such leave of absence may be extended by an additional three months by application in writing to the terminal manager. Applications must be submitted in ample time to allow the terminal manager to consider the request and advise the employee of the decision. Employees who overstay a leave of absence without a reason acceptable to the Company will be considered to be

absent without authorization and will be subject to the provisions of paragraph 22.8 of this article.

Leave of Absence for Educational Purposes

22.5 Leave of absence for educational purposes may be granted to employees in accordance with the company's regulations. Employees who return to service between school terms or prior to terminating the educational course for which leave has been granted will not be permitted to exercise their seniority but may apply for assignments subsequently advertised.

General

22.6 Leave of absence will not be granted for the purpose of engaging in work outside the Company except in cases involving illness or incapacity.

22.7 The name of an employee on authorized leave of absence shall be continued on the seniority list.

Leave of Absence Without Authorization

22.8 Employees who are absent from work without authorization for more than fifteen (15) consecutive working days will forfeit their seniority and their services will be dispensed with. Authorization will be given in case of bona-fide illness or injury or other reason acceptable to the Company.

Resuming Duty After Leave of Absence

22.9 Regularly assigned employees who have been absent account illness, injury or other reason (excluding annual vacation) will advise the Company of their availability for duty at least three (3) hours in advance of the time required to report for duty on their assignment. Regularly assigned employees will not be allowed to resume duty unless they have complied with this requirement.

22.10 The Union must provide the proper officer of the Company, at each location or terminal, by January 15th of each year, with the names of all local officers and authorized committee members, for whom it may request authorization for leaves of absence, in relation to the foregoing paragraphs. The Company must also be advised of any changes to that list, in advance of any requests for leaves by or for persons whose names do not appear on said list.

ARTICLE 23

INVESTIGATION AND DISCIPLINE

23.1 Employees who have completed their probationary period, will not be disciplined or discharged for major offenses without a fair and impartial hearing.

23.2 Investigations in connection with alleged irregularities will be held as quickly as possible. Employees may be held out of service for investigation (not exceeding three working days).

23.3 Except as provided under Appendix 11, "Corrective Behaviour -- Informal Investigation", when a formal hearing is to be held, the employee and the designated Union representative will be given at least forty-eight (**48**) hours notice of the hearing and will be notified of the time, place, and subject matter of such hearing. This shall not be construed to mean that a proper officer of the Company, who may be on the grounds when the cause for investigation occurs, shall be prevented from making an immediate investigation.

23.4 Employees may, only if they **so** desire, have the assistance at the hearing of one or two co-workers which could include their chief shop steward or authorized committee members of the Union who are employees of the Company.

23.5 At the beginning of the hearing, the employee (and the authorized representative if present) will be provided with a copy of all the written evidence that is to be introduced. The employee and the authorized representative will be given an opportunity through the presiding officer to ask relevant questions of the witnesses present at the hearing. The questions and answers will be recorded and the employee and the authorized representative will be furnished with a copy of statements and all evidence presented.

23.6 The decision will be rendered within 21 calendar days from the date the statement is taken from the employee being investigated. Employees will not be held out of service pending the decision except in the case of a dismissible offence.

23.7 If the decision is considered unjust, the matter may be appealed in the grievance procedure as set out in Article 5. Such appeal shall set forth the grounds upon which it is made. On request, the designated representative of the Union shall be shown all evidence in the case.

23.8 Should an employee be exonerated, such employee shall be paid at his or her regular rate of pay for any time lost (one day for each 24 hours) less any amount earned in other employment.

23.9 If away from home, employees shall, on production of receipts, be reimbursed for reasonable expenses for traveling to and from the hearing.

ARTICLE 24

HELD OFF WORK ON COMPANY BUSINESS

24.1 Employees who, by order of the Company, are held off work on Company business will be compensated as follows:

(a) Employees on regular full time assignments will, if required to lose time, be paid for time lost. If no time is lost, they will be paid, at overtime rates, from the time required to report for duty until actually released with a minimum of two hours.

(b) Spare board employees, will be paid, at the hourly rate for equipment operator and part time employees will be paid at the hourly rate for helpers from the time required to report for duty until actually released with a minimum of two hours. However, if such employees lose a work opportunity, they will be paid actual time lost where such can be readily determined.

24.2 Necessary actual expenses will be allowed when supported by receipts.

ARTICLE 25

ATTENDING COURT

25.1 Employees who are required to attend court or a coroners inquest or to appear as witnesses, in cases in which the Company is involved or are subpoenaed by the Crown in such cases, will be compensated as follows:

(a) Employees on regular full time assignments will, if required to lose time, be paid for time lost. If no time is lost, they will be paid, at overtime rates, for time so held with a minimum of two hours.

(b) Spare board employees, will be paid, at the hourly rate for equipment operator and part time employees will be paid at the hourly rate for helpers for time so held with a minimum of two hours, overtime rates to apply if over 40 hours in the work week have been accumulated. However, if such employees lose a work opportunity, they will be paid actual time lost where such can be readily determined.

25.2 Necessary actual expenses will be allowed when supported by receipts.

25.3 Any fee or mileage accruing will be assigned to the Company.

ARTICLE 26

JURY D U N

26.1 Subject to the requirements and limitations set out in this article, employees who are summoned for jury duty and are required to

lose time as a result will be paid for actual time lost, with a maximum of one day's pay for each day lost, as follows:

- (a) For regularly assigned employees, at the rate of the assignment regularly held.
- (b) For spare board employees, at the equipment operators' rate.
- (c) For part time employees, at the helpers' rate.

26.2 Excluding allowances meals, lodging or transportation, the amount paid by the court for jury duty will be deducted from the amount calculated in accordance with paragraph 26.1.

26.3 Employees must furnish the Company with a statement from the court of jury allowances paid and the days on which jury duty was performed.

26.4 No jury duty pay will be allowed for any day for which the employee is entitled to annual vacation or general holiday pay. However, if an employee's annual vacation falls during the period of jury duty, such vacation may be re-scheduled if the employee so requests.

26.5 The number of working days for which jury duty pay will be allowed is limited to a maximum of 60 days in any calendar year.

ARTICLE 27

BEREAVEMENT LEAVE

27.1 Upon the death of an employee's spouse, child or parent, the employee shall be entitled to five (5) working days' bereavement leave without loss of pay provided the employee has not less than three months' cumulative compensated service.

27.2 Upon the death of an employee's brother, sister, step-parent, father-in-law, mother-in-law, step-brother, step-sister, grandchild or grandparent, the employee shall be entitled to three (3) working days' bereavement leave without loss of pay provided the employee has not less than three months' cumulative compensated service.

27.3 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 regular wages for that period to the employee to whom leave is granted.

27.4 "Spouse" is defined as the person who is legally married to the eligible employee and who is residing with or supported by the eligible employee, provided that, if there is no legally married spouse

that is eligible, it means the person who qualifies as a spouse under the definition of that word in Section 2(1) of the **CANADIAN HUMAN RIGHTS BENEFIT REGULATIONS**, so long as such person is residing with the eligible employee.

ARTICLE 28

GENERAL HOLIDAYS

General Holidays Defined

28.1 General holidays are:

	QUEBEC PROVINCES	OTHER
New Year's Day	E	E
January 2 nd *	E	E
Good Friday	<input checked="" type="checkbox"/>	E
Victoria Day	E	E
Fête Nationale	E	
Canada Day	<input checked="" type="checkbox"/>	E
First Monday in August	E	E
Labour Day	E	E
Thanksgiving Day	E	E
Remembrance Day		E
Christmas Day	E	E
Boxing Day	E	E

• See Appendix 13

28.2 An employee who meets the eligibility requirements specified in paragraph 28.5 or 28.6 shall be granted a holiday with pay on the general holidays specified in paragraph 28.1. 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.

28.3 Eligible employees whose vacation period coincides with any of the general holidays specified in paragraph 28.1 shall receive an extra day's vacation with the pay to which entitled for that general holiday.

General Holiday Pay

28.4 Eligible employees will be paid for a general holiday on the following basis:

(a) Regularly assigned employees will be paid a day's pay at the straight time rate of their regular assignment (i.e., all regularly scheduled hours that employees would have worked on their regular assignment).

- (b) Spare board employees will be paid eight hour's pay at the straight time rate for equipment operator.
- (c) Unassigned part time employees will be paid a day's pay at the straight time rate for helper. The number of hours in a day's pay will be calculated as the average number of straight time hours worked on each tour of duty worked over the previous 30 calendar days (i.e., the total number of straight time hours worked in the 30 calendar days preceding the holiday divided by the number of tours of duty worked in that period).
- (d) Mileage and zone rated employees will be paid eight hour's pay at the rate specified for terminal, wait and work time.

Employees Not Required to Work on a General Holiday

28.5 In order to be eligible for general holiday pay for any one of the holidays specified in paragraph 28.1, employees who are not required to work on a general holiday must satisfy the conditions set out in sub-paragraphs (a), (b) and (c) of this paragraph:

- (a) They must have been in the service of the Company and available for duty for at least 30 calendar days.
- (b) They must be available for duty on such holiday if it occurs on one of their work days, excluding vacation days.

NOTE: This sub-paragraph (b) does not apply in respect of an employee who is: **(1)** laid off; or **(2)** suffering from a bona-fide injury; or **(3)** hospitalized on the holiday; or **(4)** in receipt of, or subsequently qualifies for, weekly indemnity benefits because of illness on such holiday.

- (c) They must be entitled to wages for at least seven **(7)** shifts or tours of duty during the 30 calendar days immediately preceding 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: **(1)** bona fide injury; or **(2)** hospitalization; or **(3)** illness for which the employee qualifies for weekly indemnity benefits; or **(4)** authorized maternity leave; will be included in determining the seven shifts or tours of duty referred to in this sub-paragraph(c).

Employees Required to Work on a General Holiday

28.6 Employees who work on a general holiday shall be eligible for general holiday pay. In addition, they shall be paid for actual time worked on the general holiday at the overtime rate with a minimum of three hours for which three hours work may be required. However, an

employee called for a specific purpose shall not be required to perform routine work to make up such minimum time.

NOTE: Shifts or tours of duty commencing between 0001 and 2359, inclusive, on the day of the general holiday shall be considered as work on that holiday.

28.7

- (a)** Work on a general holiday will be allotted as locally agreed between the terminal manager and the chief shop steward. If no local agreement exists, the Company will designate the employees who will be required to protect work on the general holiday.
- (b)** Advance notice of four calendar days will be given when employees are required to work on a general holiday except for unforeseen exigencies in which case the employees required to protect the work will be notified not later than the completion of their last shift or tour of duty immediately preceding the general holiday that their services will be required.

NOTE: The provisions of sub-paragraph 28.7(b) shall not apply to spare board and unassigned part time employees.

28.8 Employees who are required or called to protect work and who fail to report for duty will not be eligible for general holiday pay.

ARTICLE 29

VACATIONS

Vacation Entitlement

29.1 Vacation and vacation pay for the calendar year shall be allotted in accordance with the ***Vacation Entitlement Table*** set out in Appendix 4. Employees must meet both the minimum number of years of continuous employment relationship and the minimum number of days of cumulative compensated service criteria.

29.2 Any vacation granted in accordance with paragraph 29.1 for which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If the employee leaves the service for any reason prior to next vacation, the adjustment will be made at the time of leaving.

29.3 Provided an employee renders compensated working service in any calendar year, time off duty account bona-fide illness, injury, authorized maternity leave, parental leave, attendance at committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding 120 days in any calendar

year, shall be included in the computation of service in that year for vacation purposes.

29.4 Days worked on any position covered by a similar vacation agreement will be counted as service for vacation purposes under this collective agreement.

29.5 Employees who: **(1)** leave the service of their own accord; or, **(2)** are dismissed for cause and not reinstated with their former seniority standing within two years of the date of such dismissal; will, if subsequently returned to the service, be required to again qualify for vacation with pay as provided in paragraph 29.1.

Vacation Payment

29.6 Employees will be compensated for vacation on the following basis:

- (a)** Regularly assigned employees will be compensated at the rate of the assignment which they would have been filling during such vacation period, on the basis of 40 hours for each week of vacation. Employees not assigned to a permanent or temporary assignment at the commencement of their vacation period will be compensated at the rate of the last assignment worked.
- (b)** Spare board employees will be compensated at the equipment operator's rate, on the basis of 40 hours for each week of vacation.
- (c)** Unassigned part time employees will be compensated on the basis of the applicable percentage of their previous year's earnings, the percentage amount to be determined based on entitlement as specified in paragraph 29.1.
- (d)** Mileage and zone rated employees will be compensated on the basis of the hourly rate for terminal, wait and work time or the applicable percentage of their previous year's earnings, whichever is the greater, the percentage amount to be determined based on entitlement as specified in paragraph 29.1.

29.7 Employees who are laid off shall be paid for any vacation due them at the beginning of the current calendar year which has not been previously taken. If not subsequently recalled to service during such year, they shall, upon application, be allowed pay in lieu of any vacation due them at the beginning of the following calendar year.

29.8 Employees terminating their employment for any reason shall be paid for any vacation due them at the beginning of the current calendar year which has not been previously taken and for any vacation due them at the beginning of the following calendar year.

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

Vacation Scheduling

29.10 Employees who are entitled to vacation with pay shall be granted such vacation within the twelve month period immediately following the completion of the calendar year in respect of which the employee became entitled to vacation.

29.11 Vacation days shall be exclusive of assigned rest days and general holidays.

29.12 Applications for annual vacation shall be filed prior to February 1 of the year in which the vacation is to be scheduled.

29.13 Insofar as it is practicable to do so, employees who file applications prior to February 1 will be allotted vacation during the summer season and Christmas season, in order of seniority of applicants and unless locally agreed, or failing such local agreement, authorized by the terminal manager, the vacation shall be continuous. Applicants will be advised in February of the vacation dates allotted them.

29.14 Unless otherwise locally agreed between the terminal manager and chief shop steward, employees who do not apply for vacation prior to February 1 shall be required to take their vacation at a time to be prescribed by the Company.

29.15 Employees shall take vacation at the time scheduled. If, however, it becomes necessary for the Company to reschedule employees' scheduled vacation dates, they shall be given at least 15 working days advance notice of such rescheduling and will be paid at the overtime rate of their regular wage rate for all work performed during the scheduled vacation period. The rescheduled vacation with pay to which such employees are entitled will be granted at a later date as locally agreed between the terminal manager and the chief shop steward. This paragraph does not apply where rescheduling is a result of an employee exercising seniority to an assignment covered by another vacation schedule.

29.16 Employees who exercise seniority after vacation dates are allotted and transfer from the group to which assigned when vacation dates were allotted will be required to take their vacation at a time as locally agreed between the terminal manager and the chief shop steward.

29.17

- (a)** Employees who become ill or injured while on vacation shall be entitled to terminate (temporarily) their vacation and be placed on weekly indemnity. When again fit for duty, they shall immediately inform the terminal manager and continue vacation if within scheduled vacation dates. The remaining vacation which falls outside the employee's scheduled dates will be rescheduled as locally agreed between the terminal manager and the chief shop steward.
- (b)** Employees who take bereavement leave pursuant to Article 27 while on vacation shall be entitled to terminate (temporarily) their vacation. When bereavement leave is completed, they shall continue vacation if within scheduled vacation dates. The remaining vacation which falls outside the employee's scheduled dates will be rescheduled as locally agreed between the terminal manager and the chief shop steward.

29.18 Employees who, due to illness or injury, are unable to take or complete vacation in the year in which entitled to such vacation shall, at their option, be entitled to have such vacation carried over to the following year.

ARTICLE 30

BENEFIT PLANS AND LIFE INSURANCE

Health and Welfare

30.1 Health and welfare benefits shall be provided in accordance with the terms of the supplemental agreement, dated July 25, 1986, governing the Benefit Plan for Non-operating Employees as revised, amended or superseded by any agreement to which the parties to this collective agreement are signatory.

Paid Maternity Leave Plan

30.2 The Paid Maternity Leave Plan shall be that plan established by the Paid Maternity Leave Plan Agreement dated July 25, 1986, as revised, amended or superseded by any agreement to which the parties to this collective agreement are signatory.

Dental Plan

30.3 The Dental Plan shall be that plan established by the Dental Plan Agreement dated July 25, 1986, as revised, amended or superseded by any agreement to which the parties to this collective agreement are signatory.

Extended Health Care Plan

30.4 The Extended Health Care Plan is established by the **Extended Health Care Plan Agreement** dated July 25, 1986, as revised, amended or superseded by any agreement to which the parties to this collective agreement are signatory.

Life Insurance Upon Retirement

30.5

- (a) An employee who retires from the service of the Company subsequent to April 1, 2001, will, provided he/she is fifty-five years of age or over and has not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$6,000 death benefit, fully paid by the Company.
- (b) An employee who retires from the service of the Company subsequent to January 1, 2003, will, provided he/she is fifty-five years of age or over and has not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$7,000 death benefit fully paid by the Company.

ARTICLE 31

EMPLOYMENT SECURITY AND INCOME MAINTENANCE PLAN

31.1 The Employment Security and Income Maintenance Plan shall be that plan established by the **Employment Security and Income Maintenance Plan Agreement** dated June 18, 1985, as revised, amended or superseded by any agreement to which the parties to this collective agreement are signatory.

ARTICLE 32

GENERAL

Shift Differentials

32.1 Employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of seventy-five cents (75¢) per hour, and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of eighty cents (80¢) per hour.

Effective January 1, 2005, for employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of one dollar (\$1) 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.

NOTE: Paragraph 32.1 will not apply in respect of mileage and zone rated employees.

Starting Rates

32.2 New employees entering the service will be compensated at 80% of the **job** rate for the first 250 working days of compensated service.

NOTE (1): Shifts or tours of duty worked as a part time employee will be counted as a working day of compensated service.

NOTE (2): This paragraph 32.2 will not apply to employees hired in the repair and maintenance classifications listed in sub-paragraph 8.1(b) of Article 8.

Payment of Wages

32.3 Employees will be paid every other Thursday. At the discretion of the Company, all payments to employees may be made through the Direct Deposit System (DDS). When a holiday falls on a Thursday, which is a payday, employees will be paid on the preceding Wednesday.

32.4 When an employee is short paid the equivalent of one day's pay or more, a voucher will be issued within three business days (i.e., excluding weekends and general holidays) of the employee's request for payment to cover the shortage.

Use of Private Automobile

32.5 Where an automobile mileage allowance is paid, such allowance will be 28¢ per kilometre.

Change of Residence

32.6 Employees exercising seniority rights to a position which necessitates a change in residence will receive free transportation for themselves, dependent members of their family and household goods, in accordance with regulations.

Notice Boards

32.7 Employees will be allowed to post notices of interest on the board designated for that purpose. Such board will be supplied by the employees and will be in keeping with the general furnishings.

Printing of Collective Agreement

32.8 The Company agrees to undertake the responsibility for the printing of the Collective Agreement within 60 days of signing the 5.1

Master Agreement and the Intermodal Supplemental Agreement. In addition, the Company will examine the feasibility of combining the Benefit Booklet, the ESIMA and the Intermodal Supplemental Agreement into one document.

Discrimination and Harassment in the Workplace

32.9

- (a) "It is agreed by the Company and the Union that there shall be no discrimination or harassment towards an employee based on the employee's age, marital status, race, colour, national or ethnic origin, political or religious affiliation, sex, family status, pregnancy, disability, union membership, sexual orientation, or conviction for which a pardon has been granted."
- (b) "It is agreed that the terms discrimination and harassment as used in this Rule, shall be defined and interpreted in the Canada Human Rights Act."

Employment Equity

32.10 As a matter of principle and in compliance with the Employment Equity Act, the Company and the Union are fully committed to achieving equality in the workplace so that no person shall be denied employment opportunities or benefits based on any of the prohibited grounds of discrimination. Employment Equity means treating people the same way despite their differences, and respecting their differences to allow them to participate equally.

ARTICLE 33

DURATION OF AGREEMENT

33.1 This agreement becomes effective as follows:

Atlantic Region:	on July 15, 1994;
Mountain Region:	on November 20, 1994;
Great Lakes Region:	on December 2, 1994;
Prairie Region:	on August 6, 1995;
St-Lawrence Region:	on October 1, 1995.

33.2 This collective agreement, being supplemental to Agreement 5.1, shall remain in force concurrent with and for the duration of Agreement 5.1 and shall continue in force during the currency thereof subject to 4 months' notice in writing from either party to renew or revise it. Such notice may be served at any time within the 4 month period immediately preceding the date of expiration of the term of Agreement 5.1 or within such period as may be provided for therein.

Signed at Toronto, this 14th day of March 2004.

For the Company

For the Union

(Sgd) Doug Fisher
for: Kim Madigan
Vice-president
Labour Relations North America

(Sgd) R. Fitzgerald
President, Council 4000

APPENDICES

APPENDIX 1

MEMORANDUM OF AGREEMENT between the **CANADIAN NATIONAL RAILWAY COMPANY** (hereinafter called "the Company") and the **CANADIAN AUTO WORKERS** (hereinafter called "the Union") in respect of the establishment of a supplemental collective agreement to govern certain employees of CN Intermodal.

IT IS AGREED that:

1. A supplemental agreement shall be established on this date and become effective as follows:

- (a)** Atlantic Region: on *July 15, 1994*;
- (b)** Mountain Region: on *November 20, 1994*;
- (c)** Great Lakes Region: on *December 2, 1994*;
- (d)** Prairie Region: on *August 6, 1995*;
- (e)** St-Lawrence Region: on *October 1, 1995*.

2. Consistent with Part I of the Canada Labour Code and in recognition of the bargaining unit established by certification order issued by the Canada Labour Relations Board on March 24, 1986, this collective agreement shall be supplemental to Agreement 5.1; that is, for collective bargaining purposes, the term of the supplemental agreement shall be the same and subordinate to the term of Agreement 5.1 and shall be subject to the same notice period in respect to either party's desire to revise or amend its terms and conditions. It is expressly understood that the supplemental agreement may only be terminated upon the termination of Agreement 5.1.

3. Those employees of the bargaining unit falling under the coverage of the supplemental agreement, as defined in paragraph 1.1 of Article 1 thereof, shall be governed, solely and exclusively, by its terms and conditions, including such other memoranda of agreement and letters of understanding as are related to its establishment or to its interpretation or application. Upon the effective date of the supplemental agreement, such employees shall no longer be governed by the provisions of Agreement 5.1, save and except for those provisions related to the term of the collective agreement or to notice to revise or amend any collective agreement provisions governing their employment.

Signed at Montreal, this 31st Day of May, 1994.

FOR THE COMPANY

M.M. Boyle
For: **Asst Vice-president**
LABOUR RELATIONS

J.B. Bart
Manager Labour Relations

For the Union

A.S. Wepruk
National Coordinator

National Representatives:

R.E. Storness-Bliss
D.R. Olshewski
R.J. Stevens
G.T. Murray

RECIPROCAL RIGHTS AGREEMENT

MEMORANDUM OF AGREEMENT between the **CANADIAN NATIONAL RAILWAY COMPANY** (hereinafter called "the Company") and **CANADIAN AUTO WORKERS** (hereinafter called "the Union") in respect of the establishment of reciprocal seniority rights for certain employees in the service of the Company as of the effective date of this Memorandum of Agreement.

IT IS AGREED that:

1. Where used herein, supplemental agreement refers to that collective agreement which shall govern employees of the Company employed in Intermodal terminals (including cargo-flo terminals operated by the Company) in Canada (excluding Newfoundland), in the classifications listed in Article 8 thereof, and which becomes effective on the dates set out in paragraph 2 hereof.

2. The term "effective date" refers to the date on which the supplemental agreement and this Memorandum of Agreement come into effect. The effective dates are:

- | | | |
|-----|---------------------|-------------------|
| (a) | Atlantic Region: | July 15, 1994 |
| (b) | Mountain Region: | November 20, 1994 |
| (c) | Great Lakes Region: | December 2, 1994 |
| (d) | Prairie Region: | August 6, 1995 |
| (e) | St-Lawrence Region: | October 1, 1995 |

3. The terms of this Memorandum of Agreement shall apply only to those employees who hold a seniority date under Agreement 5.1 on the effective date. Effective April 2001, entitlement to reciprocal seniority will be extended one year upon each anniversary of the original effective date, as outlined in the table below. Such employees shall be accorded reciprocal seniority rights but shall be entitled to exercise such rights only in accordance with the terms of this Memorandum of Agreement. Employees who enter or begin service under either Agreement 5.1 or the supplemental agreement subsequent to the effective date shall not be accorded reciprocal seniority rights.

Region	Original Effective Date	2001 Effective Date	2002 Effective Date	2003 Effective Date
Atlantic	1994.07.15	1995.07.15	1996.07.15	1997.07.15
Mountain	1994.11.20	1995.11.20	1996.11.20	1997.11.20
Great Lakes	1994.12.02	1995.12.02	1996.12.02	1997.12.02
Prairie	1995.08.06	1996.08.06	1997.08.06	1998.08.06
St. Lawrence	1995.10.01	1996.10.01	1997.10.01	1998.10.01

4. Employees who initially transfer to assignments in Intermodal terminals in accordance with the Memorandum of Agreement, dated May 31, 1994, governing the initial transfer of employees shall be accorded a seniority date identical to their seniority date under Agreement 5.1 and their names shall be placed on the seniority list for the supplemental agreement in the order in which they appear on the seniority list for Agreement 5.1.

5(a) Employees who hold a seniority date under Agreement 5.1 on the effective date and who subsequently transfer to assignments in Intermodal terminals shall establish seniority under the supplemental agreement immediately upon commencing work in an Intermodal terminal (including cargo-flow terminals operated by the Company) on an assignment governed by the terms of that collective agreement.

(b) Such employees shall be accorded a seniority date identical to their seniority date under Agreement 5.1 and their names shall be placed on the seniority list for the supplemental agreement in the proper spot.

(c) In the application of sub-paragraph (b), where other employees have the same seniority date on the seniority list for the supplemental agreement, relative seniority standing shall be determined based on the order in which the names of all such employees having that seniority date appear on the seniority list for Agreement 5.1.

6. The names of employees who hold seniority under Agreement 5.1 on the effective date and who transfer to a position governed by the supplemental agreement, either at the effective date or at some subsequent date, shall be retained on the applicable seniority list under Agreement 5.1.

7(a) Employees who have reciprocal seniority rights shall only be entitled to exercise such rights to move from an assignment

governed by the supplemental agreement to a position governed by Agreement 5.1 when 1) they are not able to hold work at their Intermodal terminal (including cargo-flo terminals operated by the Company) on an assignment governed by the supplemental agreement and constituting 40 paid hours per week or 2) positions remain unfilled after being bulletined under the requirements of Article 5.1.

NOTE:

- Transfer from the Intermodal Supplemental Agreement to Collective Agreement 5.1 under this bidding provision will be limited each year.
- The number of employees permitted to transfer under this bidding provision will be limited to a maximum of 10% of the active workforce governed by the Supplemental Agreement at the location of movement each calendar year.

(b) Similarly, such employees shall not be entitled to exercise reciprocal seniority rights to move from a position governed by Agreement 5.1 to an assignment governed by the supplemental agreement so long as they are able to hold a full time position at their location under Agreement 5.1.

8(a) Employees who have reciprocal seniority rights and who are unable to hold work at their Intermodal terminal (including cargo-flo terminals operated by the Company) on an assignment governed by the supplemental agreement and constituting 40 paid hours per week may, within ten (10) calendar days of becoming unable to hold work (i.e., from the effective date of the abolition of their assignment or their displacement), exercise seniority to a position governed by Agreement 5.1, for which qualified, in accordance with the provisions thereof.

(b) The names of such employees shall be retained on the seniority list under the supplemental agreement. If it becomes necessary to increase staff at Intermodal terminals, they shall be recalled to service under the supplemental agreement in accordance with the provisions thereof. Employees refusing recall shall forfeit their seniority under the supplemental agreement and their names shall be removed from the seniority list.

9(a) Employees who have reciprocal seniority rights and who are unable to hold work at their location under Agreement 5.1 may, within ten (10) calendar days of becoming unable to hold work (i.e., from the effective date of the abolition of their position or their displacement), exercise seniority to a position governed by the supplemental agreement, for which

- qualified in accordance with the provisions of that collective agreement.
- (b)** The names of such employees shall be retained on the applicable seniority list under Agreement 5.1.
- 10(a)** Notwithstanding the provisions of paragraphs 7, 8 and 9 of this Memorandum of Agreement, for a period of one calendar year following the effective date, employees who have reciprocal seniority rights and who transfer to an assignment governed by the supplemental agreement may return to service under Agreement 5.1 when displaced or by being awarded a position advertised on a regional bulletin in accordance with the provisions of paragraph 12.1 of Article 12 of Agreement 5.1.
- (b)** In the application of sub-paragraph 10(a), employees electing to return to service under Agreement 5.1 shall forfeit their seniority under the supplemental agreement and their names shall be removed from the seniority list for the supplemental agreement.
- 11(a)** The names of employees listed in the Addendum *[not reproduced herein]* to this Memorandum of Agreement shall be placed on the initial seniority list for the supplemental agreement in accordance with the provisions of paragraph 5 hereof and also shall be retained on the seniority list for Agreement 5.1.
- (b)** The name of any such employee who returns to service on a position governed by Agreement 5.1 will be removed from the seniority list for the supplemental agreement.
- 12(a)** Permanent assignments governed by the supplemental agreement which remain unfilled after having been bulletined in accordance with the provisions thereof will be bulletined to employees working under Agreement 5.1 who have reciprocal seniority rights and shall be awarded on the basis of seniority and the qualifications standards set out in the supplemental agreement.
- (b)** Where there are no qualified applicants, the senior applicant who meets suitability and adaptability requirements may be awarded the assignment.
- 13.** Prior to hiring new employees to work on assignments governed by the supplemental agreement, the Company will offer the work to employees laid-off under Agreement 5.1 who have reciprocal seniority rights and who meet suitability and adaptability requirements.
- 14.** Service under Agreement 5.1 shall count as service in the application of regional rates, starting rates and the probationary period provisions (as set out in Article 6) of the supplemental agreement.

Signed at Montreal, this 6th Day of March, 2001.

For the Company

For the Union

Richard J. Dixon
Vice-president
Labour Relations and
Employment Legislation

Rick Johnston
President, Council 4000

APPENDIX 3

APPLICATION OF ARTICLE 11 IN RESPECT OF CONTRACTED TRUCKING

For the purpose of this Appendix 3, Union represented drivers include owner-operators and Company employed tractor trailer operators operating Company owned or leased tractors governed by a collective agreement between the Company and the Union.

For the purpose of this Appendix 3, the term "paid moves" refers to loads and empties in respect of which the Company is required to provide bobtail moves, or pick-up and/or delivery service either on a local or extended basis under the Company's current Intermodal marketing contracts. All other traffic is excluded from the application of this Appendix 3.

The purpose of this Appendix 3 is to ensure that union represented drivers handle a minimum of 70% of the paid moves handled over the course of each calendar year as defined herein, as calculated on the basis of all terminals together in total. At each terminal, drivers will handle a minimum of 60% of the paid moves handled over the course of each calendar year as defined herein.

For the purpose of this Appendix 3, the calendar year will extend from March to February, inclusive. It shall be divided into four quarters beginning in March of each year:

- First Quarter – March to May
- Second Quarter – June to August
- Third Quarter – September to November
- Fourth Quarter – December to February

In each quarter, the Company will, on an ongoing basis, keep record of the number of the paid moves handled by union represented drivers and the number of paid moves subcontracted out to contractors on the basis of all terminals together in total, and on an individual terminal basis.

The first quarter of each calendar year is the quarter when traffic volumes will, normally, be highest. At the end of the first quarter, the Company will compare the number of paid moves handled by union represented drivers to the total number of paid moves handled. If the percentage handled by union represented drivers is below 70% on a national basis or below 60% on a terminal basis, additional owner-operators or tractor trailer operators will be engaged to bring the total complement of union represented drivers up to the number that would have been required to handle a minimum of 70% of the total first quarter paid moves on the basis of all terminals together in total or to handle 60% on a terminal basis.

In each subsequent quarter of the calendar year, the number of union represented drivers will be maintained at the level established at the

end of the first quarter except in cases of a decline in traffic volumes substantially affecting the number of paid moves handled. In such cases, reductions will be accomplished in a manner that will best allow the 70% minimum to be met for the remainder of the calendar year and a 60 % minimum on a terminal basis.

The provisions of this Appendix 3 will be applied on the basis of all terminals together in total for the purposes of calculating the 70%, and calculated on an individual terminal basis for the purposes of calculating the 60%.

Upon request, quarterly and calendar year-end results will be made available to the President of Council 4000 of the Union or his/her delegate.

It is recognized that traffic patterns may change in which case the parties may, by mutual agreement, alter the calendar year so that the quarter with the highest volume of paid moves becomes the first quarter.

It is expected that the administration of this Appendix 3, in the manner set out herein, will ensure that the number of paid moves handled by union represented drivers over the course of each subsequent quarter and over the course of the calendar year will meet or exceed 70% of the total number of paid moves handled.

It is recognized and understood that the 70% referred to herein is a minimum and not a maximum. Nothing contained herein shall be construed to limit the right of the Company to engage owner-operators or tractor trailer operators in excess of this minimum.

APPENDIX 4

VACATION ENTITLEMENT TABLE

The definitions set out below apply to the Vacation Entitlement Table reproduced on the following page:

1. "Days of CCS for One Day of Paid Vacation" means days of cumulative compensated service, or the major portion thereof, accumulated in the previous calendar year, which are required for one day of paid vacation. Employees will accumulate a day of cumulative compensated service for each day that they are paid wages. On assignments scheduled to work less than five days in the work week (for example, a work week consisting of four 10 hour shifts), each work week for which 40 hours are paid will be counted as five days of cumulative compensated service.

2. "Maximum Number Of Weeks Vacation" means the maximum number of weeks of vacation entitlement during the current calendar year based on a work week of 40 hours which shall be paid for in accordance with paragraph 29.6 of this article. Thus, a week of vacation shall consist of the employee's scheduled work days and rest days or, on assignments not having assigned rest days, a week of vacation shall consist of a calendar week.

3. "Vacation Pay Factor" means the specified percentage of the previous calendar years' earnings which will constitute vacation pay in the application of sub-paragraphs 29.6(c) and 29.6(d).

VACATION ENTITLEMENT TABLE

		VACATION ENTITLEMENT		
Minimum Number of Years Continuous Employment Relationship at January 1 st of the Current Year	Minimum Number of Days Cumulative Compensated Service (CCS) by Next Service Anniversary Date	Days of CCS for One Day of Paid Vacation	Maximum Number of Weeks Vacation	Vacation Pay Factor
Less than 3	—	25	2	4 %
3	1,000	16 ² / ₃	3	6 %
9	2,500	12 1/2	4	8 %
19	5,000	10	5	10 %
28	7,250	8 1/3	6	12 %

RATE STRUCTURE

The hourly rates of pay are set out in the Rate Tables reproduced on the following pages. The following applies with respect to the rates set out therein.

1. Tier 1 Rates

(a) In accordance with the Memorandum of Agreement dated May 31, 1994, known as *The Rate Protection Agreement*, Tier 1 rates apply only to employees who transferred to assignments governed by the supplemental agreement on the initial effective date of that agreement. Such employees will be accorded rate protection and the letter "P" will be placed beside their name on the seniority list for the supplemental agreement.

(b) Except as provided by sub-paragraph 2(c), employees who, in the exercise of reciprocal seniority rights, transfer to a position governed by Agreement 5.1 as a result of being unable to hold work on a full time assignment under the supplemental agreement or bidding to an unfilled position, shall re-establish rate protection upon recall to service under the supplemental agreement.

(c) Employees who voluntarily revert to a position governed by Agreement 5.1 and who, as a result, forfeit their reciprocal seniority rights, will also forfeit the rate protection accorded by this Memorandum of Agreement. If such employees again establish seniority under the supplemental agreement, they shall not re-establish rate protection.

2. Tier 2 Rates

Apply to employees who, in the exercise of reciprocal seniority rights, transfer from coverage under Agreement 5.1 to assignments governed by the supplemental agreement subsequent to the applicable effective dates as follows:

- Atlantic Region: July 15, 1994
- Mountain Region: November 20, 1994
- Prairie Region: October 7, 1994
- Great Lakes Region: December 2, 1994
- St-Lawrence Region: November 18, 1994
-

3. Tier 3 Rates

Apply to employees entering the service of the Company after the effective date set out in paragraph 2 or to employees transferring from another bargaining units represented by a union other than the Canadian Auto Workers.

NOTE: See Appendix 16

4. Starting Rates

As stated in paragraph 32.2 of Article 32, new employees entering the service will be compensated at 80% of the job rate (Tier 3 rate where applicable; where Tier 3 rates are not applicable, the Tier 2 rate) for the first 250 working days of compensated service.

Shifts or tours of duty worked as a part time employee will be counted as a working day of compensated service.

Starting rates will not apply to employees hired in the repair and maintenance classifications listed in sub-paragraph 8.1(b) Article 8.

5. Rates of Pay

Thereafter:

(a) Employees who have attained 250 working days will be paid at 85% of the tier rate;

(b) Employees who have attained 250 working days plus 7 months or more will be paid at 90% of the tier rate;

(c) Employees who have attained 250 working days plus 14 months or more will be paid at 95% of the tier rate;

(d) Employees who have attained 250 working days plus 21 or more months cumulative compensated service will be paid at 100% of the tier rate.

SEE APPLICABLE RATE TABLE PAGES 87-88

APPENDIX 6

March 6, 2001

Mr. Gary Fane
National Director of Transportation
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Fane:

During this round of negotiations, you have highlighted the concerns of your membership that with the acquisition of the Illinois Central Railroad, some work may be rationalized on a cross-border basis.

Specifically, in your letter to Mr. Tellier dated February 26, 1998, you served notice that you would seek clear commitments at the negotiating table, in regard to the following two questions, and I quote:

1. "Will work performed in Canada flow to the U.S. (as an example, will the combined railway maintain two customer service centres, or can we expect to see a single future one in Chicago, etc.)?"
2. "Will job numbers be reduced in Canada as a result of the merger?"

Mr. Tellier replied the very next day, inviting you to work together with CN as a team to provide "high quality, reliable service, without unnecessary disruptions" to our customers and to "continue to ensure the competitiveness of Canadian National".

He went on to say:

"On the basis of this commitment to work together, I can respond to your two specific issues emphatically. I see no reason why this transaction will lead to work performed in Canada flowing to the United States. Nor do I see any reason why it will reduce employment levels in Canada - on the contrary, as I have said, it should increase **jobs** on both sides of the border."

Therefore, for the term of this Collective Agreement, the Company agrees that there will be no net reduction of your work and/or jobs as a result of any cross-border rationalization.

Yours truly,

**Richard J. Dixon
Vice-president
Labour Relations and Employment Legislation**

APPENDIX 7

August 22, 1998

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

During National Negotiations, the Union expressed its determination that all work required to be performed at intermodal terminals should be done by full-time employees only. In this connection, the Union stated that the proper use of spare boards could help to cover various requirements and render part-time employment unnecessary. The Company, for its part, reiterated its conviction that a certain level of part-time employment is necessary in the Intermodal operation to meet the needs of the business.

In the interests of reaching a settlement, the Union agreed for this round of negotiations, to forgo its demand for the complete elimination of part-time employment, and the Company, for its part, agreed to reduce the allowable ratio of such employees.

Additionally, it was agreed that spare boards would be maintained and/or established at the following terminals: Vancouver, Calgary, Edmonton, Winnipeg, Brampton and Montreal, with any new spare board (e.g. Brampton) to be initially staffed from among part-time employees. The parties also agreed that the Brampton spare board could be confined to protecting clerical positions, with the possibility of creating a second one later to protect yard operations. The existing Montreal spare board will be maintained as a single board covering all classifications.

Yours truly,

Richard J. Dixon
Assistant Vice-president
Labour Relations and Employment Legislation

APPENDIX 8

March 6, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

This refers to the discussions held during the negotiations to renew the Supplemental Agreement governing the Intermodal Terminals regarding the application of Article **11.8** of the Collective Agreement.

Following substantial discussions on this matter, the parties have agreed that where positions governed by Article **11.8** are established, the bulletins will indicate that such positions are designated 11.8 positions.

It is also agreed that should the Company introduce new designated Article **11.8** positions, it will, if requested by the Local Chairperson, provide a letter to the Union, outlining the basis of the business requirements for such additional positions, the onus being on the Company to demonstrate said requirements.

If you concur, please signify your agreement by countersigning below.

Yours truly,

I concur.

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

August 22, 1998

Mr. Rick Johnston
President Council **4000**
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

During National Negotiations, the Union and Management of CN Rail agreed to the following with respect to testing for determining suitability and adaptability for training under Article 9 of Intermodal Supplemental Agreement, as well as Article 5 of the ESIMA.

If requested by the employee (and/or by the Union), the Company will provide employees with a pre-testing training seminar similar to that which has been offered previously in Winnipeg and Montreal. The purpose of this seminar will be to assist employees who may not be familiar with testing procedures and/or to assist employees who have little or no experience in writing tests.

The Company agrees there will be no personal interviews given to employees to determine suitability and adaptability except where there is a bona fide occupational requirement for oral communication. An employee required to undertake a personal interview to determine his/her level of oral communication, may upon request, have the interview audio-taped.

Prior to making any changes to the present testing system, the Company (i.e. Selection Systems, Functional Representatives and Labour Relations) will meet with the President of Council **4000** and his/her associates, in order to explain the proposed changes and provide necessary background information that may be required by the Union. If the Union questions the validity of the changes or whether the criteria being tested is a BFOR, they may file a grievance within **14** calendar days from the meeting, commencing at Step 2 of the grievance procedure of the Supplemental Agreement. If the Company declines the grievance then the Union may expedite the grievance to arbitration within 21 days of receiving the Company's response. The proposed changes in contention will not be made to the testing system until after the arbitration decision has been rendered.

Training opportunities shall be posted in January of each year. For those training opportunities posted at other times of the year, the Company, upon request of the Union, will meet to determine the appropriate bulletining procedure.

If an employee is not successful in completing or passing a test, upon the request of the employee, or the local chairperson, the Company will review the test results with the employee and the local chairperson to ensure an understanding of the results, where the employee was successful or not successful. Employees will not be given an item by item review of any test. The employee will then make a determination whether he/she wishes to retest.

The Union expressed its concern for employees that failed a first test may not have an opportunity to retest prior to the commencement of training. The Company recognizes the Union's concern and agrees that wherever practicable arrangements will be made for such a retest.

Flowing from the test review, opportunities for improvement will be outlined to the employee. It is recognized that, where practicable, these opportunities for improvement, and the resources to complete these opportunities shall be a shared responsibility between the Company and the employee.

Within sixty (60) days of signing the Collective Agreement the parties agree to meet in order to identify appropriate career paths within departments or functions, where suitability and adaptability for training opportunities are evident and do not require testing.

Yours truly,

Richard J. Dixon
Assistant Vice-president
Labour Relations and
Employment Legislation

I CONCUR:

Rick Johnston
President, Council 4000

APPENDIX 10

August 22, 1998

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

During National Negotiations, the Union raised the issue of instances where part time employees have received training and become qualified for positions which more senior permanently assigned employees were not qualified to take. The Company agreed to offer training opportunities to permanently assigned employees and this may be done in various ways such as:

- a) Creating temporary training positions with training schedules covering various positions, shifts, and rest days; or
- b) Canvassing employees as to which positions they desire then reassigning employees to be trained on those positions which are expected to require applicants in the near future: or
- c) Combinations of the above or other procedures

The method of offering training opportunities shall be determined through consultation and agreement with the Union.

If the above reflects our discussions on this matter, please so indicate in the space provided.

Yours truly,

Richard J. Dixon
Assistant Vice-president
Labour Relations and
Employment Legislation

I CONCUR:

Rick Johnston
President, Council 4000

March 6, 2001

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

As agreed during National Negotiations this letter will serve to confirm that the parties have agreed to implement an Informal Investigation Process as per the attached.

The parties agree that this process will apply to all employees covered under the 5.1 Agreement and Intermodal Supplemental Agreement, with the exception of Monterm and Brampton Intermodal Terminals.

Should the parties decide to extend this process to include Monterm and Brampton Intermodal Terminals during the life of this Memorandum of Agreement the Assistant Vice-president Labour Relations and the President of Council 4000 will meet in order to implement the Informal Investigation process.

Should problems arise in the interpretation or application of this process, the matter must be referred to the appropriate officials on the Union and the Company at the national level, who will attempt to clarify the intention of the parties and ensure the smooth implementation of this agreement.

This process is subject to cancellation as follows:.. The President of Council 4000 will meet with the Vice-president of Labour Relations or his designate, to discuss and fully investigate any allegations of abuse of the informal discipline system. Should either party consider that the informal process is not being used in the manner in which it was originally intended, or is being applied in bad faith, either of the aforementioned national officers of the Union and the Company may suspend for a limited period of time, or completely withdraw from the informal process, at that specific department, office, or location until the expiration of the collective agreement.

If the above reflects our discussions on this matter, please so indicate in the space provided.

Yours truly,

Richard J. Dixon
Vice-president
Labour Relations and
Employment Legislation

I CONCUR:

Rick Johnston
President, Council 4000

CORRECTIVE BEHAVIOUR - INFORMAL PROCESS

This process is designed to help employees modify behaviour which may not be considered appropriate in the workplace. These are minor incidents and it is preferred that the behaviour is modified before the situation worsens.

Articles 23.1 or 23.2 will be applicable to employees subject to discipline or discharge for a major offense.

Before an informal discussion takes place, related to discipline, the employee will be offered union representation for the informal process.

Minor incidents may be handled without the necessity of a formal investigation. Minor incidents are defined as those for which no more than five (5) demerit marks would normally be assessed. The Company and the Union agree that an employee may not be discharged under this informal process. The informal process will not apply to employees whose discipline records stand at thirty (30) or more demerit marks.

Such incidents will be investigated as quickly as possible by a proper officer(s) of the Company. An employee who is alleged to have committed a minor offence will not be assessed discipline without having been subject to the informal process as described above.

The substance of the discussion shall be recorded on an incident report which shall contain the following information:

DATE:
LOCATION:
EMPLOYEES NAME AND PIN:
SUPERVISORS NAME AND PIN:
BRIEF DESCRIPTION OF THE INCIDENT:
EMPLOYEE'S REMARKS:
CORRECTIVE ACTION:
UNION REPRESENTATIVE:

A copy of the incident report shall be given to the employee when action has been decided upon, and a copy may be placed on the employee's file.

In cases where the assessment of discipline is deemed warranted, the employee will be advised in writing within fourteen (14) calendar days from the date the incident is reviewed with the employee concerned.

Should the employee disagree with the discipline assessed at this stage, the employee so notified may initiate an appeal of the discipline in accordance with the provisions of Step 2 of the grievance procedure.

Should the employee disagree with any of the conclusions reached by the Company during the informal process, the employee (or their duly authorized union representative) may, within fourteen (14) calendar days of receipt of notification of discipline, advise the proper officer of

the Company that they require that a formal investigation be held pursuant to this Agreement which will then be held without undue delay. In such instances the incident report and the discipline assessed through the informal process will be considered null and void.

The Company will inform the Supervisors of the intent of the informal process and will monitor its use to ensure that the range of disciplinary action assessed is consistent with the nature of the offense and the overall intent of this Appendix.

APPENDIX 12

March 6, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

During the discussions in the negotiations to renew the Supplemental Agreement governing the Intermodal Terminals, the parties concurred in the introduction of a new Lead Hand Position and related Training and Selection processes applicable to the current positions of Lead Hand Operations.

More specifically and in the interest of the successful implementation of the revised curriculum of the Lead Hand position, the following principles, parameters and guidelines have been agreed to by the parties:

- Selection Process similar to Dispatch Coordinators selection process in Articles 10.7 and 10.20 of Intermodal Supplement.
- Applicable to Lead Hand Operations only.
- All 21 existing Operations Lead Hand positions will be converted to the new positions. Such process will be initiated within one (1) year of ratification of the collective agreement. Consideration will be given to the possible conversion of some composite employee positions at Calgary and Halifax.
- The new Lead Hands will perform duties similar to the existing Lead Hands but at a higher level of performance and will hold greater accountability.
- It is not anticipated that this change would decrease the requirement for the number of Lead Hands but would improve the operating efficiency of terminal operations.
- Wage increase of \$2.00 per hour over existing HEO rate on a location basis for lead hand operations. This rate will apply at the conclusion of each Lead Hand's successful training, but no later than December 31, 2001, whichever is the earlier.
- Articles 10.1 to 10.6 still apply to the new Lead Hands.
- Present Lead Hands will not be required to go through the selection process.

- In the diagnostic, training, testing, and job trials for existing Lead Hands the Company will bring required improvements to the employee's attention in a timely fashion and endeavour to assist the employee in overcoming shortcomings where appropriate.
- An employee may be disqualified for cause, but the disqualification will not be treated or recorded as discipline and the Company will apply the provisions of Articles 23.3 to 23.9 of the Collective Agreement prior to disqualifying the employee.
- Equipment Operator qualification will be a prerequisite for the new Lead Hand positions. Present Lead Hand's who do not hold that qualification will be provided training.
- In considering applications for new Lead Hand positions the Company will give first consideration to new applicants holding Equipment Operator/Heavy Equipment Operator qualifications.
- Training program will include a core program consisting of technical, risk management, computer, and soft skills that will be followed with enhanced programs from time to time.
- Job experts from the field will be consulted in developing the core-training program.

If you concur that the above properly reflects the understandings reached on the above matter, please signify your agreement by countersigning below.

Yours truly,

Richard J. Dixon
 Vice-president
 Labour Relations and Employment
 Legislation

I concur.

Rick Johnston
 President, Council 4000

APPENDIX 13

March 6, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace
Transportation and General Workers
Union of Canada (CAW - Canada)
545 Cremazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Sir:

During national negotiations discussions took place with respect to General Holidays, and, more specifically, to converting the January 2 General Holiday to a "floating General Holiday". Frequently the Company's departments are fully operational with the entire staff in attendance on the General Holiday in order to provide service to their customers. In order to allow employees to have a holiday the Company and the Union have agreed that the January 2 General Holiday will be designated as a "floating General Holiday" in the following operations:

1. Customer Support Centre in Winnipeg;
2. all Intermodal terminals in Canada where the parties mutually agree in writing;
3. other locations or in Departments where the parties mutually agree in writing.

In the above cited operations the January 2 General Holiday will be designated as a "floating General Holiday" for the Department at that location.

The January 2 General Holiday will be changed to another day in the same calendar year as locally agreed to and can not unilaterally be changed. As well, the floating General Holiday, based on agreement between the employee and his/her immediate supervisor, cannot consecutively precede or follow another General Holiday resulting in a four-day weekend.

Should either party fail to reach "January 2 floating General Holiday" arrangements at any location, the dispute may be raised to the senior Company officer at that location and the Designated Representative of Council 4000 for settlement.

If this reflects our discussions on this matter, please signify your concurrence by countersigning below.

Yours truly,

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

I concur.

Rick Johnston
President, Council 4000

March 6, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace
Transportation and General Workers
Union of Canada (CAW - Canada)
545 Cremazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Sir:

During national negotiations discussions took place with respect to the Company's requirement to perform shift transfer duties at the end of their regular shifts.

The Company and the Union have agreed to designate by bulletin some clerical and Heavy Equipment Operator positions to perform such duties.

Notwithstanding provisions of Article **11.3**, the following conditions will apply for these positions:

- The bulletin will specify which days of the week will be 8 hours and **15** minutes or 8 hours and **30** minutes. These hours of work and rest days cannot be changed without a new bulletin.
- The positions required to perform the transfer duties of either **15** or 30 minutes will be so identified on the applicable bulletins at the time of posting.
- Clerical positions may be retained up to **15** minutes beyond the eight-hour shift and are compensated for **15** minutes at a lump sum amount equal to one and one half times the rate of pay for the designated time whether retained or not.
- Heavy Equipment Operator positions may be retained up to **30** minutes beyond the eight-hour shift and compensated for 30 minutes at a lump sum amount equal to one and one half times the rate of pay for the designated time whether retained or not.
- The allowance will be considered as regular overtime for pension purposes.

If this reflects our discussions on this matter, please signify your concurrence by countersigning below.

Yours truly,

I concur

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX 15

MARCH 6, 2001

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

Notwithstanding Article **32.9** (a), the Company has indicated its concern that based on experience, certain employees misunderstand the legal concepts of harassment and/or discrimination. In order to avoid any confusion, the Company and the Union agree that the actions of a lead hand, supervisor or management personnel telling employees "to get back to work" or to perform their assigned duties, does not in and of itself constitute harassment or discrimination.

If you concur with this understanding, would you please so indicate by signing below.

Yours truly,

I concur.

Richard J. Dixon
Vice-president
Labour Relations and Employment
Legislation

Rick Johnston
President, Council 4000

APPENDIX 16

March 6, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

This has reference to the discussions held during the course of the contract negotiations to renew the Supplemental Agreement governing the Intermodal Terminals, regarding the issue of the Tier rates of pay.

Following substantial discussions on this matter, the parties have agreed to modify the current rate table found in the collective agreement in the following manner:

-Effective January 1, 2001, all Tier 2 rates will be replaced by the Tier 1 rates of pay.

-Effective January 1, 2003, all Tier 3 rates of pay will be replaced by Tier 1 rates of pay.

Upon integration into the new rate of pay, all Tier rates references will be deleted from the Collective Agreement

If you concur that the above properly reflects the understandings reached on the above matter, please signify your agreement by countersigning below.

Yours truly,

Richard J. Dixon
Vice-president
Labour Relations and
Employment Legislation

I concur.

Rick Johnston
President, Council 4000

March 14, 2003

Mr. John Moore-Gough
National Representative
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW)
200 Riverview Drive
Chatham, Ontario N7M 5Z8

Dear Mr. Moore-Gough:

Re. Reinstatement of Previous Discipline System

This will confirm discussions held during collective bargaining in 2004 regarding the Company's approach to discipline.

The Union put forward its view that discipline is now being imposed with greater severity than in the past, using different methods (suspensions and deferred suspensions) and on grounds which rarely or never attracted discipline before.

To resolve the issue of discipline, for the life of the collective agreement or until otherwise mutually agreed, the Company will reinstate the discipline system and standards that were in effect at the commencement of the previous collective agreement, in accordance with past practice and jurisprudence.

In addition, in order to reflect the foregoing, the Company and the Union have agreed to resolve all outstanding discipline cases in accordance with the aforementioned principles.

The Company and Union will meet within twelve (12) months of ratification to discuss and agree upon improvements to the discipline system. Any changes will require mutual consent.

Kim Madigan
Vice-president,
Labour Relations

RATE TABLES

RATES OF PAY

Moncton and Halifax

CLASSIFICATION– TIER 1	2004	2005	2006
Lead Hand Operations	22.81	23.49	24.19
Lead Hand Operations Qualified	24.34	25.07	25.82
Lead Hand Clerk	22.81	23.49	24.19
Dispatcher	22.81	23.49	24.19
Composite Employee	22.20	22.87	23.56
Heavy Eqpt Operator	22.20	22.87	23.56
Clerk	22.19	22.86	23.55
Eqpt Operator (CargoFlo)	21.63	22.28	22.95
Equipment Operator	20.52	21.14	21.77
Helper	20.35	20.96	21.59
Tractor Trailer Operator	20.52	21.14	21.77

Montreal

CLASSIFICATION– TIER 1	2004	2005	2006
Lead Hand Operations	23.34	24.04	24.76
Lead Hand Operations Qualified	25.19	25.95	26.73
Lead Hand Clerk	23.73	24.44	25.17
Dispatcher	23.34	24.04	24.76
Composite Employee	22.64	23.32	24.02
Heavy Eqpt Operator	23.02	23.71	24.42
Clerk	22.56	23.24	23.94
Equipment Operator	21.37	22.01	22.67
Helper	20.69	21.31	21.95
Tractor Trailer Operator	21.02	21.65	22.30

Toronto

CLASSIFICATION –TIER 1	2004	2005	2006
Lead Hand Operations	23.34	24.04	24.76
Lead Hand Operations Qualified	24.78	25.52	26.29
Lead Hand Clerk	23.34	24.04	24.76
Dispatcher	23.34	24.04	24.76
Dispatcher Coordinator	25.01	25.76	26.53
Composite Employee	22.64	23.32	24.02
Heavy Equipment Operator	22.64	23.32	24.02
Clerk	22.19	22.86	23.55
Equipment Operator	21.01	21.64	22.29
Helper	20.35	20.96	21.59
Tractor Trailer Operator	20.60	21.22	21.86

Winnipeg and Saskatoon

CLASSIFICATION-TIER 1	2004	2005	2006
Lead Hand Operations	22.81	23.49	24.19
Lead Hand Operations Qualified	24.34	25.07	25.82
Lead Hand Clerk	22.81	23.49	24.19
Dispatcher	22.81	23.49	24.19
Composite Employee	22.20	22.87	23.56
Heavy Eqpt Operator	22.20	22.87	23.56
Clerk	22.19	22.86	23.55
Equipment Operator	20.52	21.14	21.77
Helper	20.35	20.96	21.59
Tractor Trailer Operator	20.52	21.14	21.77

Edmonton and Calgary

CLASSIFICATION- TIER 1	2004	2005	2006
Lead Hand Operations	23.32	24.02	24.74
Lead Hand Operations Qualified	24.76	25.50	26.27
Lead Hand Clerk	23.32	24.02	24.74
Dispatcher	23.32	24.02	24.74
Composite Employee	22.62	23.30	24.00
Heavy Equipment Operator	22.62	23.30	24.00
Clerk	22.19	22.86	23.55
Equipment Operator	21.00	21.63	22.88
Helper	20.35	20.96	21.59
Tractor Trailer Operator	21.00	21.63	22.28

Vancouver

CLASSIFICATION- TIER 1	2004	2005	2006
Lead Hand Operations	23.63	24.34	25.07
Lead Hand Operations Qualified	25.10	25.85	26.63
Lead Hand Clerk	23.63	24.34	25.07
Dispatcher	23.63	24.34	25.07
Composite Employee	22.96	23.65	24.36
Heavy Equipment Operator	22.96	23.65	24.36
Clerk	22.19	22.86	23.55
Equipment Operator	21.34	21.98	22.64
Helper	20.35	20.96	21.59
Tractor Trailer Operator	21.34	21.98	22.64

