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COLLECTIVE AGREEMENT

between

ONTARIO NORTHLAND RAILWAY

and

**INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS
SYSTEM COUNCIL NO. 11**

Expires December 31, 2004

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ARTICLE I

Seniority Status and Lists

1.1 A complete list of all employees covered by this agreement, showing name, seniority date and ranking in each group in which an employee holds seniority, shall be compiled at the beginning of each year. Such lists will be posted at the headquarters of employees concerned and copies will be furnished the Local Chairman and General Chairman. This list shall be open for correction for a period of 90 days and a seniority date not protested within 90 days from its first posting on the seniority list will be considered permanently established.

1.2 Except as provided in Article 1.3, seniority of an employee promoted to a higher classification is established only at the time he/she is assigned by bulletin to a permanent position in such higher classification and shall begin on the specified closing date of the bulletin advertising the position. When two or more employees are promoted to a higher classification on the same bulletin, their relative rank in the lower classification shall govern their rank in the higher classification.

1.3 Seniority as Signal Foreman shall be established on temporary appointments to such positions.

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

10.D (b) An employee affected by staff reductions may exercise his/her seniority to displace a junior employee in his/her group or a junior employee in a lower seniority group. If he/she elects to displace in a lower seniority group, he/she will forfeit his/ her seniority in all higher groups than the one into which he/she elects to displace.

(c) Such an employee shall forfeit his/her seniority if he/she does not notify the officer in charge and the Local Chairman in writing of his/her choice within ten calendar days from the date notified of displacement or abolition of his/her position.

(d) Unless mutually arranged between the employee and his/her immediate supervisor an employee who has signified his/her intention to displace a junior employee shall forfeit his/her seniority and his/her name shall be removed from the seniority list if he/she fails or refuses to commence work on the position he/she has chosen within twenty calendar days of making his/her choice. An employee who is unable to hold work on the system will be laid off.

1.5 When employees, laid off by reason of force reduction, desire to retain their seniority rights they must file their address with the officer notifying them of the reduction, and failing to do so or to return to the service within ten days after being so notified they will forfeit all seniority rights unless they are prevented from returning by personal sickness or injury or when granted leave of absence under the provisions of this agreement, except that a laid off employee who is employed elsewhere at the time he/she is notified to report for duty may, without loss of seniority, be allowed ninety days in which to report, providing that it is definitely known that the duration of the work will not exceed ninety days, that other laid off employees in the same seniority group are available and that written application is made to his/her superior officer immediately upon receipt of notification to resume duty, with a copy to the Local Chairman.

1.6 Employees assigned to temporary service or to relief work in a regular position shall, when released, return to their former position unless they have been the successful applicant to another position in the meantime.

3.E **1.7** (a) Employees accepting official positions with the railway prior to December 31, 1978, or who are elected as full-time representatives of the employees shall retain their seniority rights and continue to accumulate seniority while so employed.

(b) Employees promoted to non-schedule, official or excluded positions subsequent to January 1, 1979 shall continue to accumulate seniority for a period of two consecutive years. Following this two-year period in

such capacity, such employee shall no longer accumulate seniority but shall retain the seniority rights already accumulated up to the date of his or her promotion.

(c) Employees referred to in Clauses (a) and (b) above, when released from excepted employment, except at their own request, may exercise displacement rights as provided in this agreement. Employees returning at their own request may exercise their seniority rights only by bidding on vacancies or new positions.

10. D (d) An employee required to fill an official or excepted position on a temporary basis for a period not exceeding one year, when released, will return to his/her regular position unless it has been abolished or filled by a senior employee in the exercise of displacement rights in which event the returning employee will also exercise his/her displacement rights.

1.8 Employees leaving the service of the Railway when their services are required will, in the event of re-employment rank as new employees.

1.9 A new employee shall not be regarded as permanently employed until he/she has accumulated 125 working days' service in the preceding twelve months. In the meantime, unless removed for cause which, in the opinion of the Railway, renders him/her undesirable for its service, the employee shall be regarded as coming within the terms of this agreement.

1.10 (a) Employees accepting positions in the exercise of their seniority rights will do so without causing extra expense to the Railway and will not be allowed time for travelling. They will be allowed free transportation for themselves, the dependent members of their families and their household effects when it does not conflict with the law.

(b) Employees transferred by direction of the management to positions which necessitate a change of residence will receive free transportation for themselves, dependent members of their families and household goods, when it does not conflict with the law, and will suffer no loss of time in consequence thereof; such loss of time not to exceed two (2) days unless otherwise specially arranged.

1.11 Employees who on account of particular qualifications, are selected for special work in connection with signal maintenance or construction shall retain their seniority rights in their respective classes while employed on such special work.

1.12 For seniority purposes classes will be ranked as follows:

1. Signal Forman
2. Signal Technician
3. Signal Testman
4. Leading Signal Maintainer
5. Signal Maintainer
6. Signal Apprentice
7. Signal Helper

See p. 23

ARTICLE 2

Promotion

10.F.1 2.1 Employees will be promoted in each of the classes enumerated in Article 1.12 in order of seniority provided they are qualified except that promotions of qualified applicants to positions of Signal Technician or Asst. Signal Technician shall be on the basis of Signal Maintainer/Signal Mechanic seniority.

2.2 Employees will be advised within fifteen days of all vacancies or new positions. Applications made within ten calendar days will be considered.

2.3 A new position or vacancy expected to be in existence in excess of sixty days but not more than one year will be bulletined as temporary. When it is known that a position which has been bulletined as temporary will exceed one year it will be bulletined as permanent, except when such position or vacancy is due to the medical disability of the regular incumbent.

If a temporary vacancy exists due to the medical disability of the permanent incumbent for a period of more than one year, the General Chairman and the proper officer of the company will meet to discuss the proper action that should be taken in each case.

2.4 Temporary vacancies for Maintainers or Mechanics of less than sixty days' duration shall not be advertised and senior employees at the affected location, if qualified, shall have the right to relieve in such temporary vacancies. If the vacancy is not filled in this manner, the junior qualified employee at that location will be required to protect the vacancy.

2.5 In the event that no applications are received for any temporary or permanent vacancy bulletined in accordance with Articles 2.2 and 2.3, for the position of Signal Maintainer, the junior qualified employee will be promoted to fill the position and must accept such appointment or be removed from the service. If more than one position is involved, the next junior employee or employees in ascending order of seniority will be promoted.

NOTE: For temporary assignments reasonable expenses will be allowed.

ARTICLE 3

Work Week and Rest Days

3.1 The term "work week" for regularly assigned employees shall mean a week beginning on the first day of which the assignment is bulletined to work: and for spare or unassigned employees shall mean a period of seven consecutive days starting with Monday.

3.2 Employees, except those employees subject to Article 8, shall be assigned two rest days in each seven. The rest days shall be consecutive as far as is possible consistent with the establishment of regular relief assignments and the avoidance of working an employee on an assigned rest day. Preference shall be given to Saturday and Sunday and then to Sunday and Monday. The work weeks may be staggered in accordance with the Railway's operational requirements.

3.3 In any dispute as to the necessity of departing from the pattern of two consecutive rest days or for granting rest days other than Saturday and Sunday or Sunday and Monday, to employees covered by Article 3.2, it shall be incumbent on the Railway to show that such departure is necessary to meet operational requirements and that otherwise additional relief service or working an employee on an assigned rest day would be involved.

3.4 On positions where it is not reasonably practicable to provide regular relief each week, the rest day or days for which relief is not provided may be accumulated and granted at a later date. Such accumulation shall not exceed five (5) days and rest days so accumulated shall be allowed consecutively when five (5) days have been accumulated, except that the accumulation of a greater number of rest days and their allowance at longer intervals may be arranged by mutual agreement between the officers of the railway and the General Chairman. Bulletins covering such positions will show the number of the rest days to be accumulated and the arrangement for allowing such days.

3.5 Non-consecutive Rest Days

In the event that a situation arises which makes it impracticable to assign consecutive rest days to all employees at a particular point, the following procedure shall be observed:

- (1) All possible regular relief positions shall be established pursuant to Article 3.6.
- (2) Possible use of rest days other than Saturday, Sunday or Monday, where these may be required under this agreement, to be explored by the parties.
- (3) Accumulation of rest days under Article 3.4 shall be considered.
- (4) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.
- (5) If the foregoing does not solve the problem, then some of the relief employees may be given non-consecutive rest days.
- (6) If after all the foregoing has been done there still remains service which can only be performed by requiring employees to work in excess of five days per week, the number of regular assignments necessary to avoid this may be made with two non-consecutive days off.
- (7) The least desirable solution of the problem would be to work some regular employees on the sixth and seventh days at overtime rates and thus withhold work from additional relief employees.

3.6 Relief Assignments

- (1) All possible regular relief assignments with five days' work per week and two consecutive rest days (subject to Article 3.5) 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 individual agreements.
- (2) Where situations exist making it impracticable to establish relief assignments in accordance with the above, the officers of the railway and the General Chairman may, by mutual agreement, arrange for relief assignments on such other basis as may be suitable. Consent to such proposed arrangement shall not be unreasonably withheld in cases where otherwise employees would be required to work on assigned rest days or unreasonable travel time would be involved.
- (3) Regular relief assignments may on different days have different starting times, duties and work locations, provided such starting times, duties and work locations are those of the employee or employees relieved.

3.7 Where work is required by the railway to be performed on a day which is not part of any assignment it may be performed by an available unassigned, laid off, or new employee who will otherwise not have duty hours of work that week. In all other cases by the regular employee.

ARTICLE 4

Hours of Work and Meal Periods

8. A. 2 **4.1** (a) Except as otherwise provided, eight consecutive hours, exclusive of meal period, shall constitute a day's work.

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see
art. 5. 2. (b) Except as may be otherwise arranged locally, the meal period shall not be less than thirty minutes or more than one hour. The meal period shall be exclusive of the time required to travel to and from meal location.

4.2 The working hours for day duty will commence at or between 7:00 a.m. and 8:00 a.m. When conditions make it necessary to work more than one shift, the hours of duty may be arranged to conform with the requirements; provided that not more than eight consecutive hours, exclusive of meal period, will constitute a day's work and that the first shift will commence at or between 7:00 a.m. and 8:00 a.m. Where mutually agreed between representatives of the railway and the employees, working hours may be otherwise arranged to meet local requirements.

4.3 The meal period will be between the ending of the fourth hour and the beginning of the seventh hour after starting work, unless otherwise mutually agreed upon. If the meal period is not accorded within such time limit and is worked, it will be paid for at pro rata rate and twenty minutes will be allowed for meal, without deduction in pay, at the first opportunity.

8. C. 5 **4.4** When eight hours of continuous service are required in regular operations, twenty minutes will be allowed for meal commencing in the fifth hour of service without loss of pay when nature of service permits.

4.5 Employees' time will start and end at a designated point.

ARTICLE 5

Overtime and Calls

5.1 Except as otherwise provided, when employees are required to work in excess of eight hours per day they will be paid overtime on the actual minute basis at the rate of time and one-half.

5.2 Except as otherwise provided in Article 8, work in excess of forty (40) hours straight time hours, or five (5) days in any work week shall be considered overtime and paid at the rate of time and one-half time except where such work is performed by an employee due to moving from one assignment to another or to or from a laid off list, or where rest days are being accumulated under Article 3.4.

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

5.4 Except as otherwise provided, an employee called in case of an emergency or a temporary urgency outside of his/her regular assigned hours, after having been relieved, will be paid minimum of three hours pay at overtime rates for which three hours of service may be required, but for such minimum will not be required to perform work other than that of the emergency, and possibly another emergency which might arise subsequent to the time of the call. If, however, employees are called to commence work less than three hours

before regular starting time, the time will be computed continuously with the regular day's work and the time before the regular starting time will be paid for at the rate of time and one-half time on the minute basis.

5.5 Employees, if required to work on regularly assigned rest days, except when these are being accumulated under Article 3.4, shall be paid at the rate of time and one-half time on the actual minute basis, with a minimum of three hours at overtime rates for which service may be required up to three hours.

5.6 Employees will not be required to suspend work in regular hours to equalize overtime.

5.7 The calling procedure for overtime shall be as follows:

Overtime calls for Signal Technicians:

1. Signal Technician according to their assigned territory.
2. Signal Technician assigned to the adjacent assigned territory.
3. Senior Signal Maintainer qualified to perform Signal Technician work.

Overtime calls for Signal Maintainers:

1. Maintainer assigned to the territory.
2. Maintainer assigned to the adjacent territory.
3. Seniority by classification.

Employees going on vacation will only be entitled for overtime calls on the rest days immediately prior to their vacation dates and not on the rest days prior to them returning from vacation.

Employees who are temporarily assigned to gang work on other than their regularly assigned territory will be called for emergency overtime work on their regularly assigned territory when they are in a position to respond to such calls within a reasonable time frame. Otherwise, the maintainer assigned, on a temporary basis to cover such territory will be called. The Superintendent Signals to be the judge in such cases.

5.8 Overtime Banking

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

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

- * Banked time must be taken in full day increments or the employee may elect to receive the pay.
- * Employees must have cleared or be scheduled to clear their hours account by December 15. If the account is not cleared then the employee will be paid the balance in cash.
- * Payment will be based on the current rate of pay at the time the banked time is used.
- * Time off must be requested in advance, unless bona fide illness. (Company will monitor)
- * Time off will be subject to company service requirements and no additional cost to the company.
- Implementation of the Overtime Banking arrangement will be subject to the development of an appropriate computer system.

ARTICLE 6

Travelling or Detained for Conveyance

6.1 Time waiting and travelling outside of assigned hours will be paid for at pro rata rates except that time spent travelling in or on company work vehicles (including track motor cars, signal vehicles and employees' automobiles when authorized) will be considered as time worked.

6.2 Employees when travelling in their regular boarding and sleeping cars between 6:00 a.m. and 10:00 p.m., on regularly assigned rest days or holidays specified in Article 14, will be allowed straight time. When practicable to do so, boarding and sleeping cars will be moved at other times than between the hours of 11:00 p.m. and 6:00 a.m.

ARTICLE 7

Expense and Meal Allowances

7.1 Where employees regularly leave and return to their headquarters or boarding car daily, expenses shall not be allowed for noonday lunch.

7.2 Employees taken off their assigned territory or regular boarding outfits and employees who do not regularly return to headquarters each night, shall be allowed a per diem amount of \$85.00 to cover all meals and lodging expenses they necessarily incur.

7.3 When meals are supplied by the company in boarding cars or outfits, the charge for same will be \$1.00 per meal. This will not apply to employees paid expenses in hotels/motels.

7.4 Employees boarding in railway or contractor's outfits shall not be required to pay for meals while on leave of absence, when absent from outfits on duty or on account of sickness, or when permitted to go home for the weekend and absent for two or more consecutive meals, but in the latter case forty- eight hours' notice must be given to those in charge of outfits of intent to be absent from such meals.

7.5 When it can be done without in any way interfering with the work, employees shall be permitted to take meals at their home. In such cases no charges for meals shall be made. When meals are so taken, employees must give two day's notice to the employee in charge of the boarding car.

ARTICLE 8

Monthly Allowances

8.1 In view of the intermittent character of the work of certain Signal Technicians, Signal Maintainers, Assistant Signal Maintainers, Apprentices and Helpers, and in lieu of any overtime pay which they may earn except as provided below, they shall be allowed 179.3 hours per four-week period comprised of 160 hours at straight time and 19.3 hours at time and one-half. If required to work in excess of 179.3 hours per four-week period, such hours shall be paid for as follows:

Actual overtime hours worked in excess of 160 hours will be accumulated over a twelve-week period.

If these overtime hours worked exceed 57.9 (comprised of 19.3 hours x 3 four week periods) such additional hours worked in excess of 57.9 will be paid for at the rate of time and one-half at the conclusion of the twelve week period.

NOTE: Should an employee take a position paid on the basis of this Rule 8.1, and remain on such position for a period of less than 12 weeks, the period so engaged will be recognized as the accumulation period for that employee. In such circumstances, overtime compensation will be calculated in relation to the total overtime hours worked pro-rated over the number of weeks actually engaged during the 12-week period. This does not apply to employees who work for less than one week.

.2 If required by order or in an emergency to work in excess of 179.3 hours, exclusive of time occupied in travelling, overtime rates will be paid for such excess time worked.

8.3 When work is planned in advance requiring employees to work on call days or in excess of eight hours per day on an assigned work day, such work shall not be considered emergency work and will not be included in the 4-week guarantee.

8.4 Employees called to work on other than their assigned territory outside of their assigned hours due to the signal employees on the other territory being absent from duty with proper authority and no relief supplied, or to augment the signal staff on the other territory, will be paid overtime rates for such time apart from the 179.3 hours per 4-week period.

8.5 Employees covered by this Article 8 shall be assigned one regular rest day per week, Sunday if possible, and service on such assigned rest day shall be governed by Article 5.5. Hours paid on such assigned rest days shall not be included in computing the 179.3 hours per 4-week period after which overtime rates apply.

8.6 Such employees shall be assigned one call day per week, and one rest day per week, either of which may be Saturday or Sunday except at locations where more than one shift is required the call day and rest day will be consecutive. Emergency service on such days will be paid for as follows:

- (a) **Call Day** - Will protect emergency calls on their own territory, such work to be covered by the 179.3 hours. Employees will be available for emergency calls on their call days unless they make suitable arrangements with their supervisor for the protection of their territory without involving additional expense to the company and so advise the Train Dispatcher.
- (b) **Rest Day** - Not subject to call. However, will be called and if available will be paid at the rate of one and one-half times the straight time rate on the minute basis with a minimum of three hours for which service may be required up to three hours.
- (c) On territories where conditions warrant, other mutually satisfactory arrangements may be agreed upon in writing between the Signal Superintendent and the accredited representative of the employees.

8.7 Except on assigned rest days such employees shall not absent themselves from their assigned territory during the regular working hours without permission and when absent from regular place of call after regular working hours, they will notify the Agent, Operator, Train Dispatcher or Chief Rail Traffic Controller as appropriate.

8.8 Holiday Pay for 179.3 Hour Employees

No work performed on General Holiday

- (a) When a General Holiday falls on a regular work day or on a call day (**6th** day) and the employee is not subject to call and does not work on that day, such employee is credited with 8 straight time hours for the holiday not worked, which time is included in making up the 179.3 hours.
- (b) When a General Holiday falls on a regular work day or on a call day (6th day) and the employee is subject to call and ~~is~~ available to work on that day, such employee is allowed 8 straight time hours for the holiday not worked over and above the 179.3 hours.

Work Performed on General Holiday

- (c) When a General Holiday falls on a regular work day or on a call day (6th day) and the employee works on that day, such employee is credited with actual hours worked, with a minimum of three hours at the rate of time and one-half, which time is included in making up the 179.3 hours. In addition, the employee is paid 8 straight time hours for the holiday over and above the 179.3 hours:
- (d) When called to perform planned work, or to perform work off his/her assigned territory on a General Holiday, the employee shall be allowed actual hours worked at the rate of time and one-half with a minimum of three hours, over and above the 179.3 hours. In addition, the employee shall be allowed 8 straight time hours for the holiday over and above the 179.3 hours.
- (e) The General Holiday compensation provided for in this Article 8.8 supersedes the corresponding provision of Article 14.

8.9 Broken Time for 179.3 Hour Employees

Broken time for employees compensated on the basis of 179.3 hours per 4-week period shall be based on 47.25 straight time hours per week. In the event an employee is off duty without pay, he/she shall have deducted from his/her wages 8.6 hours for each regular work day off duty and 4.25 hours for each call day off duty.

8.10 Signal Employees Working as Testmen

8. A. 2 / 40
- (a) Signal employees working as signal testmen shall be considered as 40-hour per week employees and shall be covered by the provision of Article 4.
 - (b) Employees working as signal testmen, if required to work in excess of eight hours on a regular work day or to work on a rest day, shall be compensated in accordance with Article 5.

ARTICLE 9

Discipline and Grievances

9.1 (a) An employee having six months or more seniority will not be disciplined or discharged until he/she has had a fair and impartial investigation. Investigations will be held as quickly as possible.

(b) When a discipline assessment will be only a reprimand, warning or caution, or the like, a "hearing" or "investigation" is not necessary. In such cases, when the matter is discussed directly with the employee by the supervisor, a third party, such as fellow employee, other supervisor or union representative, shall not be in attendance. This provision will not operate to extend the one year period for clearing of previous demerit marks. Interaction management discussion forms will not be placed on employee files.

9.2 An employee may be held out of service with pay pending the complete investigation and notice provided to the Local Chairperson. He/she will be given at least one day's notice of the investigation and notified of the charges against him/her. However, an officer who may be on the grounds when the cause for investigation occurs may hold an immediate investigation.

9.3 An employee may, if he/she so desires, have the assistance of a fellow employee and/or an accredited representative of the union at the investigation. The employee or his/her union representative shall be given a copy of the employee's statement and on request copies of all evidence taken.

9.4 An employee will not be held out of service pending the rendering of a decision, except in the case of a dismissible offence. The decision will be rendered as early as possible, but not later than, twenty-eight (28) calendar days from the date the statement is taken from the employee being investigated.

9.5 If the decision is considered unjust an appeal may be made in writing within twenty-eight (28) calendar days in accordance with the grievance procedure under Article 9.9. Such appeal shall set forth the grounds upon which it is made. Appeals with respect to dismissal or suspension should be submitted directly to Step 3

of the grievance procedure. On request, the Assistant General Chairman shall be shown all evidence of record in the case.

9.6 Should an employee be exonerated, he/she shall be paid at schedule rates for time lost, if any (one (1) day for each twenty-four (24) hours), less any amount earned in other employment. If away from home he/she shall, on production of receipts, be reimbursed for reasonable expenses incurred in connection with the investigation.

9.7 When discipline is recorded against an employee he/she will be advised.

Grievances

9.8 Any complaint raised by an employee concerning the interpretation, application or alleged violation of this agreement or an appeal by an employee that he/she has been unjustly disciplined, shall be processed in accordance with the grievance procedure as set forth under Article 9.9.

9.9 Grievances shall be processed as follows:

Step 1

Within fifteen (15) calendar days from the cause of the grievance the employee and/or the Assistant General Chairman may present the grievance in writing to his/her immediate supervisor, who will give a decision as soon as possible, but in any case, within fifteen (15) calendar days of receipt of grievance.

Step 2

Within twenty-eight (28) calendar days of receiving a decision under Step 1, the Assistant General Chairman may appeal in writing to the Chief Engineer, Facilities Maintenance. A decision will be rendered within twenty-eight (28) calendar days of receipt of appeal.

Step 3

Within forty-five (45) calendar days of receiving decision under Step 2, the Assistant General Chairman may appeal to the President. A decision will be rendered within forty-five (45) calendar days of receipt of appeal.

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

9.10 The settlement of a dispute shall not under any circumstances involve retroactive pay beyond a period of forty-five (45) calendar days prior to the date that such grievance was submitted at Step 1 of the Grievance Procedure.

9.11 (a) Where a grievance is not progressed within the prescribed time limits the grievance will be considered to have been dropped.

(b) Except as provided in Article 9.11(c), where a decision is not rendered by the appropriate officer of the company within the prescribed time limits the grievance may be processed to the next step in the grievance procedure.

(c) When the appropriate officer of the company fails to render a decision with respect to 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.

9.12 Time limits as provided under this Article may be extended by mutual agreement in writing.

ARTICLE 10

Final Settlement of Disputes

- 10.1** A grievance concerning the interpretation or alleged violation of this agreement, or an appeal by an employee that he/she has been unjustly disciplined or discharged, and which is not settled at the highest level of the grievance procedure, may be referred by either party to a single arbitrator for final and binding settlement without stoppage of work.
- 10.2** A request for arbitration must be made in writing by either party to the other within 28 calendar days following the decision rendered at Step 3 of the Grievance Procedure.
- 10.3** The party requesting arbitration shall submit with its request the names of three arbitrators. If the other party does not agree to one of the nominees so proposed, it shall within 28 calendar days from receipt of such request submit to the other party a further list of three arbitrators. If the parties still cannot agree upon the arbitrator to be appointed, the Minister of Labour shall be requested to select an arbitrator and his/her selection shall be final.
- 10.4** At the hearing before the arbitrator, argument may be given orally or in writing and each party may call such witnesses as it deems necessary.
- 10.5** Disputes arising out of proposed changes in rates of pay, rules or working conditions, modifications in, or additions to the scope of this agreement, are specifically excluded from the jurisdiction of the arbitrator and he/she shall have no power to add to or subtract from, or modify any of the terms of this agreement.
- 10.6** The hearing shall be held by the arbitrator in the offices of the company at North Bay, Ontario unless the arbitrator deems it advisable because of special circumstances to hold the hearing elsewhere.
- 10.7** The company and the union shall respectively bear any expenses each has incurred in the presentation of the case to the arbitrator, but any general or common expenses, including the remuneration of the arbitrator, shall be divided equally.
- 10.8** The time limits as provided herein may be extended by mutual agreement.

ARTICLE 11

Attending Court or Investigation

- 11.1** Employees attending court or investigation at the request of the proper officers of the railway, will be paid at schedule rates for each day lost and reasonable expenses actually incurred while away from home. This will not apply where employees are required for examination for promotion, disability, to meet legal requirements, or in connection with irregularities for which they are found to be responsible. Any fee or mileage accruing will be assigned to the railway.

ARTICLE 12

Leave of Absence and Transportation

- 12.1** Leave of absence and free transportation will be granted to members of duly appointed Committees for the adjustment of matters in dispute between the railway and the employees within ten days after request in writing has been made to the proper officer.
- 12.2** Opportunity and free transportation will be given to employees for getting to their place of residence at weekends when such leave will not interfere with the prosecution of the work.

12.3 Employees will be granted leave of absence and passes, or reduced rates, in accordance with the current general regulations or practice of the railway.

ARTICLE 13

Annual Vacations

$\frac{12.8}{2=7}$
13.1 (a) An employee who, at the beginning of the calendar year, is not qualified for vacation under Clause (b) hereof, shall be allowed one working day's vacation with pay for each 25 days' cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days until qualifying for further vacation under Clause (b) hereof.

$\frac{12.8}{3=4}$
Refers to art. 13.2
(b) Subject to the provisions of Note 1 below, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least three years and has completed at least 1,000 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 16 $\frac{2}{3}$ days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 15 working days; in subsequent years, he/she will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (c) hereof.

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

$\frac{12.8}{4=7}$
(c) Subject to the provisions of Note 2 below, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 7 years and has completed at least 1,750 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 12 $\frac{1}{2}$ days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 20 working days; in subsequent years, he/she will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (d) hereof.

NOTE 2: An employee covered by Clause (c) hereof, will be entitled to vacation on the basis outlined therein if on his/her 8th or subsequent service anniversary date he/she achieves 2,000 days of cumulative compensated service; otherwise his/her vacation entitlement will be calculated as set out in Clause (b) hereof. Any vacation granted for which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If such employee leaves the service for any reason prior to his/her next vacation, the adjustment will be made at time of leaving.

$\frac{12.8}{5=15}$
(d) Subject to the provisions of Note 3 below, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 15 years and has completed at least 3,750 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 10 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 25 working days; in subsequent years, he/she will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (e).

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

$\frac{12.8}{6=25}$
(e) Subject to the provisions of Notes 4 and 5 below, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 25 years and has completed at least 6,250

days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 8 1/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year with a maximum of 30 working days.

NOTE 4: An employee covered by Clause (e) hereof, will be entitled to vacation on the basis outlined therein if on his/her 30th or subsequent service anniversary date he/she achieves 7,500 days of cumulative compensated service; otherwise his/her vacation entitlement will be calculated as set out in Clause (d) hereof. Any vacation granted for which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If such employee leaves the service for any reason prior to his/her next vacation, the adjustment will be made at time of leaving.

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

- 12.c.6 (i) scheduling an employee for 25 working days vacation with the employee being paid for the remaining 5 days vacation at pro rata rates; or
- (ii) splitting the vacation on the basis of 25 working days vacation and 5 working days vacation.

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

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

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

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

13.6 Advance Vacation Payment

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

13.7 Vacation days shall be exclusive of assigned rest days and general holidays specified in Article 14.

13.8 Employees whose time is calculated on a calendar day basis and who have been allowed vacation on the basis of calendar weeks shall continue to be relieved for a period of two, three or four calendar weeks, this to include rest day to be assigned under Article 8.

13.9 In computing service under Article 13.1 days worked in any position covered by similar vacation agreements will be accumulated for the purpose of qualifying for vacation with pay.

13.10 An employee will be compensated for vacation at the rate of pay he/she would have earned had he/she been working during the vacation period.

13.11 An employee terminating his/her employment for any reason at a time when unused period of vacation with pay stands to his/her credit shall be allowed vacation calculated to the date of his/her leaving the service, as provided for in Article 13.1.

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

13.13 An individual who leaves the service of his/her own accord or who is dismissed for cause and not reinstated in his/her former standing within two years of date of such dismissal shall, if subsequently returned to the service, be required to qualify again for vacation with pay as provided in Article 13.1.

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

13.15 Application for vacations filed prior to March 31st of each year shall, insofar as it is practicable to do so, be given preference in order of seniority of the applicants. Such applicants will have preference over later applicants. Applicants will be advised in April of the dates allotted them and unless otherwise mutually agreed employees must take their vacation at the time allotted.

If it becomes necessary for the company to reschedule an employee's scheduled vacation dates, he/she shall be given at least 15 working days advance notice of such rescheduling. In cases where the vacation is not allowed or taken as originally scheduled, the rescheduled vacation with pay to which the employee is entitled will be granted at a mutually agreed upon later date.

13.16 Unless otherwise mutually agreed, employees who do not apply for vacation prior to January 31st shall be required to take their vacation at a time to be prescribed by the railway.

11.0.5 **13.17** The officer in charge and the recognized representative of the employees will, as far as practicable, make mutual arrangements to carry on the work while members of the staff are on vacation with the object of avoiding additional expense to the railway, but if this is not practicable, employees engaged temporarily or employees temporarily promoted from one position to another, to provide vacation relief, will, if definitely assigned to fulfil the duties and responsibilities of a higher rated position, be paid the schedule rate applicable to such position.

ARTICLE 14

General Holidays

14.1 An employee who qualifies in accordance with Article 21.2 hereof, shall be granted a holiday with pay on each of the following general holidays. When a general holiday falls on an employee's rest day, such holiday shall be moved to the normal working day immediately following the employee's rest day.

- | | |
|---|--------------------------|
| 1. New Year's Day | 2. St. Jean Baptiste Day |
| 2. * Day following New Year's Day (Ontario only) | (Quebec only) |
| 3. Good Friday | 4. Dominion Day |
| 4. Easter Monday (Substitution for Remembrance Day) | 5. Civic Holiday |
| 5. Victoria Day | 6. Labour Day |
| | 7. Thanksgiving Day |
| | 8. Christmas Day |
| | 9. Boxing Day |

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

14.2 In order to qualify for any one of the holidays specified in Article 14.1 hereof, an employee:

- (a) must have been in the service of the company and available for duty for at least thirty calendar days. This Clause (a) does not apply to an employee who is required to work on the holiday;
- (b) must be available for duty on such holiday if it occurs on one of his/her work days excluding vacation days except that this does not apply in respect of an employee who is laid off or suffering from a bona fide injury, or who is hospitalized on the holiday, or who is in receipt of, or who subsequently qualifies for, weekly sickness benefits because of illness on such holiday; a regularly assigned employee who is required to work on such general holiday shall be given an advance notice of four calendar days, except for unforeseen exigencies of the service, in which case he/she will be notified not later than the completion of his/her shift or tour of duty immediately preceding such holiday that his/her services will be required;
- (c) must be entitled to wages for at least 10 shifts or tours of duty during the thirty calendar days immediately preceding the general holiday. This Clause (c) does not apply to an employee who is required to work on the holiday.
- (d) Where Signal Gangs, otherwise continuously employed, are closed down for the Christmas and New Year's holidays to allow employees to return to their homes and where employees so affected are by mutual arrangement and as a consequence of such close down required by the railway to work additional days over and above their normal work week prior to such close down, the additional days so worked will be recognized as shifts or tours of duty for which the employee is entitled to wages in the application of this Clause (c). Where such close down occurs and the railway does not require the employees to work additional days as a consequence thereof, the number of working days in the period of close down will be credited in the application of Clause (c).

NOTE: Provided that an employee is available for work on the general holiday, absences from scheduled shifts or tours of duty because of bona fide injury, hospitalization, illness for which the employee qualifies for weekly sickness benefits and authorized maternity leave, parental and adoption leaves will be included in determining the 10 shifts or tours of duty referred to in this Clause (c).

14.3 A qualified employee whose vacation period coincides with any of the general holidays specified in Article 14.1 hereof shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

14.4 (1)(a) An assigned employee qualified under Article 14.2 hereof and who is not required to work on a general holiday shall be paid eight hours' pay at the straight time rate of his/her regular assignment.

(b) An unassigned or spare employee qualified under Article 14.2 hereof and who is not required to work on a general holiday shall be paid eight hours' pay at the straight time rate applicable to the position in which such employee worked his/her last tour of duty prior to the general holiday.

NOTE: In the application of this Article 14.4(1) for weekly rated employees "eight hours' pay at the straight time rate" shall be deemed to be a day's pay as calculated according to Article 14.6.

(2) An employee paid on an hourly, daily or weekly basis who is required to work on a general holiday shall be paid, in addition to the pay provided in Article 14.1, at a rate equal to one and one-half times his/her regular rate of wages for the actual hours worked by him/her on that holiday with a minimum of three hours for which three hours' service may be required, but an employee called for a specific purpose shall not be required to perform routine work to make up such minimum time.

NOTE: Where an employee is paid a guarantee of a specified number of hours per 4-week period and who works on the holiday, the general holiday pay as specified in Article 14.4(1)(a) shall be paid in addition to the regular compensation for such 4-week period.

14.5 Shifts or tours of duty commencing between 12:00 midnight on the eve of the general holiday and 11:59 p.m. on the night of the general holiday, both times inclusive, shall be considered as work on that holiday.

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

ARTICLE 15

Health and Welfare

15.1 The railway shall provide an employee benefit plan which shall be in accordance with the governing supplemental agreement.

15.2 Dental Plan

*13.A.5
no details* 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.
(See Dental Plan Booklet for details)

15.3 Continuation of Benefits

Effective April 1, 1992 the Health and Welfare benefits applicable to active employees will continue until age 65 for employees:

- (a) Retiring with a company pension, or who have 15 years of continuous employment relationship, or,
- 13.C.3* (b) who qualify for a disability pension under Ontario Northland's pension plan.

ARTICLE 16

Life Insurance Upon Retirement

16.1 An employee who retires from the service with a company pension at or after age 65 will be provided a \$7,000. death benefit. If retirement on pension is earlier than age 65 and an employee's term life insurance is extended to age 65, the paid death benefit will be provided at age 65.

ARTICLE 17

Jury Duty

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

An employee who has been allotted his/her vacation dates may reschedule such vacation because he/she is called for jury duty.

ARTICLE 17A

Injured On Duty

17A.1 An employee prevented from completing a shift due to a bona fide injury sustained while on duty will be paid for his/her full shift at straight time rates of pay, unless the employee receives Workers' Compensation benefits for the day of the injury in which case the employee will be paid the difference between such compensation and payment for the full shift.

ARTICLE 17.B

Worker Compensation/Weekly Indemnity

17B.1 In order to facilitate the return to active duty, where an employee is deemed fit to return to modified work, by his/her attending physician, Worker Compensation or the Company physician, he/she may be assigned, temporarily, to any position anywhere within his/her home terminal. The intent of this practice is to work towards returning injured and disabled employees to their regular assignment. When dealing with positions or groups of employees whose nature of work takes them throughout the system, then the assignment under this provision shall follow similar practices. In such instances the employee will be compensated his/her normal basic rate of pay/guarantee or the rate of the temporary assignment, whichever is greater.

ARTICLE 18

Bereavement Leave

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

NOTE: In the application of this Article "employee's spouse" means the person who is legally married to the employee and who is residing with or supported by the employee, provided that, if there is no legally married spouse, it means the person that qualifies as a spouse under the definition of that word in Section 2(1) of the Canadian Human Rights Benefits Regulations, as long as such person is residing with the employee.

ARTICLE 19

Use of Private Automobile

19.1 When an employee is authorized to use his/her private automobile for company business he/she shall be paid an automobile mileage allowance as follows:

30	cents per km for the first 4,000 km
24	cents per km - 4,001 to 10,700 km
20.5	cents per km - 10,701 to 24,000 km
17	cents per km - over 24,000 km

ARTICLE 20

Deduction of Union Dues

1.c **20.1** The railway shall deduct on the payroll for the last pay period of each month from the wages due and payable to each employee coming within the scope of this collective agreement an amount equivalent to the uniform monthly union dues of the Canadian Signal and Communications Union (hereinafter referred to as the "Union") subject to the conditions and exceptions set forth hereunder.

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

20.3 Employees filling positions of a supervisory or confidential nature not subject to all the rules of this agreement as agreed between the appropriate officers of the railway and the union shall be excepted from dues deductions.

20.4 Membership in the union 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 lodge or division concerned. Membership shall not be denied for reasons of race, national origin, colour or religion.

20.5 Union dues deductions for new employees shall commence on the first pay period which contains the 24th day of the month.

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

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

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

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

20.10 The railway shall not be responsible financially or otherwise either to the union or to any employee, for any failure to make 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 railway shall adjust it directly with the employee. In the event of any mistake by the railway in the amount of its remittance, to the union, the railway shall adjust the amount in a subsequent remittance. The railway's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amount payable to the designated officer of the union.

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

20.12 In the event of any action at law against the parties hereto or any of them resulting from any deduction or deductions from payrolls made or to be made by the railway pursuant to Article 20.1 of this agreement, 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 counsel fees are incurred these shall be borne by the union. Save as aforesaid the union shall indemnify and save harmless the railway from any losses, damages, costs, liability or expenses suffered or sustained by the railway as a result of any such deduction or deductions from payrolls.

ARTICLE 21

Employment Security and Income Maintenance Plan

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

ARTICLE 22

Employee Representatives

22.1 For the carrying out of this Agreement the railway will deal only with duly authorized employees' representative. At the beginning of each year the General Chairman will furnish the President or other officer in charge, with the names of representative employees authorized to deal with such matters.

ARTICLE 23

Definitions and Qualifications

23.1 Signal Technician (also includes Assistant Signal Technician)

(a) A Signal Technician or Assistant Signal Technician, is an employee who has successfully passed the qualifying examinations for Signal Technician or Assistant Signal Technician and who has been awarded a position as such to perform work pertaining to or under the jurisdiction of the Signal Department.

(b) Candidates for acceptance as Signal Technician or Assistant Signal Technician shall have knowledge of the fundamentals of electronics and shall undergo qualification tests.

(c) In the event no applications are received from qualified applicants, the company may hire a qualified employee or appoint the most qualified applicant in which event the employee so appointed must successfully complete the signal electronics course. Should such employee fail to complete the signal electronics course he/she may elect to return to his/her former position or bid a vacancy.

(d) Employees who have passed the Signal Technician or Assistant Signal Technician qualification tests shall be appointed as such by the railway due regard being given to the requirements of the service and the seniority of the applicants.

(e) It is acknowledged that technological change will result in new or changed equipment being installed in signal service and that it may be necessary for those employees who have not worked as a Signal Technician or Assistant Signal Technician to re-qualify.

(f) An employee awarded a position of Signal Technician or Assistant Signal Technician will be allowed a minimum of 90 calendar days to demonstrate his/her ability to perform the work. The company will have a maximum of 180 calendar days to evaluate his/her ability to perform the work. If he/she fails to meet the requirements of the position, he/she shall be returned to his/her former position. The Asst. General Chairman will be advised of the particulars of each such case.

(g) An employee awarded a position as Signal Technician or Asst. Signal Technician will be accorded a seniority date as such and will continue to accumulate seniority in those classifications in which he/she had formerly established seniority. A Technician or Asst. Signal Technician who does not have Maintainer/Mechanic seniority due to his/her having bid to the position of Technician or Asst. Signal Technician directly from the apprentice classification will be accorded Maintainer/Mechanic seniority at the time an apprentice who is junior in seniority to him/her acquires Maintainer/Mechanic seniority.

(h) The railway reserves the right to employ non-schedule specialists.

23.2 Signal Foreman

An employee assigned to supervise the work of a gang engaged in the maintenance or construction of signal apparatus, and to instruct the members of the gang in the proper performance of the work.

23.3 Leading Signal Maintainer

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art. 25.1. The Leading Signal Maintainer is a Signal Maintainer who will act as Signal Testman when so required in company, When performing the duties of a Testman, he/she will be paid the Testman's rate of pay. When not performing the duties of a Testman, he/she will be in charge of his/her regular Maintainer's territory and will be paid the Leading Signal Maintainer's rate of pay.

23.4 Signal Maintainer or Signal Mechanic

An employee qualified and assigned to construct, install, maintain, repair or renew any apparatus, or to perform electrical and other work pertaining to, or under the jurisdiction of the Signal Department.

23.5 (a) Signal Helper

An employee assigned to assist other employees specified above.

(b) Signal Apprentice

An employee who is in training to be a Signal Maintainer under Article 24.

NOTE: A signal helper or apprentice when working alone, or two or more signal helpers or apprentices working together, may perform such work as painting, cleaning interior of cases, greasing switch apparatus, cleaning lenses, renewing primary batteries, shop cleaning, handling material, excavating, observing switch points, high water detectors, bonding, line wire and insulators and repairing when feasible but shall not be required to do work recognized as distinctively signal maintainers' or signal mechanics' work.

23.6 Signal Assistant

(a) A Signal Assistant is an employee who has successfully completed his/her apprenticeship training and whose seniority does not entitle him/her to a position in a higher classification.

(b) An employee who has successfully completed his/her apprenticeship training will be eligible for the Signal Assistant classification three years after the date on which he/she entered the apprenticeship program. The date of entry into the apprenticeship program shall be the date the employee was first paid as an apprentice.

(c) Where the application of Article 24.11(a) results in an employee's apprenticeship time being reduced, the above mentioned three year period will be reduced by the same amount of time.

(d) An employee who is eligible for the Signal Assistant classification shall be considered a Signal Assistant when he/she is not assigned to a higher rated classification.

ARTICLE 24

Apprenticeship Training Plan

7.E The following rules will apply in the administration of a Training Plan for Signal Department maintenance employees:

24.1 New employees to be retained in the service of the Signal Department beyond the probationary period provided in Article 1.9 of the Collective Agreement must have completed at least Grade 12 or equivalent and meet other qualifying standards as determined by the company. Such employees shall be classed as Signal Apprentices and shall commence employment at the starting apprentice rate. However, if an employee entering the service can show satisfactory evidence of previous signal experience and ability, he/she may commence at the rate of the apprentice class to which his/her experience entitles him/her, the company to be the judge of his/her qualifications.

24.2 Apprenticeship training contemplates two years of training, consisting of four consecutive training periods, to commence as soon as practicable after entry into the service or whatever training is adopted as the training course.

4.3 Trainees will be required to take practical and/or written examinations in conjunction with each training period. Examinations and questions will be limited to the material furnished in each lesson and previous lessons, the type of apparatus on which the trainee has received instructions and the type of work on which the trainee has been instructed in the current or previous training periods.

24.4 The company shall provide each employee taking training with booklets, pamphlets and other material to permit him/her through study, to prepare for his/her examinations. Foremen and Signal Maintainers will assist trainees to learn and understand the functioning of the signal system.

24.5 Trainees will receive on-the-job training, attend instruction classes and be given examinations during regular working hours.

24.6 When an examination is passed the trainee will be furnished with a card or letter advising him/her that the examination was passed successfully. If a trainee fails to pass an examination, he/she will be given a letter stating that he/she failed and pointing out wherein he/she failed.

24.7 Any employee entering the service after July 1, 1974 and retained beyond the 125 working days probationary period who fails an examination will be given a second opportunity to pass the examination prior to commencement of the next training period lectures which he/she had been scheduled to attend. Employees who fail twice on any one examination will be removed from the service.

24.8 Employees who fail an examination twice and claim that they did not have a proper examination may appeal the decision in writing giving grounds for such appeal, provided they do so within 30 days of being notified of the decision. They will then have the right to choose a qualified maintainer who, with the proper officers of the company (not more than three) and a representative of the Brotherhood, will be present at an oral examination. Should this group decide the employee has failed to pass, the decision of the company will be sustained.

24.9 When an employee has successfully passed all the examinations, he/she will be given a letter certifying this fact by the Signal Superintendent.

24.10 Employees classed as Signal Maintainer, Signal Mechanic, Assistant Signal Foreman and Signal Foreman will take additional training as required.

24.11 (a) Signal Helpers who entered the service prior to July 1, 1974 and who elect to take the training will be tested to determine their standing in the training program and will be placed in the apprenticeship class indicated by such tests.

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See
art. 24.7 (b) Signal Helpers who elect not to enter the training program and helpers who do not show sufficient aptitude for the training will remain as helpers and will not be allowed to participate in the Training Plan except as provided in Clause (d) below.

(c) Helpers who are placed in the Training Plan and who fail twice on any one examination will revert to Helper's status.

(d) Helpers covered by Clauses (b) and (c) above, may apply for entry or re-entry to the Training Plan after a period of 12 months since their election, rejection or last failure provided that they take the necessary qualifying examinations on their own time.

24.12 No additional positions of Assistant Maintainer or Assistant Mechanic will be established. Present positions as such will be continued only until they are vacated by the incumbents.

24.13 Trainees who have successfully completed the Training Course must accept promotion (as contemplated in Article 12) to Maintainer in seniority order. If promotion is refused they shall lose their turn and they shall be moved to the bottom of the helpers' and apprentices' seniority list. If no position is available in a higher group, apprentices who have completed their training shall continue at the highest apprentice rate of pay until promoted.

24.14 An apprentice may take promotion to a higher class in order of seniority prior to the completion of his/her training, if a position is available, and will be paid the rate of the higher class and acquire seniority in such class from the date of promotion. An employee so promoted must complete his/her training. If he/she fails to meet the requirements of the service within 90 days he/she shall be returned to his/her former apprentice status to complete his/her training and shall forfeit seniority acquired in the higher class.

24.15 (a) Vacancies and new positions for apprentices shall be bulletined as Helper positions and filled by Helpers or apprentices in order of seniority as Helper, except that existing employees who do not qualify under this Article will not be appointed to positions presently filled by Assistant Signal Maintainers.

(b) Notwithstanding the provisions of Clause (a) above, an apprentice hired subsequent to July 1, 1974 will be assigned to a training location which will be considered his/her headquarters. Headquarters of such apprentices may be temporarily changed for periods of up to three months for training purposes only. Apprentices so affected will be given at least 72 hours' notice of change of headquarters. The application of this provision will not interfere with the normal seniority rights of employees.

24.16 (a) An apprentice receiving training away from his/her headquarters who leaves and returns to his/her headquarters' location daily, will be paid travel time at pro rata rates for all time travelling in excess of three hours in any one day.

(b) An apprentice receiving training away from his/her headquarters which does not permit him/her to return to his/her headquarters' location daily, will be reimbursed for actual reasonable expenses incurred. Such employee will be paid travel time at pro rata rates for time travelling outside of their regular hours of duty, except that travel time will not be allowed between the hours of 9:00 p.m. and 7:00 a.m. when sleeping accommodation is available.

(c) When training schedule permits, employees attending training away from headquarters will be provided with free train transportation to their headquarters and return on weekends on condition that they must be available for their first training assignments following the weekend. If train service is not available, the company may, at its discretion, provide free transportation using alternate means of public conveyance. Trainees travelling to and from their headquarters on weekends will not be eligible for payment of travel time or overtime, but will be allowed actual reasonable expenses while travelling in lieu of expenses that would have accrued at the away-from-headquarters training location. The foregoing will also apply for travel to an employee's place of residence if different from his/her headquarters' location provided the residence is on the company's lines.

ARTICLE 25

Rates of Pay

25.1 Revised Rates of Pay:

Rate Effective:

	2%		3%		4%	
	<u>Jan. 1/02</u>		<u>Jan. 1/03</u>		<u>Jan. 1/04</u>	
	Training		Training		Training	
	Before	After	Before	After	Before	After
	Weekly		Weekly		Weekly	
Signal Foreman	\$1,026.11	\$1,033.21	\$1,056.89	\$1,064.21	\$1,099.17	\$1,106.77
Asst. Signal Foreman	884.18	891.29	910.70	918.02	947.13	954.75

Hourly

Signal Testman	24.72	24.72	25.47	25.47	26.49	26.49
Signal Technician	22.36	22.54	23.03	23.22	23.95	24.15
Asst. Signal Technician	21.53	21.72	22.18	22.37	23.07	23.26
Leading Signal Maint.	21.53	21.72	22.18	22.37	23.07	23.26
Signal Maintainer or Mechanic	21.26	21.44	21.89	22.08	22.77	22.97

Hourly

Asst. Signal Maintainer or Mechanic -	19.68	20.27	21.08
Signal Assistant Apprentices -	19.31	19.89	20.68
1st 6 months -	16.69	17.19	17.88
2nd 6 months -	16.89	17.40	18.09
3rd 6 months -	17.09	17.60	18.30
Thereafter -	17.57	18.10	18.83
Signal Helpers and Gang Helpers -	14.64	15.08	15.68
Students	8.6353	8.8944	9.2502

11.D.5 **25.2** Employees temporarily assigned to higher rated positions will receive the higher rates to which their experience entitles them while occupying such positions.

25.3 Employees temporarily relieving in lower rated positions will not have their rates reduced.

25.4 Shift Differentials $\frac{11. c. 1}{0,50\$/h}$ $\frac{11. c. 2}{0,55\$/h}$

8.A.27 Employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of 50 cents per hour and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of 55 cents per hour.

Overtime shall not be calculated on the shift differential nor shall the shift differential be paid for paid absence from duty such as vacations, general holidays, etc.

25.5 In applying the rates of pay for Signal Apprentices, 1044 hours of accumulated compensated service shall be considered as six months' service and 2088 hours as one year's service. Holidays and vacation time shall be considered as compensated service.

25.6 Students

(a) Students may be hired, where warranted, to supplement the staff and to provide relief for regular employees.

(b) The rate of pay for students will be \$8.00 per hour. Future general wage increases will also be applied to this rate of pay.

(c) Students will only be hired under this Article during the period May 1 to September 15. They will be engaged for a specific period of time, will not accumulate seniority and will not obtain bidding rights. They will also not qualify for fringe benefits other than those required by law.

(d) In the event that employees holding seniority under this agreement are faced with lay-off or are on laid off status, they will be given preference in employment over students covered by this rule.

TERMINATION

Except as otherwise indicated, the revised provisions of this Agreement are effective on the date the agreement is signed. The Agreement as amended will remain in effect until December 31, 2004 and thereafter until revised or superseded subject to four months' notice by either party at any time after August 31, 2004.

Dated at North Bay, Ontario this 20th day of January 2003.

For ONTC:

For the Unions:

R. Hains
Executive Vice-president

G. Louttit
Local Chairman
International Brotherhood
of Electrical Workers

ONTARIO NORTHLAND RAILWAY

November 1, 1974

8390-8

Mr. J. E. Platt,
Vice-president,
Brotherhood of Railroad Signalmen.

Dear Mr. Platt:

At the meeting held in North Bay on July 22, 1974, a discussion took place concerning the application of proposed Article 2.5 to employees presently in the service.

3.E

This will confirm the assurance given to Mr. Mitchell and Mr. Hueston that employees who were in the service prior to July 1, 1974 will not be removed from the service in the application of Article 2.5.

Yours very truly,

F. S. Clifford,
General Manager.

ONTARIO NORTHLAND RAILWAY

March 10, 1978

8390-8

Mr. J.E. Platt,
Vice-President,
Brotherhood of Railroad Signalmen,
1396 St. Catherine St. W.,
Suite 323,
Montreal, Quebec. H3C 1P9

Dear Mr. Platt:

This refers to our notice of January 23, 1978 concerning the reduction of signal territories north of Temagami.

At a meeting held in North Bay on March 9, 1978, in compliance with Section 4 of Article VIII of the Job Security Agreement, the following measures were agreed upon for "further minimizing the adverse effects on employees".

1. One signal territory with headquarters at Englehart will be abolished effective May 1, 1978.
2. The normal application of the Job Security Agreement would require the exercise of seniority by one Signal Maintainer, the relocation of at least one employee, the maintenance of basic rates for at least one employee and the lay off of one junior apprentice. In order to avoid such dislocations, the following will apply:
 - (a) Maintainers W.R. Mills and W.E. Hebert and Asst. Maintainer M. Bond will be allowed to remain at Englehart on their present positions handling the one remaining Englehart territory. The cost of maintaining their rates of pay over and above their present incumbency rates will be paid out of operating expenses.
 - (b) There is no requirement to rebulletin any position affected by the changes in territories.
 - (c) Subject to the approval of the Job Security Committee, the **first** Englehart employee (Mills, Hebert or Bond) who successfully bids to a permanent assignment at another location thereby reducing the Englehart complement to two employees will be entitled to relocation benefits from the Job Security Fund.
 - (d) When the staff at Englehart reduces to the normal complement of *two* employees, the Englehart and adjoining territories may be adjusted without further notice.
 - (e) A position of Leading Signal Maintainer will be established effective May 1, 1978. The ranking for seniority purposes for Leading Signal Maintainers and/or Signal Testmen will be No. 3, behind Signal Foremen and ahead of Signal Maintainers. Article 1.12 will be amended accordingly.
 - (f) The Leading Signal Maintainer will act as Signal Testman when so required by the company. When performing the duties of a Testman, he/she will be paid the Testman's rate of pay. When not performing the duties of a Testman, he/she will be in charge of his/her regular Maintainer's territory and will be paid the Leading Signal Maintainer's rate of pay or 14 cents per hour above the present incumbency rate for Maintainers, whichever is greater.
 - (g) The headquarters of the successful applicant will be considered the headquarters for the Leading Signal Maintainer. This means that the regular Maintainer's position will be replaced by the position of Leading Signal Maintainer.

ll. D. S

If you agree with the foregoing, will you please so indicate in the space provided at the bottom of this letter and return one copy for implementation purposes.

Yours very truly,

F. S. Clifford,
General Manager.

I Agree:

John E. Platt
Vice-president,
Brotherhood of Railroad Signalmen

ONTARIO NORTHLAND RAILWAY

January 28, 1982
North Bay, Ontario

8390-8

Mr. J. E. Platt,
Vice-president,
Brotherhood of Railroad Signalmen,
Suite 505, 130 Slater Street,
Ottawa, Ontario. K1P 5H6

Dear Mr. Platt:

This refers to your Article III request in connection with Article 5.4 of the Collective Agreement.

It is understood that, in the application of Article 5.4, the following will apply:

1. An employee called on the telephone in case of an emergency or a temporary urgency outside of his/her regular assigned hours, after having been relieved, who accepts such call and is required to provide, by telephone, technical assistance in case of signal failures, etc., and does provide such assistance, will be paid 3 hours at punitive rate.
2. An employee will only be entitled to one 3 hour payment for any period of 3 consecutive hours commencing with the first call, even though he/she may receive other calls during such 3 hour period.
3. An employee who is called, and has accepted the call, but is cancelled prior to his/her leaving home, will be paid one hour at punitive rate.

Clauses 1 and 2 above relate to situations where an employee is required to provide technical assistance over the telephone, outside of his/her regular assigned hours. The present understanding regarding the type of situation where an employee is required to report to a particular location to perform emergency repairs remains unchanged.

An employee is considered to qualify for only one 3 hour payment when he/she is required to report to a work location as a consequence of not being able to correct the problem over the telephone when called. However, in two unrelated situations where firstly, the employee provides technical assistance over the telephone and then subsequently is called to report to a work location, even though both calls are within the limits of three hours, would entitle the employee to two minimum three hour payments at the punitive rate.

Clause 3 above relates to situations where an employee is called and cancelled. This provision applies when an employee is called to report to work, provides no technical assistance over the telephone and is advised that his/her services are no longer required before his/her departure from home.

Would you be kind enough to indicate your concurrence to this understanding in the space provided below.

Yours very truly,

R. O. Beatty,
General Manager.

I Concur:

J. E. Platt
Vice President,
Brotherhood of Railroad Signalmen



ONTARIO NORTHLAND RAILWAY

Montreal

May 22, 1985

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

Dear Sir:

This has reference to the award of the Arbitrator, the Honourable Emmett M. Hall dated December 9, 1974, concerning the contracting out of work.

In accordance with the provisions set out on Page 49 of the above-mentioned award, it is agreed that work presently and normally performed by employees represented by the Associated Non-operating Railway Unions signatory to the Memorandum of Settlement dated May 22, 1985, will not be contracted out except:

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

1.E.3 (2) where sufficient employees, qualified to perform the work, are not available from the active or laid-off employees; or

(3) when essential equipment or facilities are not available and cannot be made available from Railway-owned property at the time and place required; or

involved; or

1.E.5 (5) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property; or

(6) where the nature or volume of the work is such that undesirable fluctuations in employment would automatically result.

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

It is further agreed that at a mutually convenient time at the beginning of each year and, in any event, no later than January 31 of each year, representatives of the Union will meet with the designated officers to discuss the company's plans with respect to contracting out of work for that year. In the event union representatives are unavailable for such meetings, such unavailability will not delay implementation of company plans with respect to contracting out of work for that year.

1.E.1 In addition, the company will advise the union representatives involved, in writing, as far in advance as is practicable, of its intention to contract out work which would have a material and adverse effect on employees. Except in case of emergency, such notice will be no less than 30 days.

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

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

Where a union contends that the company has contracted out work contrary to the foregoing, the union may progress a grievance by using the grievance procedure which would apply if this were a grievance under the collective agreement. Such grievance shall commence at Step 2 of the grievance procedure, the union officer submitting the facts on which the union relies to support its contention. Any such grievance must be submitted within 30 days from the alleged non-compliance.

Yours truly,

P. A. Dymont, General Manager.

ONTARIO NORTHLAND RAILWAY

North Bay, Ontario
April 26, 1982

8000-51G

Dear Sirs:

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

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

A disabled employee placed on a position shall not be displaced by an able-bodied employee so long as he/she remains on that position except when a senior employee is otherwise unable to hold a position within his/her seniority group.

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

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

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

Yours truly,

P. A. Dymont,
General Manager.

I Concur:

A. Passaretti
Vice-president,
Brotherhood of Maintenance of Way Employees.

J. E. Platt,
Vice-president,
Brotherhood of Railroad Signalmen.

J. D. Hunter,
National Vice-president,
Canadian Brotherhood of Railway,

Transport and General Workers.

R. C. Smith,
National Vice-President,
Brotherhood of Railway, Airline and
Steamship Clerks.



Letter of Understanding

January 20, 2003.

Mr. R. Paulin
Local Chairman
Brotherhood of Maintenance of Way Employees

Mr. R. Marleau
Chief Steward
United Steelworkers of America Local 1976

Mr. A. Mitchell
President
CAW Local 103

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

This letter is in reference to the discussions with regard to the payment of Company/Carrier requested medical forms. It ~~was~~ agreed that the Company would bear the cost of all medical forms necessary for the ongoing adjudication of a claim, except for the initial "Part **B**" form when an employee is applying for Weekly Indemnity Benefits.

Greg Stuart
Director Human Resources



Letter of Understanding

January 20, 2003

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

Signed at North Bay, Ontario the 20th day of January 2003.

For the Unions:

Brotherhood of
Locomotive Engineers

United Transportation Union

CAW Local 103 (President)

CAW Local 103 (Office Clerks)

CAW Local 103 (Clerks and
Other Classes)

CAW Local 103 (Train Service
Employees)

Brotherhood of Maintenance
of Way Employees

United Steelworkers of America
Local 1976

International Brotherhood of
Electrical Workers

For the Company:

R. Hains
Executive Vice-president

ONTARIO NORTHLAND RAILWAY

North Bay, Ontario
January 20, 2003

Mr. R. Paulin
Local Chairman
Brotherhood of Maintenance of **Way** Employees

Mr. R. Marleau
Chief Steward
United Steelworkers of America Local 1976

Mr. A. Mitchell
President
CAW Local 103

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

Mr. S. O'Donnell
Local Chairman
Brotherhood of Locomotive Engineers

Mr. P. Koning
General Chairperson
United Transportation Union

Dear **Sirs**:

To follow up on our discussions concerning an amendment to the pension plan for the buy **back** of lost pensionable service this will confirm the commitment of management to have the buy back amendment presented to the Commission in an attempt to gain approval.

Sincerely,

R. Hains
Executive Vice-President

**EMPLOYEE BENEFIT PLAN
SUPPLEMENTAL AGREEMENT**

B ~~E~~ISEN

**ONTARIO NORTHLAND
TRANSPORTATION COMMISSION**

AND

ASSOCIATED RAILWAY UNIONS
(representing the Unions Signatory hereto)

46

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

1. An eligible employee shall be entitled to:

See p. EBPSA-2

13.A.1/100% (a) Life Insurance coverage in the amount of \$43,000. with double indemnity provision for accidental death, details of which are contained in Appendix "A".

13.A.6/100% (b) Weekly Indemnity Benefits up to 26 weeks from wage loss on account of sickness or non-occupational accident of 70% of base pay up to a maximum of \$560. per week, details of which are contained in Appendix "B".

(c) Medicare Allowances, details of which are contained in Appendix "C".

12.F.1/N17 (d) Maternity Leave Benefits or Adoption Leave Benefits up to 17 weeks based on 70% of weekly base pay with no maximum, details of which are contained in Appendix "D".
12.F.2/N17

no details (e) Extended Health Care Benefits, details of which are contained in Appendix "E".

13.A.5 (f) Dental Care Benefits, details of which are contained in Appendix "F".

no details (g) Long Term Disability Protection Plan, details of which are contained in Appendix "G".

13.A.7 (h) Vision Care Benefits, details of which are contained in Appendix "H".
no details

13.A.8 (i) Eligibility qualifications and pay direct provisions shall be as outlined in Appendix "I".
no details

See Appendix "I"

6.E.6 3. An Administrative Committee will be established to act as a Committee of Appeal in cases where an employee may feel that he/she has been unjustly dealt with in respect of weekly indemnity payments. This will not be construed to deny an employee any rights of appeal which he/she may have under his respective Collective Agreement.

4. (a) The Administrative Committee shall be comprised of three members from the Company and three members to be nominated by the General Chairmen's Association and will hold office until successors are named.

(b) Should a vacancy, temporary or otherwise, occur on the Committee it shall be filled by a substitute appointed by the appointer of the original member.

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

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

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

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

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

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

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

See P.
EBPSA.

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

8. The provisions of this agreement shall become effective on February 1, 2003.

9. This Supplemental Agreement supersedes the Supplemental Agreement signed at North Bay, Ontario on the 26th day of March, 1992 and will remain in effect until December 31, 2004 and thereafter subject to four months notice by either party of their desire to revise or terminate it, which may be served at any time subsequent to August 31, 2004.

Signed at North Bay, Ontario this 20th day of January, 2003.

For ONTC:

For the Unions:

R. Hains
Executive Vice-president

P.G. Koning
General Chairperson
United Transportation Union

L. Brassard
Local Chairperson United
Transportation Union

D. Selin
Yard Representative
United Transportation Union

R. Leclerc
General Chairperson Brotherhood

of Locomotive Engineers

S. O'Donnell
Local Chairman Brotherhood of
Locomotive Engineers

C. Yantha
Vice Local Chairman
Brotherhood of
Locomotive Engineers

R. Marleau
Chief Steward
United Steelworkers of
America Local **1976**

G. Louttit
Local Chairman
International Brotherhood
of Electrical Workers

J. Dutra
System Federation
General Chairman Brotherhood of
Maintenance of Way Employees

R. Paulin
Local Chairman
Brotherhood of Maintenance of
Way Employees

A. Mitchell
President
CAW Local 103

S. Brown
CAW Local 103

S. Caverly
CAW Local 103

D. Graham
CAW Local 103

T. McBean
CAW Local 103

K. Morgan
CAW Local 103

T. Dattilo
National Staff Representative
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada
(CAW-Canada)

APPENDIX "A"

LIFE INSURANCE BENEFITS

13. A. 1) ^{100%} 1. Effective February 1, 2003 each eligible employee will be covered in a group policy with life insurance in the amount of \$43,000. with a double indemnity provision on a 24 hour basis for accidental death.

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

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

2. Conversion Privilege

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

3. Beneficiary

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

4. Disability Benefits

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

5. Assignment

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

6. Termination of Insurance

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

APPENDIX "B"

WEEKLY INDEMNITY BENEFITS

13.A.6
100% 1. (a) Effective February 1, 2003 for claims which originate on or after that date, an eligible employee will be entitled to weekly indemnity benefits of 70% of his/her weekly base pay to a maximum of \$560. per week.

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

(b) Weekly Indemnity benefits will commence for eligible employees from the first day in case of accidental injury, from the first day of sickness if hospitalized during the period of the claim and from the third day in other cases of sickness. Payments will be made for up to 15 weeks. If an employee continues to be disabled under this 15 week period and if he/ she is eligible for Employment Insurance sickness benefits, he/she will be required to claim such EI sickness benefits. Following the exhaustion of such EI sickness benefits, an employee will continue to be eligible for weekly indemnity benefits for a period of up to 11 weeks without any further waiting period. In the event an employee is not eligible to receive EI sickness benefits, he/she would be immediately eligible to receive weekly indemnity benefits for the remaining 11 weeks of the 26 weeks period.

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

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

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

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

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

Benefits will not be payable:

- (a) for any period of disability during which the employee is not under the care of licensed physician, surgeon or chiropractor;
- (b) for any period during which the employee is receiving benefits under Provincial Workers' Compensation legislation, unless compensation is payable in respect of a previously incurred partial disability which permits continuation of his/her employment;
- (c) for any accident or sickness for which an employee is receiving benefits under Provincial Workers' Compensation legislation,
- (d) for any period during which an employee is entitled to sickness or disability benefits from the Employment Insurance Program in accordance with Section 1(c) of this Appendix "B"; (see Note 1);
- (e) In respect of an accident which occurs while the employee is performing any work for wages or profit other than on behalf of the company;
- (f) if the employee is drawing vacation pay or pay for general holidays or is on strike; (see Note 2);
- (g) for intentionally self-inflicted injury, or injury resulting from war, insurrection or participation in a riot;
- (h) for absence from work due to pregnancy leave;
- (i) for any period during which an employee is engaged in any occupation for wages or profit;
- (j) when an employee is **laid off**, or on leave of absence (see Note 3).

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

Explanation of Notes

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

APPENDIX "C"

MEDICARE ALLOWANCES

1. Allowances will be paid by the Company for medical-surgical benefits to be applied against payments provided for under any government medical care program as follows:

- (a) Eligible employees, regardless of marital status, resident in the Province of Quebec, an allowance of \$10.00 per month.
- (b) Eligible employees resident in the Province of Ontario

Monthly allowances as follows:

Employees with no dependants	\$22.50
Employees with dependants	\$45.00

2. Such allowance will first be used to pay any amount the Company is, or might be in the future, required to pay for such medical-surgical benefits under any medical care program.
3. If no monthly amount is payable or if the monthly amount payable, or to be payable, by an employee, or by an employee and the Company, account medical-surgical benefits is less than the allowance, the difference will be paid by the employee on the payroll and if the monthly amount is greater, the difference will be deducted from the employee's wages.
4. Subject to the provisions of the above sections an employee qualifies for an allowance for any month only if he/she performs compensated service in the payroll period which contains the tenth day of the month or in the payroll period immediately preceding. The application of this section will not operate to deny an eligible employee the allowance for any month in which he/she performs compensated service nor to grant him/her the allowance for any month in which he/she does not perform compensated service.
5. Notwithstanding the provisions of Section 4 above an eligible employee who does not perform compensated service in such pay periods but who is in receipt of a weekly indemnity payment under the provisions of Section 1(b) of this agreement or an Employment Insurance benefit as contemplated in Section 1(c) of Appendix "B" or who is off work account W.S.I.B. disability will be treated as follows:

- (i) If he/she is resident in a province where a medicare premium or medicare tax is payable, he/she will be eligible for the amount of such premium or tax up to the maximum amount stipulated in Section 1 of this Appendix, or such lesser amount as is required to pay the premium or tax in such province.
- (ii) If he/she is resident in a province where no medicare premium or medicare tax is required, no payment will be made.

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

Note:

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

APPENDIX "D"

PAID MATERNITY LEAVE PLAN

12.51/E:15/P70%
12.52/E:15/P70%

1. Effective on the first day of the month following the signing of this agreement, a paid Maternity Leave Plan will be established for claims which originate on or after that date. The plan will provide maternity leave benefits in the event of childbirth or the adoption of a child less than one year old of an amount that, when added to Employment Insurance Maternity Benefits, will result in the employee receiving 70% of her weekly base pay with no maximum amount for those weeks during which she receives Employment Insurance Maternity Benefits, i.e., for a maximum of 15 weeks.

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

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

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

APPENDIX "E"

EXTENDED HEALTH CARE BENEFITS

13.A.3 The Extended Health Care Plan provides for coverage of semi-private hospital accommodation expenses and major medical coverage, drugs and vision care expenses in accordance with the following: *no details*

a) Hospital Benefit

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

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

Employees hired on or after July 1, 1996 will not be covered for semi-private insurance.

3.E

(b) Drug Benefit

100% of charges for drugs, including oral contraceptives, sera and injectibles prescribed by a licensed doctor (MD) or licensed dentist and dispensed by a registered pharmacist, that regardless of their legal status are not normally obtainable except by prescription from a licensed doctor (MD) or licensed dentist. The drug plan is not subject to an annual deductible. *No details*

13.A.4
No details

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

(i) No generic substitute is available, or

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

(c) Major Medical Benefit

- The Major Medical Benefit portion of the plan is subject to a deductible of \$25.00 per family, per calendar year.
- This benefit is subject to a lifetime maximum amount of \$43,000. per individual.
- The Major Medical expenses are subject to 80% reimbursement for the following covered expenses:
- Services of a licensed physiotherapist
- Services of a registered nurse
 - charges for home nursing care, by a registered nurse (R.N.) or when unavailable a registered nursing assistant (R.N.A.) who:
 - is not a member of your family; and
 - does not normally live in your home;
 - when ordered by a licensed doctor (M.D.) as medically necessary for a disability that requires the specialized training of an R.N. or R.N.A.
 - charges for nursing care in a hospital if such charges are not covered under the insured person's Provincial Health Plan, by a Registered Nurse (R.N.) or when unavailable a Registered Nursing Assistant (R.N.A.) who:
 - is not a member of your family; and
 - does not normally live in your home.
- Diagnostic and x-ray services, blood and blood plasma, oxygen and rental of equipment for its administration
- Purchase of durable medical equipment, crutches, artificial limbs, etc., including elastic support stockings and orthopaedic shoes
- Rental or purchase of a wheelchair, hospital bed or iron lung
- Licensed ambulance, including air ambulance to and from the nearest hospital
- Dental treatment for accidental injury to natural teeth

Expenses Not Covered:

No payment is made for the following expenses:

- Cost of the difference between a semi-private and a private hospital room
- Convalescent or nursing home care
- Cost of treatment by chiropractors, osteopaths, podiatrists, speech therapists and psychologists
- Hearing aid expenses

- Drugs which can be purchased without prescription (with certain exceptions). For example: patent medicines, vitamins, health foods, cough and cold preparations, aspirin and similar products are ineligible.

General Exclusions

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

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

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

Co-ordination of Benefits

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

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

APPENDIX "F"

DENTAL CARE BENEFITS

13. A. 5

No deductible

The Dental Care Plan provides for coverage of 100% of the expenses for routine dental care and 50% of expenses for major dental care subject to a calendar year deductible of \$35.00 per person, but not more than \$35.00 per family to a maximum annual benefit of \$1,325. per person. Eligible employees and their dependants will be covered for expenses as follows:

Routine Care

Charges up to the maximum benefit for:

- oral examinations, cleaning of teeth, fluoride treatments and bite wing x-rays: twice in any calendar year, but not more than once in any ~~six~~ month period for dependants under age 18, and not more than once in each nine months for adults, beginning September 1, 1994.
- full mouth series of x-rays: once every 24 months for dependants under age 18 and not more than once in each 36 months for adults.
- extractions and alveolectomy (bone work) at time of tooth extraction

- dental surgery
- general anaesthesia and diagnostic x-ray and laboratory procedures required for dental surgery
- amalgam, silicate, acrylic and composite fillings
- necessary treatment for relief of dental pain
- cost of medication and injections given in the dentist's office
- space maintainers for missing primary teeth and habit breaking appliances
- consultations required by the attending dentist
- surgical removal of tumors, cysts, neoplasms
- incision and drainage of abscess
- endodontics (root canal therapy)
- periodontal treatment (gum and tissue treatment)

Dentures, Crowns and Bridge Work

Charges up to the benefit maximum for:

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

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

Other Dental Practitioners

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

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

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

Effective February 1, 2003, the Suggested Fee Guide will be increased to provide reimbursement of covered dental costs according to the current Ontario Dental Association fee guide

Alternative Services

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

Predetermination of Benefits

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

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

Limitations

No amount will be paid for charges for:

- dental care which is cosmetic;
- completion of claim forms;
- broken appointments;
- dental care covered under a medical plan provided by an employer or government which, in the absence of insurance, there would be no charge;

- stainless steel crowns on permanent teeth;
- oral hygiene instruction or nutritional counselling;
- protective athletic appliances;
- prostheses, including crowns and bridgework, and the fitting thereof which were ordered while the person was not insured, or which were ordered while the person was insured but which were finally installed or delivered after this benefit is discontinued or more than 31 days after termination of insurance for any other reasons;
- a full mouth reconstruction, for a vertical dimension Correction, or for diagnosis or correction of a temporomandibular joint dysfunction;
- replacement of a lost or stolen prosthesis; or
- orthodontic treatment or correction of malocclusion

APPENDIX "G"

LONG TERM DISABILITY PROTECTION PLAN

13. A.7
no details **1. Employee Eligibility:**

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

2. Requirements:

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

Benefit Provision:

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

Rehabilitation:

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

- 1) work in a full-time or part-time occupation for compensation or profit while the employee is unable because of the disability to be actively at work at his/her own job, or
 - 2) participation in non-remunerative vocational training or work for rehabilitation.
- Payment:

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

Expenses:

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

Limitations:

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

Exclusions:

LTD benefits will not be payable:

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

Termination:

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

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

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

APPENDIX "H"

VISION CARE BENEFITS

13.A.8 Effective January 1, 2000, the Vision Care Plan provides for reimbursement of up to 100% to a maximum of \$210, payable in any 24 month period, or in any 12 month period for dependants age 18 or under. The \$25.00 annual deductible does not apply to the Vision Care Plan.
No details

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

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

APPENDIX "I"

ELIGIBILITY QUALIFICATION AND PAY DIRECT PROVISIONS

LIFE INSURANCE

New Employees:

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

Monthly Qualification for Coverage:

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

Extended Health Care, Dental and Vision Care Plan

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

Waiver of Premium:

- (i) An employee's basic coverage for life insurance, extended health, vision care, dental and weekly indemnity will be continued at no cost while he/she is drawing weekly indemnity benefits or Unemployment Insurance benefits under the provisions specified in Appendix "B" of this Supplemental Agreement for a maximum period of up to 12 months for each period of disability.
- (ii) An employee's basic coverage for life insurance, extended health and dental will be continued while he/she is off work account WSIB disability for a period of absence consistent with the governing Canada Labour Code provisions.
- (iii) In cases where leave of absence has been granted for employees occupying full time union positions, employees may maintain coverage during such leave by paying directly to their employer the monthly premium.

Dependent Eligibility

To be eligible for insurance dependants must be insured under a provincial health insurance plan. Dependants become eligible for insurance when the employee becomes eligible or, if acquired later, upon becoming a dependent.

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

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

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

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

Child means:

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

Effective Date of Insurance

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

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

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

Direct Payment Provisions, Termination of Insurance and Continuation of Insurance

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

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

(i) resignation or dismissal, the date on which the employment relationship terminates;

(ii) retiring and retired employees - The end of the month in which the retired employee reaches age 65 or, in the case of an employee retiring after age 65 pursuant to the pension regulations, the end of the month in which retirement takes place (within 6 months of turning 65).

(iii) leave of absence, lay-off, (except as provided below), and death, the last day of the month in which such leave of absence, lay-off or death occurs;

(iv) strike, the last day worked.

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

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

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

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

Continuation of Health Care and Dental Care Benefits for Incapacitated Children

Health Care and Dental Care Benefits will continue beyond the date an unmarried child attains the limiting age for insurance, provided proof is submitted to Excelsior Life within 31 days after such date that such child:

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

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

Continuation of Health Care and Dental Care Benefits After Your Death

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

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

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

EMPLOYMENT SECURITY

and

INCOME MAINTENANCE AGREEMENT

for

ASSOCIATED RAILWAY UNIONS
(representing the Unions Signatory hereto)



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THIS AGREEMENT IS:

between

**ONTARIO NORTHLAND TRANSPORTATION
COMMISSION**

called "the Company"

of the One Part

and

ASSOCIATED RAILWAY UNIONS

of the Other Part

Preamble

/b.m

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

≅

ARTICLE 1

Definitions

- A.** (i) "Employment Security" means that an employee who has completed 8 years of Cumulative Compensated Service with the Company will have Employment Security as provided in Article 7.
- (ii) "Preferred Employment Security" means that an employee who has 7 years of service with the company will have preferred Employment Security as provided in Article 7A.
- B.** "Continuous Employment Relationship or Service" means an employee whose employment relationship with the company is unbroken by resignation or termination
- C.** "Eligible Employee" means an employee of the company represented by the Unions is eligible for the benefits pursuant to the eligibility requirements of Articles 4 or 6.
- D.** "Basic Weekly Rate" means the Basic Weekly Rate of pay applicable to the positions held at the time of change. (Hourly rated employees, 40 x the basic hourly rate; seasonal and spare employees, 80 percent of average weekly earnings over the eight weeks preceding layoff.)
- E.** "Seniority District/Territory" means that Seniority District/Territory as defined in Collective Agreement #6.
- F.** "The Plan" means the benefits and terms and conditions relating thereto as agreed for the employees of the Company, as defined herein, which benefit, terms and conditions appear in this Agreement.
- G.** "Cumulative Compensated Service" means:
- (i) One month of Cumulative Compensated Service will consist of 21 days or major portion thereof.
- (ii) Twelve months of Cumulative Compensated Service calculated from the last date of entry into the Company's service as a new employee. For partial year credit, six or more months of Cumulative Compensated Service shall be considered as the major portion thereof and shall be counted as a year of credit towards computation of severance of layoff benefits. Service of less than six months of Cumulative Compensated Service shall not be included in the computation.
- (iii) For an employee who renders compensated working service in any calendar year, time off duty, account bona fide illness, injury, authorized maternity leave, to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 100 days in any computation of Cumulative Compensated Service.
- H.** "Admitted Group" means those groups which have been admitted to coverage under The Plan as provided in Article 3.
- I.** "Master Agreement" means the Master Agreement signed between the Company and the Associated Railway Unions on 20 th day of January, 2003.

Article 1.1

General Provisions

- 1.1** (a) Employees have no vested rights to payments under the plan except to payments during a period of unemployment specified in the plan.
- (b) Any guaranteed annual remuneration of deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

ARTICLE 2

Grievance Procedure and Final Disposition of Disputes

- 2.1** Except as otherwise provided in The Plan, should any dispute arise respecting the meaning, interpretation, application, administration or alleged violation of The Plan, such dispute shall start at Step 3 of the grievance procedure as defined in the respective collective agreement.
- 2.8** Failing settlement of such dispute at the final step of the grievance procedure, should either party elect to progress the dispute, it shall do so by referring it to arbitration under the provisions of the respective collective agreement.
- 2.9** The request to arbitrate must be submitted in writing within sixty days of the date a decision was rendered at the final step of the Grievance Procedure. The request shall be accompanied by a joint statement of issue and joint statement of facts. If the parties cannot agree upon such joint statement either or each, upon notice in writing to the other, may submit a separate statement to the arbitrator.
- 2.10** When a question has been referred to an Arbitrator as provided for in Article 2.9 hereof, he/she shall have no power to add to, subtract from, or modify any of the terms of The Plan. The decision of the Arbitrator shall be final and binding.

ARTICLE 3

Administration of the Plan

- 3.1** Subject to the provisions of The Plan, the Union Representatives and the Company shall have full and unrestricted power and authority and exclusive jurisdiction to deal with and adjudicate upon all matters relative to The Plan, which does not add to, subtract from, or modify any of the terms of The Plan or of the collective agreement. They shall not have any power to deal with and adjudicate upon any benefits not specifically provided for in The Plan nor in any subsequent plan reached between the Company and any Union.
- 3.2** (a) Notwithstanding the provisions of Article 3.1 the following types of cases not specifically covered by The Plan may be considered by the parties for adjudication and payment of benefits, but such cases shall not be subject to arbitration:
- (i) special case(s) involving extenuating circumstances

10. C

(ii) special case(s) of temporary layoffs of not more than 16 weeks lending themselves to an orderly implementation of layoff procedures based on the principle of inverse seniority. Where it is agreed that such special case(s) exists, this principle is to be applied at the work location where the layoffs are occurring, and on an optional bases, after all employees with less than two years service have been laid off.

10. L (iii) special case(s) of permanent staff reductions lending themselves to special offers of optional early retirement separation allowances to employees eligible, or within one year of eligibility, to retire under Company pension rules so as to prevent the otherwise unavoidable relocation and permanent separation of employees with two or more years' service. The separation allowance to apply in each such special case of optional early retirement is to be a lump sum payment calculated on the basis of the following formula:

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

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

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

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

(i) approval of such special case(s) shall not involve increasing the existing benefit levels in The Plan.

(ii) approval of such special case(s) shall not be incompatible with the terms of The Plan.

(iii) approval of such special case(s) referred to in Article 3.2 (a)(i) and (ii) above shall not involve costs higher than 90% of the costs which would otherwise have been incurred as a result of the standard application of The Plan.

(iv) approval of any special case(s) under Article 3.2(a)(ii) shall be contingent upon notification by Human Resources Development Canada that employees who avail themselves of such an inverse seniority layoff procedure will not be disqualified nor disentitled from employment insurance benefits for so doing.

(v) approval of such special case(s) shall not involve the modification of any Company plan or agreement dealing with such matters as pensions, health and welfare, etc.

(vi) approval of special case(s) involving special offers of optional early retirement separation allowances shall include the payment of money to the Pension Fund if it is demonstrated that such early retirements result in additional costs to the Pension Fund.

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

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

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

ARTICLE 4

Weekly Layoff Benefits and Severance Payments Benefits Accumulation - Layoff Payments

10.B.1 **4.1** (a) An employee who has two years or more of continuous employment relationship at the beginning of the calendar year shall be allowed a gross layoff benefit credit of five weeks for each year of cumulative compensated service.

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

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

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

4.2 The above layoff benefit will apply until such time as the employee has completed 20 years of Cumulative Compensated

Service, when the following maximum layoff benefit will apply:

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

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

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

(i) He/she has two years of more of continuous employment relationship at the beginning of the calendar year in which the period of continuous layoff in which the claim week occurs began, (calendar year shall be deemed to run from January 1st to December 31st);

(ii) For weekly layoff benefit payment, a continuous waiting period of seven days in the period of layoff has expired. Each period of layoff will require a new seven-day waiting period in order to establish eligibility for weekly layoff benefits, except that once an employee has been on layoff for more than seven days, and is recalled to work for a period of less than ninety calendar days, such employee will immediately become eligible for weekly layoff benefits upon layoff within such ninety days.

(iii) He/she has made application for benefits in the prescribed form and in accordance with the procedures prescribed by the Committee;

(iv) He/she has exercised full seniority rights on his/her basic Seniority Territory as provided for in the relevant collective agreement, except as otherwise expressly provided in Clause (d), paragraphs (ii) and (iii) of this Article 4.4.

(b) Notwithstanding any other provisions in The Plan, if upon the effective date of resignation from the Company's service an employee is eligible for an early retirement pension, he/she will not be eligible for a severance payment.

(c) An employee who, on being laid off, does not qualify under paragraph (i) of Article 4.4(a) shall, if still laid off in the next calendar year, qualify under said paragraph (i) if at the beginning of said next calendar year he/she has two years of continuous employment relationship. The seven-day waiting period provided in paragraph (ii) of Article 4.4(a) shall commence from the 1st day of January of that year.

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

(i) During any day or period in which his/her employment is interrupted by leave of absence for any reason, sickness, injury disciplinary action (including time held out of service pending investigation). failure to exercise seniority (except as otherwise expressly provided for in Clause (d)(ii) of this Article **4.4**), to retirement, Act of God, including, but not limited to fire, flood, tempest, or earthquake or a reduction of cessation of work due to strikes by employees of the Company;

(ii) During any interval between the time that he/she is recalled to the service of the Company after a period of layoff, and the time at which he/she actually resumes work during any waiting period provided for in the relevant collective agreement; except that an employee who does not, as a consequence of the foregoing, return to service on the day work is available shall be governed by the provision of Article **4.6** of The Plan, on the same basis as if he/she had returned to work on the date such work became available.

(iii) If he/she declines, for any reason, other than as expressly provided for in Clause (d)(ii) of this Article **4.4**, recall to work on his/her basis Seniority Territory in accordance with the seniority provisions of the relevant collective agreement.

(iv) In respect of any period in which he/she is receiving other payments of any kind or nature directly from the Company, except as otherwise expressly provided in Article **4.6**.

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

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

Claim Procedure

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

(a) Employees with TWO or more years of continuous employment relationship and **LESS THAN TWENTY YEARS SERVICE**:

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

(ii) During any week following the seven-day waiting period referred to in Article **4.4**, in which an Eligible Employee is not eligible for unemployment insurance benefits account eligibility for such benefits having been exhausted or account such employee not being insured for unemployment insurance benefits, nor account unemployment insurance waiting period, such employee may claim a weekly layoff benefit for each complete week of seven calendar days laid off of the maximum unemployment insurance weekly benefit currently in force (for

1992 the maximum unemployment insurance weekly benefit is \$426.) or such lesser amount which, when added to the employee's outside earnings for such week, will result in the employee receiving 80 percent of his/her Basic Weekly Rate at time of layoff.

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

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

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

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

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

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

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

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

(b) Temporary recall for less than five working days

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

Example of Payments for Part Week on Recall

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

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

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

Plan Claim Week 1

Nil (waiting period)

Plan Claim Week 2

- (i) employee with less than 20 years of service - unemployment insurance maximum - \$426. (from The Plan).
- (ii) employee with 20 or more years of service - (80% x \$600. = \$480.) from The Plan

Plan Claim Weeks 3, 4 and 5

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

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

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

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

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

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

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

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

Unemployment insurance entitlement **\$292.**
From The Plan **\$ 68.**

TOTAL **\$480.**

Severance Payment

4.8 (a) For each year Cumulative Compensated Service or major portion thereof, an employee will be allowed credit weeks

as follows for the calculation of severance payment.

- (i) For each of the first ten years - one week's basic weekly pay.
- (ii) For each of the eleventh and subsequent years - two week's basic weekly pay.
- (b) An employee eligible for a severance payment who resigns and, who at a later date will become eligible for an early retirement pension. The basic pay is to be calculated at the employee's Basic Rate in effect at the time of his/her resignation.
- (c) An Eligible Employee may, upon submission of formal resignation from the Company's service, claim a severance payment as set forth above, but such severance payment will not in any event exceed the value of one and one-half year's salary at the Basic Weekly Rate of the position held at the time he/she was laid off.
- (d) An employee will have seven calendar days from the date of lay off to decide to claim a severance payment under this Article.

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

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

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

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

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

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

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

ARTICLE 5

Training of Employees

10.5
5.1 An employee who has Employment Security under the provisions of Article 7 of The Plan who has his/her position abolished and is unable to hold work due to a lack of qualifications, will be trained for another position within (if necessary) in order to fill a position in keeping with the provisions of Article 7. Training (if necessary) will be provided for a position for which he/she has the suitability and adaptability to perform the duties of that position. Such employee will receive the 40-hour straight time pay associated with his/her last railway classification during his/her period of training (hourly rate employees, 40 x the basic hourly rate: seasonal and spare employees, 40 x the average hourly earnings over the eight weeks preceding layoff).

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

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

(b) will be adversely affected by a notice served pursuant to Article 8 of The Plan requiring an employee to relocate or suffer a substantial reduction in his/her rate of pay,

will be considered for training for another position within or without his/her seniority group, providing he/she has the suitability and adaptability to perform the duties of that position and provided he/she has indicated a willingness to work in the job for which he/she may be trained whenever vacancies exist.

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

(a) at training classes conducted by qualified Company personnel

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

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

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

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

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

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

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

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

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7.A.3/p **5.7** In addition, the Company, where necessary and after discussion with any Organization signatory to The Plan, will provide classes (after work or as arranged) to prepare present Company employees for upgrading, adaptation to technological change and anticipated new types of employment in the Company. The cost of such retraining will be borne by the Company.

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

ARTICLE 6

Relocation Expenses

Eligibility

6.1 To be eligible for relocation expenses an employee:

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

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

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

(d) must have Employment Security under the provisions of Article 7 or preferred employment security under Article 7A and be required to relocate to hold work under the provisions of Article 7 and 7A of The Plan.

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

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

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

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

Relocation **Benefits**

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

6.4 An allowance of up to \$825. for incidental expenses actually incurred as a result of relocation.

6.5 Reasonable transportation expenses from his/her former location to his/her new location by rail, by bus or employee-owned automobile, and up to \$210. for an employee without dependants and that an additional amount of \$65. will be paid for each dependant for meals and temporary living accommodation. Receipts will be required for rail and bus transportation.

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

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

6.8 (a) Except as otherwise provided in Article 6.8(c), reimbursement of up to \$14,000. for loss sustained on the sale of a relocating employee's private home which he/she occupied as a year-round residence. **Loss** sustained is determined as the difference between the value determined at the outset plus any real estate agent fees, legal fees, including those legal fees on purchase of a home at the new location, and any mortgage closure penalties, and the amount established as the selling price in the deed of sale.

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

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

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

(ii) should a change occur involving relocation of Company employees covered by The Plan as well as Company employees covered by other collective agreements, the maximum amount of \$14,000. specified in paragraph (a) of this Article 6.8 shall be adjusted upward to equal the maximum amount paid account **loss** on sale of home to any employee covered by such other collective agreement.

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

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

6.9 Payment of the cost of moving a wheeled mobile home which the employee occupies as a year-round residence. The selection of the mover and the cost of moving the mobile home shall require the prior approval of the Company and shall not, in any event, exceed a total cost of \$7,000. Receipts shall be required.

6.10 If an employee, who is eligible for moving expenses **does** not wish to move his/her household to his/her new location he/she may opt for a monthly allowance of \$215, which will be payable for a maximum of 12 months from the date of transfer to his/her new location. Should an employee elect to transfer to other locations during such twelve month period following the date of transfer, he/she shall continue to receive the monthly allowance referred to above, but subject to the aforesaid 12-month limitation.

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

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

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

Appraisal Procedure

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

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

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

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

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

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

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

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

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

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

Particulars of House to be Sold

Name of Owner

Address

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

Year Built

No. of Rooms..... Bathrooms

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

.....

Finished Basement: Yes No

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

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

Size of lot.....

Fair Market Value: \$

Other Comments

.....

.....

.....
Date.....
Signature

ARTICLE 7

Employment Security

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

4. D 7.2 An employee who has Employment Security under the provisions of this Article will not be subjected to layoff as the result of a change issued pursuant to Article 8.1 of The Plan. Wage replacement benefits shall be paid for up to fourteen (14) years or up to the normal retirement date under the ONTC Contributory Pension Plan, whichever comes first.

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

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

(a) fill an unfilled permanent vacancy within the jurisdiction of another seniority group and the same collective agreement;

(b) there being none, fill an unfilled permanent vacancy within the jurisdiction of another seniority group with another collective agreement and the same Union;

(c) there being none, fill an unfilled permanent vacancy within the jurisdiction of another seniority group and another signatory union; and

(d) there being none, fill an unfilled permanent vacancy in a position which is not covered by a collective agreement.

NOTE: In the application of Article 7.4(d) and notwithstanding the provisions of any collective agreement to the contrary, an employee who has Employment Security while employed on a position which is not covered by a collective agreement will remain, and continue to accumulate seniority, on the list from which transferred.

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

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

ARTICLE 7A

Preferred Employment Security

7A.1 An employee who was in the service on July 29, 1994 and who has, or subsequently attains 7 years' service shall be defined as having "Preferred Employment Security".

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

7A.3 If still unable to hold a position, then in order to retain

Employment Security he/she shall (subject to qualifications);

(i) fill an unfilled vacancy within the jurisdiction of another seniority group of the same union covered by the same collective agreement;

(ii) there being none, fill an unfilled permanent vacancy within the jurisdiction of another seniority group and another signatory union;

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

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

10.M (iv) there being none, unless eligible for job protection under Article 7, be placed in a "waiting" status until such time as a vacancy occurs within his/her classification on the seniority territory, or as per Clauses (i), (ii) and (iii) above. During this period the employee's U.I. benefits (subject to U.I. approval) and/or outside earnings, will be supplemented to a level equal to 80 percent of his/her weekly base pay continuing until such time as a position is found, up to (14) years, or the normal retirement date under the ONTC Contributory Pension Plan, whichever comes first.

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

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

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

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

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

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

ARTICLE 8

Technological, Operational and Organizational Changes

4, A

8.1 The Company will not put into effect any technological, operational or organizational change of a permanent nature which will have adverse effects on employees without giving as much advance notice as possible to the Local Chairperson representing such employees or other such officer as may be named, by the Union Concerned, to receive such notices. In any event, not less than three month's notice shall be given, with a full description thereof and with appropriate details as to the consequent changes in working conditions and the expected number of employees who would be adversely affected.

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

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

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

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

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

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

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

Maintenance of Basic Rates

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

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

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

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

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

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

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

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

Example-Four-Week Guarantee

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

Example-Standby Earnings

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

ARTICLE 9

Government Assistance Program

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

ARTICLE 10

Seasonal Employees

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

ARTICLE 11

Casual and Part Time Employees

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

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

ARTICLE 12

Non-Applicability of Sections 52, 53 and 54, Part 1, and Sections 214 to 226 inclusive of Part III of the Canada Labour Code

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

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

ARTICLE 13

Amendment

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

ARTICLE 14

Commencement

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

ARTICLE 15

Duration

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

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

IN WITNESS WHEREOF the parties hereto have caused The Plan to be executed this 20th day of January, 2003 at North Bay, Ontario.

For ONTC:

For the Unions:

R. Hains
Executive Vice-president

P.G. Koning
General Chairperson
United Transportation Union

L. Brassard
Local Chairperson United
Transportation Union

D. Selin
Yard Representative
United Transportation Union

R. Leclerc
General Chairperson
Brotherhood of Locomotive
Engineers

S. O'Donnell
Local Chairman Brotherhood of
Locomotive Engineers

C. Yantha
Vice Local Chairman
Brotherhood of

Locomotive Engineers

R. Marleau
Chief Steward
United Steelworkers of
America Local 1976

G. Louttit
Local Chairman
International Brotherhood
of Electrical Workers

J. Dutra
System Federation
General Chairman Brotherhood of
Maintenance of Way Employees

R. Paulin
Local Chairman
Brotherhood of Maintenance of
Way Employees

A. Mitchell
President
CAW Locat 103

S. Brown
CAW Local 103

S. Caverly
CAW Local 103

D. Graham
CAW Local 103

T. McBean
CAW Local 103

K. Morgan
CAW Local 103

T. Dattilo
National Staff Representative
National Automobile, Aerospace,
Transportation and General
Workers Union *of* Canada
(CAW-Canada)

APPENDIX "A"

Organization	Classification
B.M.W.E. Brotherhood of Mtce of Way Employees	7.1 All BMWE employees in Track and B & B Departments Work Equipment and Welding Employees 7.2 Extra Gang Labourers
I.B.E.W. International Bro. of Electrical Workers	Signal Foreman Signal Technician Asst. Signal Tech. 6 Signal Maintainer Signal Assistant Signal Apprentice Signal Helper
CAW National Automobile, Aerospace, Transportation and General Workers Union of Canada Local 103	1 Office Clerks 4 Clerks and Other Classes of Employees including Stores Dept. (except office) 5 Train Service Employees, Passenger Operations Dept.
USWA United Steelworkers of America Local 1976	2 Train Operations-Agents, Operators Dispatchers Telecommunications Employees