

AGREEMENT NO. 7.1

RATES OF PAY AND RULES

Between

ONTARIO NORTHLAND RAILWAY

and

THE BROTHERHOOD OF MAINTENANCE
OF WAY EMPLOYEES

Expires December 31, 2004

UNION	NO.	TERM	NO. OF EMPLOYEES	NO. OF MAINTENANCE EMPLOYEES
CU	02 01 01	04 12 31	218	FP

Coded on 2005/02/09

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SECTION 1

Definition of Maintenance of Way Employees

1.1 By Maintenance of Way Employees is meant employees working in the Track and Bridge and Building Departments, for whom rates of pay are provided in this agreement.

1.2 Labourers in extra gangs, unless those engaged practically all year round, shall not be considered as coming under this agreement.

1.3 The use of the masculine gender in this Collective Agreement includes the feminine and vice versa.

SECTION 2

Hours of Service and Meal Period

2.1 Eight consecutive hours, exclusive of meal period (which shall be one hour unless otherwise mutually arranged) shall, except as otherwise provided, constitute a day's work.

NOTE: See Understanding No. 1

2.2 Regular day shifts shall start at or between 6:00 a.m. and 9:00 a.m.; 5:00 a.m. and 10:00 a.m. for **Extra Gangs**.

2.3 Notwithstanding the provisions of Clause 2.2, the starting time for employees not living in boarding cars or other mobile units may be established or changed to meet the requirements of the service. When the starting time is to be changed, forty-eight hours' advance notice will be given to the employees affected and, when practicable, the notice will be posted promptly in a place accessible to such employees. The appropriate Local and Area Chairman shall be advised of any change in starting time.

2.4 (a) Notwithstanding the provisions of Clause 2.2, the starting time for employees living in boarding cars or other mobile units, or for employees who would ordinarily be accommodated in boarding cars or other mobile units, may be established or changed to meet the requirements of the service. When the

starting time is to be changed, as much advance notice as possible, but not later than at the completion of the previous tour of duty, shall be given the employees affected and, where practicable, the notice will be posted promptly in a place accessible to such employees. The appropriate Local and Area Chairman shall be advised of any change in starting time.

(See Miscellaneous Letters of Understanding, letter dated March 13.1970.)

(b) Regular assigned employees shall be allowed straight time for wet or stormy days, provided they remain on duty.

2.5 Any change in starting time is subject to employees being afforded eight hours' rest between tours of duty.

2.6 Where two shifts are worked, the starting time of each shift shall be established to meet the requirements of the service. The provisions of Clauses 2.3 or 2.4, as the case may be, apply in respect of any change of starting time.

2.7 Where shifts are worked in continuous service the second shift relieves the first, the third relieves the second and the first relieves the third; the starting time of the first shift shall be at or between 6:00 a.m. and 8:00 am. The provisions of Clauses 2.3 and 2.4 do not apply hereto.

2.8 In changing or establishing starting times, due consideration will be given to the availability of public transportation, when applicable.

2.9 The periods of advance notice in respect of changes in starting time contained in Clauses 2.3 and 2.4 may, by immediate consent between the employees affected and their mutual supervisor, be reduced in any particular situation to meet local conditions. The General Chairman will be advised.

2.10 When eight hours of continuous service are required in regular operations, twenty minutes will be allowed in the fifth hour of service for a meal without loss of pay when the nature of the service permits.

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2.11 Employees' time will start and end at designated tool houses, outfit cars or shops. Where local conditions necessitate it temporarily, other designated assembly points may be established by mutual agreement between the Local or General Chairman and the appropriate representatives of the Railway.

2.12 In isolated areas with limited transportation, hours worked and days off will be modified to suit transportation availability. In such cases, proper company and union officers will establish schedules. Such schedules will be issued with accommodation information and attached to seniority lists.

SECTION 3

Hours of Rest

3.1 In emergencies employees shall not be required to work more than sixteen hours continuously without a rest of eight hours. Employees in snow plow service shall be allowed eight hours' rest after sixteen hours' service, if desired, provided such rest is requested on arrival at a terminal, except when the main track is blocked and no one else is available.

SECTION 4

Work Week

2/40
4.1 The work week for all employees covered by this agreement, unless otherwise excepted herein, shall be forty hours consisting of five days of eight hours each, with two consecutive rest days in each seven, subject to the following modifications: the work weeks may be staggered in accordance with the Railways' operational requirements. This clause shall not be construed to create a guarantee of any number of hours or days of work not provided for elsewhere in this agreement. (See Clause 8.6 for definition of work week.)

3
4.2 The Company will have the ability to designate 8/6 work cycles (8 work days, 10 hours each, followed by 6 rest days) and 4/3 work cycles (4 work days, 10 hours each, followed by 3 rest days). The Company and the Union will make a joint application

to the Ministry of Labour. Work cycles other than the foregoing may be established by mutual agreement between the proper officer of the company and the union and where such agreement is reached the parties will make a joint application to the Ministry of Labour. Any request by either party will not be refused by the other without good reason.

SECTION 5

Assignment of Rest Days

5.1 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. In any dispute as to the necessity of departing from the pattern of two consecutive rest days or for granting rest days other than Saturday and Sunday or Sunday and Monday, it shall be incumbent on the 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.

Accumulation of Rest Days

5.2 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 ten days and rest days so accumulated shall be allowed consecutively when ten days have been accumulated. However, the accumulation of a greater number of rest days and their allowance at longer intervals may be arranged by mutual agreement between the officers of the Railway and the General Chairman.

Non-Consecutive Rest Days

5.3 In the event that a situation arises which makes it impracticable to assign consecutive rest days to all employees the following procedure shall be followed.

5.4 All possible regular relief positions shall be established pursuant to Clauses 6.1, 6.2 and 6.3.

5.5 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.

5.6 Accumulation of rest days under Clause 5.2 shall be considered.

5.7 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.

5.8 If the foregoing does not solve the problem, then some of the relief or extra employees may be given non-consecutive rest days.

5.9 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.

5.10 The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief employees.

SECTION 6

Relief Assignments

6.1 All possible regular assignments with five days' work per week and two consecutive rest days (subject to Clauses 5.3 to 5.10, inclusive) shall be established to perform necessary relief work or to perform relief work on certain days and such types of other work on other days as may be assigned under this agreement.

6.2 Where situations exist making it impracticable to establish relief assignments in accordance with the above, the Brotherhood's accredited representative of the employees and the company may, by mutual agreement, arrange for relief assignments in accordance with the above, the representatives of the employees and the company may, by mutual agreement, arrange for relief assignments on such other basis as may be suitable. Consent to such proposed arrangements 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.

6.3 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.

SECTION 7

Work on Unassigned Days

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

NOTE: See Understanding No. 2.

SECTION 8

Overtime and Calls

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

8.2 Except as otherwise provided, work in excess of forty straight time hours in any work week shall be paid for at one and one-half times the basic straight time rate, except where such work is performed by an employee moving from one assignment to another, or to or ~~from~~ a laid-off list, or where rest days are being accumulated under Clause 5.2.

8.3 Except as otherwise provided, employees working more than five days in a work week shall be paid one and one-half times the basic straight time rate for work on such sixth and seventh days worked in any work week, 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 Clause 5.2. In instances where employees work modified hours and days other than eight (8) hours per day, five (5) days per week, any work performed outside of assigned hours will be paid at overtime rates.

8.4 There shall be no overtime on overtime; neither shall overtime hours paid for, other than hours not in excess of eight paid for on holidays or for changing shift, 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.

8.5 An employee called in case of emergency or a temporary urgency outside of his/her regularly assigned hours, after having been relieved, shall be paid a minimum of three hours at overtime rates for which three hours of service may be required, but for such minimum shall not be required to perform work other than that of the emergency, and possibly another emergency which

might arise subsequent to time of call. If however, employees are called to commence work less than two 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 shall be paid for at the rate of time and one-half on the minute basis.

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

8.7 Employees shall not be required to suspend work in regular working hours to equalize overtime.

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

8.9 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.

SECTION 9

Work on Rest Days

9.1 Employees required to work on regularly assigned rest days, except when these are being accumulated under Clause 5.2, shall be paid at the rate of time and one-half.

9.2 When the Company requires the patrol of two or more sections on the sixth day of the regular work week as a regular practice, employees assigned to such patrol will be paid at the rate of time and one-half for the time so occupied with a minimum of eight hours work.

NOTE: See Understanding No. 18.

SECTION 10

General Holidays

10.1 The following general holiday provisions shall be applicable in respect of general holiday entitlement.

10.2 An employee who qualifies in accordance with Clause **10.4** hereof, shall be granted a holiday with pay on each of the following general holidays. When a general holiday falls on an employee's rest day, such holiday shall be moved to the normal working day immediately following the employee's rest day.

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

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

(See letter dated March 5, 1982)

10.3 If, in any province or part thereof, a holiday is more generally recognized than any one of the holidays specified above, the signatories to the Master Agreement dated May 24, 1974 will substitute such holiday therefore in that province or part thereof. If such signatories fail to agree that such holiday is more generally recognized, the dispute will be submitted to arbitration for final decision.

10.4 In order to qualify for pay for any one of the holidays specified in Clause **10.2**, an employee:

(a) must have been in the service of the company and available for duty for at least 30 calendar days. This Clause (a) does not apply to any 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.

This Clause (b) 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 (4) 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 30 calendar days immediately preceding the general holiday. This Clause (c) does not apply to an employee who is required to work on the holiday.

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

10.5 A qualified employee whose vacation period coincides with any of the general holidays specified in Clause 10.2, shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

10.6 An assigned employee qualified under Clause 10.4 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. An employee whose wages are calculated on a daily hourly basis shall, for a general holiday on which he/she is

not required to work, be paid at least the equivalent of the wages he would have earned at his regular rate of wages for his normal hours of work.

10.7 An unassigned or spare employee qualified under Clause **10.4** 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 Clause **10.7** for employees paid on the basis of a specified number of hours per four-week period "eight hours' pay at the pro rata hourly rate" shall be deemed to be a day's pay.

10.8 An employee who is required to work on a general holiday shall be paid, in addition to the pay provided in Clause **10.6**, 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.

10.9 Where an employee is paid a guarantee of a specified number of hours per four-week period and who works on the holiday, the general holiday with pay specified in Clause **10.6** shall be paid in addition to the regular compensation for such four-week period.

10.10 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.

10.11 Pump repairers paid on the basis of 179.3 hours per four-week period and qualified under Clause **10.7** and who are not required to work on a general holiday shall be paid eight hours at the straight time rate and this time shall be included in making up the 179.3 hours.

Close-Down for Christmas and New Year's Holidays

10.12 Where maintenance of way 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 closedown, required by the Company 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 Clause **10.4(c)**. Where such closedown occurs and the Company does not require the employees to work additional days as a consequence thereof, the number of working days in the period of closedown will be credited in the application of Clause **10.4(c)**.

SECTION 11

Traveling or Detained on Orders of the Company

11.1 Employees when detained for conveyance and while traveling on passenger trains on orders of the company to and from work away from their regular sections or headquarters after regular hours will be paid at the straight time rate for all time involved.

11.2 Employees will be paid for time travelling in boarding and sleeping cars, on orders of the company under the following conditions only:

- (a) during regular working hours, or
 - (b) outside regular working hours provided that such employees are schedule for duty the following day. This also applies to those employees who choose to travel to the new location with the boarding cars.
- Payment under the foregoing conditions will be at straight time rates.

11.3 Employees not traveling in boarding and sleeping cars when such cars are moved on orders of the company will, provided they were available for duty at the old work location at

the completion of work and are available for duty at the new location at the commencement of work, be paid straight time for the time taken for such movements during regular working hours..

11.4 When required the Foreman, or another employee designated by the Company, will accompany boarding and sleeping cars being moved from one location to another. In such circumstances, payment will be in accordance with Clause 11.2.

11.5 When practical to do so, boarding and sleeping cars shall be moved at times other than between 11:00 p.m. and 6:00 a.m.

11.6 Employees' time spent traveling to and from the designated assembly point during assigned hours will be included in a day's pay.

11.7 Employees' time spent traveling on track motor cars or Company-operated vehicles outside of assigned hours shall be paid at the time and one-half rate except:

while traveling as passengers in a bus, truck cab, crew compartment of a highway vehicle, or in other similar suitable equipment provided for the carrying of passengers, when payment will be made at the straight time rate.

11.8 Notwithstanding the provisions of Clause 11.7 employees' time spent traveling prior to regular starting time shall be paid at time and one-half rate.

11.9 The traveling time referred to in Clause 11.7 and 11.8 will not be used in computing daily or weekly overtime.

SECTION 12

Snow Service (Track Forces Only)

12.1 Foremen and operators in charge of snow plows or spreaders in snow service will be paid the rate of Extra Gang Foreman Level I

NOTE See Understandings Nos. 3, 4.

12.2 A trackman or track maintainer who actually assists a foreman in the operation of snow plow or when actually required to operate a spreader in snow service in conjunction with a snow plow, will be paid the rate Extra Gang Foreman Level III. His/her track maintainer seniority will apply.

NOTE: See Understanding No. 5.

12.3 The rate applicable will be paid the employee for the hours he/she is entitled to pay from the time required to report for duty at home station until released from duty on return to home station, at straight time within regularly assigned hours for section work and at the rate of time and one-half outside the limits of such regularly assigned hours, except that for deadheading he/she shall be paid at pro rata rate.

NOTE: See Understanding No. 6.

12.4 Snow Plow Foremen and Wingmen will be called as per letter of understanding dated January 3, 1996.

SECTION 13

Seniority

13.1 Except as otherwise provided in Clause 27.14, a new employee shall not be regarded as permanently employed until after 120 working days' service, which service must be accumulated within the preceding 24 months. Within such 120-day period he/she may, without investigation, be removed for cause which in the opinion of the company renders him/her undesirable for its service. If removed for cause, he/she shall be provided with a written notice following his/her written or verbal request. If retained, his/her seniority in the maintenance of way department shall commence from the date of entry into the service as a maintenance of way employee under this agreement. New Track Maintenance Foreman will work under a 120 day probationary period.

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

- (a) The employee who commenced work at the earliest hour of the day shall be senior;
- (b) When all other things being equal, if two or more employees commenced work in the same seniority group on the same day, The Company, Union and Employee would incorporate a lottery method to determine seniority.

13.2 In the event of an employee leaving the service when his/her services are required, upon re-entering the service, he/she shall rank as a new employee.

NOTE: See Understanding No. 15.

13.3 Probationary employees, if qualified, shall have preference of employment over the engagement of new probationary employees.

Seniority Lists

13.4 Complete lists of all maintenance of way employees covered by this agreement, showing their seniority standing in their respective departments and dates of promotion to higher classifications therein, shall be prepared and posted not later than March 1st of each year, a copy of which shall be furnished representatives of the employees and a copy of the list posted at headquarters of each gang. The current seniority lists issued by the company will show the seniority of all employees in all classifications as per the collective agreement.

13.5 Separate lists will be prepared for employees in the track department, bridge and building department and all other groups governed by this agreement.

13.6 All lists shall be open for correction on proper representation, which representation must be made by August 31st of each year. If no exceptions are taken by August 31, the seniority dates shall be established as correct and not changed thereafter except by mutual agreement between the System Federation General Chairman or his/her authorized representative and the appropriate officer of the company.

13.7 For employees engaged in specialized classes of work which justify other specified seniority territories, these may be established by agreement between the System Federation General Chairman and the appropriate officer of the company.

13.8 Employees who, during the preceding calendar year, have performed no service for the Railway may be removed from the seniority list by agreement between the System Federation General Chairman and the appropriate officer of the company.

Seniority Lists:

Track Mtce. Foremen	Trackmen/Truck Drivers
Extra Gang Foremen	Trackmen
Asst. Extra Gang Foremen	Spec. Group Mach. Operators
Shovel & Crane Operators	Machine Operators- Group #1
Spreader Operators	Machine Operators- Group #2
Rail Welders	Machine Operators- Group #3
Front End Loader & Bulldozer Operators	
Snow Plow Foremen	

Promotion

13.9 Employees shall be promoted in each of the departments, in order of seniority, provided they are qualified. Employees qualifying for foremen positions must be able to read and write English.

NOTE: See Understanding No. 7.

SECTION 14

Vacancies and New Positions

NOTE: See Understanding No. 8.

14.1 Except as otherwise provided in Clauses 14.4 to 14.6 inclusive, employees shall be advised by bulletin every second week of all vacancies or new positions in their department (except official positions), including the positions of Extra Gang Foreman and Assistant Foreman. Bulletins will be posted promptly in places accessible to all employees affected. A copy of each bulletin will be furnished to the Area Chairman and the General Chairman.

This rule is not intended to preclude the issuance of individual bulletins on other than the 1st or 15th of the month should circumstances so warrant in any particular instance.

14.2 Bulletins will show classification of position (if temporary, the expected duration), location, and full particulars such as living accommodation, and water available, etc. In addition, bulletins will indicate the name of the employee who vacated the position and the reason for doing so. For example: Vice: Joe Reid - on sick leave.

14.3 Employees desiring bulletined positions will submit written application, which application must reach the designated officer no later than the date indicated in the bulletin. Applicants must forward a copy of their application to the Local Chairman. Applicants bidding on more than one position on the same bulletin must state, in order, their preference.

14.4 (a) Except as otherwise provided below, temporary vacancies of less than thirty calendar days required by the Company to be filled, in positions subject to being bulletined in accordance with Clause **14.1**, shall be filled by the senior qualified employee immediately available, subject to the provisions of Clause **21.9**. An employee who does not exercise his/her seniority to such a temporary vacancy of less than thirty (30) days will not forfeit any seniority.

Where there are two or more employees tilling temporary track maintainer vacancies at one location and one of them is being displaced, the senior temporary employee will be given the first opportunity to exercise his displacement rights to a more preferred location. This option is not available if the senior employee would then be subject to layoff.

(b) An employee will only establish seniority in a higher classification by being awarded a bulletined vacancy in such higher classification. An employee filling a temporary vacancy under this Clause **14.4** other than by bid will, at the conclusion of such temporary vacancy, revert to his/her former position.

10.d **14.5** (a) An employee obtaining a temporary vacancy of thirty (30) days or more by bid in his/her own classification will, at the conclusion of such temporary vacancy, revert to his/her former permanent position or displace a junior employee filling a temporary vacancy (provided the position will be in existence for more than fourteen days) or displacement in accordance with **14.7**.

(b) In the application of this rule, if a Trackman/Track Maintainer does not hold a permanent position he/she must displace a junior Trackman/Track Maintainer holding a temporary position that will continue for more than **14** days. A Trackman/Track Maintainer failing to displace in accordance with this provision will thereafter rank junior on the seniority list to the person he/she could have displaced.

14.6 (a) An employee obtaining a temporary vacancy of thirty (30) days or more by bid in a higher classification must exercise his/her seniority on the first permanent vacancy that becomes available in the higher classification and fill such vacancy at the conclusion of the temporary position. If no such permanent

vacancy becomes available he/she must exercise his/her seniority to displace a junior employee holding a bulletined temporary position in the higher classification provided such temporary position is expected to be in existence for twenty-two days or more.

Where there are two or more employees filling temporary track maintainer vacancies at one location and one of them is being displaced, the senior temporary employee will be given the first opportunity to exercise his displacement rights to a more preferred location. This option is not available if the senior employee would then be subject to layoff.

(b) **An** employee who does not bid **on** the first permanent vacancy in the higher group or who fails to displace in a bulletined temporary position of thirty (30) days or more as provided for in Clause 14.6(a), shall only be permitted to use his/her seniority in his/her former lower classification to bid on future positions bulletined in the higher classification.

(c) **A** Trackman/Track Maintainer, not holding a bulletined permanent position who fails to bid the first permanent vacancy as such shall thereafter rank junior on the seniority list to the person appointed to such position.

(d) An employee working as an Extra Gang Foreman, Assistant Extra Gang Foreman, Machine Operator or Truck Driver, but not holding Track Maintenance Foreman or Assistant Track Maintenance Foreman seniority, will be permitted to apply for advertised temporary vacancies in the Track Maintenance Foreman and Assistant Track Maintenance Foreman classifications without forfeiture of seniority in their classifications. If such an employee is successful in obtaining a temporary vacancy **of** Track Maintenance Foreman or Asst. Track Maintenance Foreman, he will not be released to fill the position until completion **of his** assignment, but will accumulate seniority in the classification from the date of the award. In the meantime, such temporary vacancy will be filled by the next senior applicant without the necessity of re-advertising the position.

NOTE: This article will only apply to employees holding seniority in Agreement 7.1 who have successfully completed the Training Program in accordance with Clause 27.12.

When a permanent vacancy occurs for an A.T.M.F. or T.M.F., Trackman/Truck Driver, Extra Gang Foreman or Asst. Extra Gang Foreman holding seniority in these classifications must bid on them or forfeit seniority in these classifications as per 14.6(b).

14.7 (a) An employee obtaining a temporary vacancy of thirty (30) days or more by bid in a higher classification must exercise his seniority on the first permanent vacancy that becomes available in the higher classification and fill such vacancy at the conclusion of the temporary position. .If no such permanent vacancy becomes available he must exercise his seniority to displace a junior employee holding a bulletined temporary position in the higher classification provided such temporary position is expected to be in existence for fourteen (14) days or more.

(b) An employee who does not bid on the first permanent vacancy in the higher group or who fails to displace in a bulletined temporary position of thirty (30) days or more as provided for in Article 14.7(a), shall only be permitted to use his seniority in his former lower classification to bid on future positions bulletined in the higher classification.

14.8 An employee who is unable to exercise his/her seniority to fill another position in such higher classification in accordance with Clause 14.6(a), shall revert to his/her former permanent position and retain his/her seniority rights in the higher classification.

14.9 An employee who obtains a position by bid in a lower classification when work is available in the higher classification shall forfeit his/her seniority in such higher classification.

14.10 A qualified employee awarded a higher classification (except Trackman/Truck Driver) by bulletin will be accorded a seniority date from the date of appointment on bulletin in such classification and in all lower-rated classifications in which he/she is qualified to work and in which he/she had not previously established seniority. Employees awarded seniority of Trackman/Truck Driver will also establish seniority of Trackman if not holding seniority in this classification already.

14.11 An employee who has applied for a position may cancel his/her application provided written cancellation reaches the designated officer and the Local Chairman two days prior to next regular date for issuing of bulletin, or two days prior to expiration of individual bulletin, otherwise he/she will not be permitted to do so. An employee may bid on a vacancy created by himself/herself but will not be appointed to such vacancy unless there are no other applicants, or until it again becomes vacant.

14.12 Appointments shall be made by the office issuing the bulletin. The name of the appointee and his/her seniority number will be shown on the next bulletin. Employees shall be permitted to assume positions to which awarded within 15 calendar days of the date of the bulletin making the appointment and must assume such position within 30 calendar days of such appointment or on completion of their present or subsequent, temporary assignments except that employees bidding from one temporary position to another must assume the position immediately after appointment. Seasonal jobs which are bid several weeks in advance will be excluded from this rule and will be so noted on the circular.

14.13 Bulletined positions may be filled temporarily with the senior qualified employee immediately available in accordance with Section 15.4, pending assignment of the successful applicant.

14.14 Any appeal against appointment must be made in writing within thirty calendar days from the date of issue of bulletin covering such appointment.

14.15 In the event of a vacancy or new appointment occurring in the departments enumerated in Clause 13.5 and no application being made, employees of the other departments shall have the preference in filling vacancies or new appointments before new employees are hired, provided they are qualified. This section does not apply to employees working under Agreement #7.2.

14.16 An employee who, while occupying a position in a lower classification, fails to exercise his/her seniority to a bulletined position in a higher classification shall forfeit his/her seniority in such classification.

14.17 In case of emergency, an employee may be transferred temporarily to another sub-department of the Maintenance of Way service. Employees may also be transferred temporarily for extra gang work, to construction department, or on the opening of new lines, without losing their seniority standing and transfer will be given in writing, if requested. Transfers, if extended beyond one year, shall be subject to agreement between System Federation General Chairman and the appropriate officer of the company.

14.18 Supervisor Seniority

All employees who have had their seniority frozen as a result of having accepted permanent positions not covered by this agreement will be given a one-time opportunity, for a specified period of time, to have their seniority in all classifications in which they held seniority fully reinstated by paying the Brotherhood all monthly union dues retroactive to the date their seniority was frozen. Such payment will be in lump sum or as arranged between the Brotherhood and the Company. In order to continue their seniority standing, employees who elect this option, as well as any employees who hereafter accept permanent positions not covered by this collective agreement, must continue to pay the monthly dues as set by the Brotherhood from time to time. If they decide to suspend the payment of union dues, their seniority will be frozen as of the month in which such payment is stopped. Employees who elect the seniority buy-back option as described herein will not hereafter have another such opportunity if they stop paying union dues in future.

An employee accepting an official position may only be returned to his/her former position if such change is made within a period of one year, and after one year he/she may displace the junior permanent employee of his/her class.

An employee temporarily promoted to an official or excepted position will continue to pay union dues and revert to his/her former position held prior to promotion. The appropriate officer of the Company shall advise the local representative concerned of such promotion, including the expected duration thereof. Employees temporarily promoted may only bid on permanent vacancies, however, if they held a temporary position in the bargaining unit prior to being promoted, they may return to that

temporary position upon being released provided that a junior employee is working the position at the time.

14.19 (a) An employee holding seniority under this Agreement who works in a classification not specified in this agreement for a period of twelve (12) consecutive months will have his/her former permanent position bulletined as permanent.

(b) A vacancy created as a result of an employee being absent account illness or injury, which is required to be filled, will be considered as temporary for up to one year. Should the employee not return to work within a period of one year, the position, if still required, will then be advertised as permanent unless otherwise mutually agreed between the proper officer of the company and the General Chairman. If such employee returns to work after one year, he/she will be required to exercise displacement rights.

Positions Not Subject to Rules of Promotion

14.20 Modified duty assignments at highway or railway (non-interlocked) crossing are not subject to the general rules for promotion. These positions are intended to provide for employees who become unfit for other service, and shall be assigned to such employees in the maintenance of way department unless mutually agreed otherwise between the System Federation General Chairman and the appropriate officer of the company.

14.21 Modified duty assignments at each location shall have preference of shift, based on seniority as watchmen, provided that, by mutual agreement between local committees and representatives of the company rotation of shift may be arranged.

14.22 In the event of reduction of forces in positions mentioned in Clause 14.20, the employee with the longest service under this agreement shall have preference of employment. It is understood, however, that an able-bodied employee may be displaced by a disabled employee under the provisions of Clause 14.20.

NOTE: See Understanding No. 9.

NOTE: In the application of **Sections 14.20 and 14.22** see letter dated **April 26, 1982**.

SECTION 15

Staff Reduction and Recall

15.1 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 work stoppage by employees in the Railway Industry, in which case a shorter notice may be given.

15.2 Except as otherwise provided in Clauses 14.4 and 14.10, an employee whose position is abolished or who is displaced or notified he is to be displaced due to a reduction in staff must displace a junior employee in his/her classification. If unable to hold work in his/her own class or group he/she shall, within five (5) calendar days, if qualified, displace a junior employee in a lower class or group in which he/she had established seniority. An employee failing to exercise his/her seniority in accordance with this provision, unless prevented by illness or other cause for which bona fide leave of absence has been granted, shall forfeit his/her seniority under this agreement.

When Extra Gang Foremen and an Asst. Gang Foremen are unable to exercise his/her seniority to fill another position in such higher classification, he/she shall exercise his/her seniority and may displace a junior employee holding a bulletined temporary position that is expected to be in existence for fourteen (14) days or more.

15.3 When staff is increased or when vacancies of twenty-two days or more occur, laid off employees shall be recalled to service in seniority order in their respective classifications. Failure to respond to such call within fifteen days of the date an employee is notified at his/her last known address shall result in severance of employment relationship, unless satisfactory reason is given.

15.4 Temporary positions or temporary vacancies of under thirty (30) days' duration shall be filled in seniority order by qualified laid off employees living at or near the work location, provided they are immediately available. Laid off employees shall not be required to accept recall to vacancies of less than twenty-two days when they have steady employment elsewhere.

15.5 A laid off employee who desires to return to the service when work ~~is~~ available for him/her must keep the proper officer advised ~~of~~ his address and telephone number, in order that he may be readily located.

SECTION 16

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SECTION 17

Manning New Lines or Extensions

17.1 Preference in manning new lines or extensions shall be given to employees on promotion territories from ~~which the~~ new lines divert.

SECTION 18

Discipline

18.1 No employee shall be suspended (except for investigation), disciplined or discharged until a fair and impartial investigation has been conducted and his responsibility established.

Minor incidents will be handled by use of an informal investigation procedure.

18.2 Informal Investigations

(a) Investigations of minor incidents will be handled as quickly as possible and subsequently reviewed with the employee(s) concerned.

(b) In cases where the assessment of discipline is warranted, the employee will be advised in writing within 28 calendar days from the date the incident is reviewed with him unless otherwise mutually agreed. A copy of the Report of Incident and a copy of the Form 200 issued will be sent to the General Chairman on the property and the Local Chairman.

(c) When an employee is notified of the conclusions reached by the Company, and of the discipline assessed, if any, he shall, if such are not acceptable to him, have the right to exercise one of the following options:

(i) if he/she is not in accord with the conclusions reached by the Company he/she may, within 20 calendar days of receipt of such notification, so advise the proper officer of the Company and request a formal investigation under the procedures set forth in Section 3 hereof; or

(ii) if he/she accepts the conclusions reached by the Company but he/she is not in accord with the discipline assessed, he/she may initiate an appeal of the discipline in accordance with the grievance procedure of the collective agreement, but commencing with Step II.

18.3 Formal investigations

- (a) A formal investigation will be held:
- (i) in the case of an employee committing an alleged dismissible offense;
 - (ii) when an employee is alleged to have committed a minor offense where the seriousness of such offense might warrant discipline to the extent that when added to his/her current record could result in discharge for accumulation of demerit marks;
 - (iii) when an employee is alleged to have been involved in a major incident;
 - (iv) when an employee is involved in an incident where the need for information and appropriate documentation is required by order, regulation or Company requirements.
- (b) When required to attend a formal investigation, an employee will be given at least 48 hours' notice in writing. The notice will include the date, time, place and subject matter of the hearing.
- (c) Where an employee wishes to have an *accredited representative appear with him/her at a hearing and such a representative cannot be made available for the time set for the hearing, the employee, either directly or through an accredited representative, may seek a delay in the hearing sufficient for the Union to have an accredited representative made available. Concurrence to such a request will not be unreasonably withheld by the proper officer of the Company. Application of this provision will not result in a need for a second notice period under the terms of Item (b) above.

* For the purposes of the provision, the following Brotherhood Officers will be considered accredited representatives:

System Federation General Chairman,
Federation General Chairmen,
General Chairmen,

Area Chairmen,
Local Chairmen, and
Grievance Representatives

(d) Where an employee so wishes, an accredited representative may appear with him/her at the hearing. Prior to the commencement of the hearing, the employee will be provided with a copy of all the written evidence as well as any oral evidence which has been recorded and which has a bearing on his/her involvement. The employee and his/her accredited representative will have the right to hear all of the evidence submitted and will be given an opportunity through the presiding officer to ask questions of the witnesses (including Company Officers where necessary) whose evidence may have a bearing on his/her involvement. The questions and answers will be recorded and the employee and his/her accredited representative **will** be furnished **with a** copy of the statement.

(e) If corrective action is to be taken, the employee will be **so** notified in writing of the Company's decision within 28 calendar days from the completion of the employee's investigation, unless otherwise mutually agreed. Such notification will be given at the same time or after **the** employee is personally interviewed by the appropriate Company Officer(s) unless the employee is not available for such an interview within the time limit prescribed.

(f) An employee may be held out of service with pay pending the **complete** investigation and notice provided to the Local Chairperson.

(g) Except as otherwise mutually agreed, the investigation ~~officer~~ shall be an individual who is in the best position to develop all of the relevant facts, provided such individual is not emotionally involved with the incident.

18.4 (a) In determining corrective action, only the employee's discipline record of the last five years prior to the incident under investigation will be considered.

(b) Suspension **will** commence from the date the employee is removed from service. Dismissal **will** be effective on the date the decision ~~is~~ made to dismiss the employee.

(c) An appeal against discipline imposed may be initiated at Step II of the grievance procedure. When discipline imposed is a suspension or dismissal, appeal shall be initiated at Step III. Should discipline after appeal be found to be unjust, resulting in cancellation of such discipline, the employee will be paid at schedule wages for each day lost, exclusive of any amount earned in other employment. He/she will also be reimbursed for any reasonable expenses incurred if required to be away from home in connection with the investigation.

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Grievances

18.6 A grievance concerning the interpretation or alleged violation of this agreement, or an appeal by an employee who believes he/she has been unjustly dealt with shall be handled in the following manner.

Step I

The aggrieved employee, the Local Chairman or his/her duly authorized representative shall present the grievance in writing to his/her immediate supervisor within twenty-eight calendar days from the date of the cause of the grievance and a decision shall be rendered in writing within twenty-eight calendar days of receipt of the grievance.

Step II

Within twenty-eight calendar days of receiving the decision under Step I, the General Chairman or the Area Chairman may appeal the decision in writing to the Chief Engineer. A decision shall be rendered in writing within twenty-eight calendar days of receipt of the appeal.

Step III

Within twenty-eight calendar days of receiving the decision under Step II, the System Federation General Chairman or his/her authorized representative may appeal the decision in writing to

the President. A decision shall be rendered in writing within twenty-eight calendar days of receipt of the appeal.

18.7 A grievance under Clause 18.6 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 section and paragraph of the section involved.

18.8 A grievance not progressed within the time limits specified shall be considered settled on the basis of the last decision and shall not be subject to further appeal. Where a decision is not rendered by the appropriate officer of the Company within the time limits specified, the grievance may be progressed to the next step in the grievance procedure, except as otherwise provided in Clause 18.9.

18.9 Where, in the case of a grievance based on a claim for unpaid wages, a decision is not rendered by the designated officer of the Company as outlined in Clause 18.6 within the prescribed time limits specified, the claim will be paid. The application of this clause shall not constitute an interpretation of the collective agreement.

18.10 Time limits referred to in Clause 18.6 may be extended by mutual agreement between the parties referred to in each such step.

SECTION 19

Final Disposition of Grievances

19.1 A grievance which is not settled at the last step of the grievance procedure may be referred by either party to the Canadian Railway Office of Arbitration for final and binding settlement without stoppage of work.

19.2 A request for arbitration shall be made within sixty calendar days following the date decision is rendered in writing by the officer designated in the last step of the grievance procedure. The request shall be made by filing written notice thereof with the Canadian Railway Office of Arbitration in accordance with the

procedure established by the Canadian Railway Office of Arbitration.

19.3 The time limits specified in Clause 19.2 may be extended by mutual agreement between the System Federation General Chairman and the officer designated by the company.

19.4 The settlement of a grievance shall not under any circumstances involve retroactive pay beyond a period of sixty calendar days prior to the date ~~such~~ grievance was submitted to the immediate supervisory officer in accordance with Clause 18.6.

SECTION 20

Leave of Absence and Transportation

20.1 (a) Employees shall be granted leave of absence and passes, or reduced rates, in accordance with the general regulations or practice of the Company.

(b) If an employee is granted leave of absence, concurred in by the General Chairman, for a period of six months or less, he/she may retain his/her position for that period. If his/her leave of absence is extended beyond six months, his/her position will be bulletined vacant at once and he/she may retain his/her seniority for an additional six months after which time his/her employment relationship is terminated. This is not intended to apply in cases of sickness and/or disability which are, in the opinion of the Chief Engineer and the General Chairman, bona fide.

(c) Upon notification, an employee who must serve a period of incarceration as a result of a conviction arising from the operation or use of a motor vehicle, shall be granted a leave of absence without pay up to three (3) months in order to serve the period of incarceration. Such period of leave will not be credited towards accumulation of service.

20.2 (a) Leave of absence and free transportation shall be granted to members of duly appointed committees for the adjustment of matters in dispute between the company and the employees and/or to act as a delegate to union activity, within 10 days after request in writing has been made to the proper officer.

(b) Employees elected or appointed to a union position of Local Chairman or higher shall be granted leave of absence for the term of office. Applications for, or renewal of such leaves must be made by the union to the President. An employee who is on authorized leave of absence for union activities will continue to hold and accumulate seniority previously established. Upon returning to the scheduled ranks, he may exercise his full seniority accordingly.

20.3 Employees shall, if desired, be granted leave of absence and free transportation in accordance with company policy to

attend their meetings. Such free transportation shall not extend beyond the system. Leave under this provision will be allowed provided that good service can be maintained and provided the Company is not put to any additional expense.

20.4 Employees laid off through reduction, when re-engaged within one year, shall be granted free transportation on the system to place of work.

20.5 Opportunity and free transportation shall 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.

20.6 Upon request of foreman made with consent of employees in the gang and approval of the proper officer of the company, special arrangements may be made to vary starting times on Friday and/or Monday to permit employees to travel to and from home.

20.7 When employees move from one point to another by order of the company, or in the exercise of their seniority rights, their household effects shall be transported free of charge.

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

SECTION 21

Meals and Lodging

21.1 Employees called to work outside of their regular working limits, requiring their absence beyond regular working hours, shall be supplied with boarding car or given an opportunity to procure meals when necessary, no employee shall be required to work more than five hours without food.

21.2 Employees boarding in company or contractor's **outfits** shall not be required to pay for meals.

21.3 Where it has heretofore been the practice in boarding **outfits**, one employee shall be allowed one hour for cooking dinner and one hour for cooking supper. This will not apply where meals are furnished by boarding car contractor or where a foreman is boarding the employees.

21.4 In large gangs time will be increased sufficiently for him/her to perform this duty. Foremen shall be held responsible if there is any excess time devoted to cooking. Employees performing in this service shall not be paid for time in excess of that period on any day to other labourers in his/her gang. Notwithstanding the provisions of Clause 21.4, the company may elect to employ a suitable cook.

21.5 When it can be done without in any way interfering with the work, employees shall be permitted to take meals at their homes.

21.6 Bridge and building road gang cars, welding gang and extra gang foreman's cars or other cars generally used throughout the year, will be equipped with clean mattresses, and with end doors if required, and as conditions permit such cars as are not fitted with sleeping car type berths will be equipped with steel bunks with springs, and the number of bunks per car will be regulated in accordance with the governing legislation.

21.7 Employees taken off their assigned territory or regular boarding outfits, to work temporarily on snow or tie trains, or other work, shall be compensated in accordance with Section 21.10. This shall also apply under similar conditions to pump repairers

when taken away from their headquarters and to pump men away from their regularly assigned territory.

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art.
26.1.*

21.8 Except as otherwise provided in Clause **27.5**, an employee required to relieve a foreman temporarily will receive the foreman's rate of pay as specified in Clause **26.1**. When such employee is required to be absent from his place of residence to fill other than a bulletined vacancy, he shall be paid in accordance with Section **21.10**. If such a position is not filled under the provisions of Clause **14.4** (a) and (b) then the company shall have the right to fill a foreman's vacancy, which is not bulletined, by an employee living at the location where the vacancy occurs. Such employee may be displaced by a senior qualified employee. In such instance, the latter shall not be entitled to the daily expense allowance referred to in this clause.

21.9 Employees required by the company to remain away from their headquarters overnight or employees who have no headquarters and are required to be absent from their place of residence overnight, including Relief Foremen who fill temporary assignments of less than **22** days duration, will be entitled to claim expenses, without producing receipts as follows:

a) **\$22.50** for meals for each day the employees are scheduled for work at the discretion of the company at locations where bunkhouses, boarding cars or other company supplied premises with batching facilities are provided.

b) **\$85.00** for expenses for meals, lodging and travel for each day employees are required by the company to work at locations where bunkhouses, boarding cars or other premises are not provided. If employees are staying in Moosonee, they will be entitled to claim **\$100.00** per day.

Examples:

i) If an employee leaves his headquarters or place of residence on a Monday morning and returns the next day (Tuesday), he will be entitled to claim **2 x \$85.00** provided that he is required to perform service at the away from home location on such Tuesday prior to returning to his headquarters.

If an employee leaves his headquarters or place or residence on a Monday morning and returns the following Friday, he will be

entitled to claim 5 x \$85.00 provided that he is required perform service at the away from home location on such Friday prior to travelling back to his headquarters.

NOTE: For the purposes of this Section 21.9 (b) only, the per diem amounts will be increased by the same percentage increase applied to rates of pay as negotiated between the parties in a renewal collective agreement effective January 1, 1999. This increase does not apply to subsequent renewal agreements.

t c) Employees who work four hours or more of overtime continuous with regular hours will be entitled to claim a snack allowance of \$4.50 (i.e.: after 12 hours on duty for employees regularly-assigned to 8 hour shifts and after 14 hours on duty for employees regularly assigned to 10 hour shifts).

d) The Company retains the right to determine which of the foregoing will apply or by mutual agreement with the employee, where reasonable distances are involved, pay the employee the going mileage rate to travel to and from his place of residence provided such distance is 65 kilometres or more from his place of residence by the most direct route.

e) It is understood that the assistance provided under this Section 21 is limited to those employees required to be absent from their headquarters, boarding cars, or for employees without a headquarters, from their place of residence, to work at a location which is more than 65 kilometres in one direction from their place of residence by the most direct route.

f) The per diem payment for expenses provided for under subparagraph (a) and (b) will supersede any form of living, meals and/or transportation expense allowances which are currently provided by the Company.

Note: Reimbursement may be made through the direct deposit payroll system once per pay period by adding it to the regular wages as a separate item.

Note: The provisions of this Section 21.9 will become effective on the first of the month following the signing of this Memorandum of Agreement.



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SECTION 22

Attending Court or Investigations

22.1 Employees attending court or investigations at the request of the proper officer of the company, or required to attend inquests in which the company is concerned, 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 examinations 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.

Jury Duty

22.2 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 a 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.

SECTION 23

Bereavement Leave

23.1 Upon the death of an employee's spouse, child, or parent, the employee shall be entitled to five days bereavement leave without **loss** of pay provided he/she has not less than three months cumulative compensated service.

Upon the death of an employee's brother, sister, step-parent, stepbrother, stepsister, grandparent, grandchild, brother-in-law, sister-in-law, father-in-law, or mother-in-law, the employee shall be entitled to three days' bereavement leave without **loss of** pay provided he/she has not less than three month's cumulative compensated service.

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23.2 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.

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

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.

SECTION 24

Vacation With Pay

24.1 An employee who, at the beginning of the calendar year, is not qualified for vacation under Clause 24.2 hereof, shall be allowed one working day's vacation with pay for each 25 days' cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days until qualifying for further vacation under Clause 24.2 hereof.

24.2 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 750 days of cumulative compensated service, shall have his/her vacation schedule 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 24.3 hereof.

Note 1: An employee covered by Clause 24.2 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 24.1 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.

24.3 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 schedule 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 **24.4** of this section.

Note 2: An employee covered by Clause **24.3** of this section 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 **24.2** of this section. 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.

24.4 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 **24.5** of this section.

Note 3: An employee covered by Clause **24.4** of this section 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 **24.3** of this section. 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 the time of leaving.

24.5 Subject to the provisions of Note 4 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 24.5 hereof, will be entitled to vacation on the basis outlined therein if on his/her 26th or subsequent service anniversary date he/she achieves 6,500 days of cumulative compensated service; otherwise his/her vacation entitlement will be calculated as set out in Clause 24.4 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 the time of leaving.

24.6 In the application of Clause 24.5, the Company will have the option of:

(i) Scheduling an employee for five weeks' vacation with the employee being paid for the sixth week at pro rata rates; or

(ii) Splitting the vacation on the basis of five weeks and one week.

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

24.8 In computing service under Clauses 24.1, 24.2, 24.3, 24.4 and 24.5, days worked in any position covered by similar vacation agreements shall be accumulated for the purpose of qualifying for vacation with pay.

24.9 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.

24.10 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 employees' 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.

24.11 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.

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

This Clause 24.12 does not apply where rescheduling is a result of an employee exercising his/her seniority to a position covered by another vacation schedule.

24.13 An employee will be compensated for vacation at the rate of pay he/she would have earned had he/she not been on vacation during such period.

24.14 An employee terminating his/her employment for any reason at a time when an unused period of vacation with pay stands to his/her credit shall be allowed vacation calculated to the date of his/her leaving the service, as provided for in Clauses 24.1, 24.2, 24.3, 24.4 and 24.5 and if not granted shall be allowed pay in lieu thereof.

24.15 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.

24.16 An employee who leaves the service of his/her own accord or who is dismissed for cause and not reinstated in his/her former seniority standing within two years of date of such dismissal shall, if subsequently returned to the service, be required to again qualify for vacation with pay as provided in Clause 24.1.

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

24.18 Applications for vacation from employees filed between December 15th of the previous year and January 31st, 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 February of the dates allotted them and unless otherwise mutually agreed employees must take their vacation at the time allotted.

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

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

24.21 Machine Operators will be paid at a Machine Operator's rate if they take vacation outside of the Work Program season.

NOTE: See Letter of Understanding dated Oct. 30/95

24.22 Employees are eligible for overtime on rest days prior to, but not at the end their vacations. If the vacation extends beyond one week, employees will not be eligible on intermediate rest days.

NOTE: See Letter of Understanding dated Oct. 30/95.

SECTION 25

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SECTION 26.1

Rates of Pay

	Jan. 1/02	Jan. 1/03	Effective April 10/03 Increase	Jan. 1/04
	2%	3%		4%
Track Forces				
(a) Track Maintenance Foreman	\$18.5620	\$19.1188	\$19.2188	\$19.9876
Asst. Track Maintenance Foreman	\$18.0040	\$18.5441	\$18.6441	\$19.3899
Trackman				
0- 6 mths	\$16.5046	\$16.9998	\$17.0998	\$17.7837
7-24 mths	\$16.9269	\$17.4347	\$17.5347	\$18.2361
Over 24 mths	\$17.0095	\$17.5198	\$17.6198	\$18.3246
(b) Extra Gang Foreman				
Level1	\$24.0200	\$24.7406	\$24.8406	\$25.8324
Level2	\$22.1819	\$22.8474	\$22.9474	\$23.8653
Level3	\$21.1150	\$21.7485	\$21.8485	\$22.7224
Asst. Extra Gang Foreman (Clause 13.14)	\$19.0332	\$19.6042	\$19.7042	\$20.4924
Snow Plow Foreman, Flanger Foreman and Spreader Foreman covered by Clause 12.1	\$21.8362	\$22.4912	\$22.4912	\$23.3909
(c) Maintainer/Truck Driver (with crane):				
Payloader Operator	\$19.8880	\$20.4846	\$20.5846	\$21.4080

NOTE: Upon successful completion of the training program specified in Section 27, employees occupying positions in the following classifications shall be entitled to the following rates of pay:

	Effective			
	Jan. 1/02 2%	Jan. 1/03 3%	April 10/03 Increase	Jan. 1/04 4%
Track Maintenance Foreman 8 or more men excluding Foreman	\$20.5081	\$21.1234	\$21.2234	\$22.0723
Track Maintenance Foreman 0-7 men excluding Foreman	\$19.8880	\$20.4846	\$20.5846	\$21.4080
Asst. Track Maintenance Foreman	\$18.5079	\$19.0631	\$19.1631	\$19.9297
Track Maintainer	\$17.4563	\$17.9800	\$18.0800	\$18.8032
Asst. Extra Gang Foreman	\$20.4000	\$21.0120	\$21.1120	\$21.9565
Extra Gang Foreman	\$21.8362	\$22.4912	\$22.5912	\$23.4949
(d) Signalmen, Bridgetenders- manual operation and watchmen				
1st year's service	\$16.1772	\$16.6625	\$16.6625	\$17.3290
2nd year's service	\$16.4321	\$16.9241	\$16.9241	\$17.6011
Thereafter	\$16.5862	\$17.0838	\$17.0838	\$17.7672
Minimum probationary rate (Clause 26.4)	\$13.0356	\$13.4267	\$13.4267	\$13.9637

NOTE: 254 days' work, including probationary period specified in Clause 13.1 shall constitute one year's service.

	Effective			
	Jan. 1/02	Jan. 1/03	April 10/03	Jan. 1/04
	2%	3%	Increase	4%
B. & B. Forces				
(e) B. & B. Foreman	\$21.2303	\$21.8672	\$23.1172	\$4.0419
Painter Foreman	\$19.5554	\$20.1421	\$20.1421	\$20.9478
Carpenters-				
1st year	\$19.2097	\$19.7859	\$20.4859	\$21.3054
2nd year	\$19.3892	\$19.9709	\$20.6709	\$21.4977
Thereafter	\$19.5554	\$20.1421	\$20.8421	\$21.6758
Bridge or Rough Carpenters-				
Less than 2 years' experience	\$17.2502	\$17.7677	\$18.4677	\$19.2065
3rd Year	\$17.4940	\$18.0188	\$18.7188	\$19.4676
4th Year	\$17.8306	\$18.3655	\$19.0655	\$19.8282
Thereafter	\$18.0948	\$18.6376	\$19.3376	\$20.1111
Painters -				
1st year	\$18.771	\$19.3342	\$20.0342	\$20.8356
Thereafter	\$19.0077	\$19.5779	\$20.2779	\$21.0890
Bench Carpenters, Plumbers, Pipefitters, Tinsmiths, Blacksmiths, Rail Welders, Pump Repairers, Masons, Bricklayers, Plasterers. Electricians -				
Less than 2 years' experience	\$19.1668	\$19.7418	\$19.7418	\$20.5315
2 years & under 3	\$19.5942	\$20.1820	\$20.1820	\$20.9893
3 years & under 4	\$20.0991	\$20.7021	\$20.7021	\$21.5302
Full Rate	\$20.5907	\$21.2085	\$21.2085	\$22.0568
Leading Hand				
Carpenter	\$20.6734	\$21.2936	\$21.2936	\$22.1453
Helpers to all classes of Mechanics				
Oiler Helper	\$17.0095	\$17.5198	\$17.5198	\$18.2206
Full Time Truck Driver	\$17.1931	\$17.7089	\$17.7089	\$18.4173
Full Time Truck Driver	\$17.5940	\$18.1218	\$18.1218	\$18.8467

B. & B. Gang Labourers (including -
 Bridge Tenders - Mechanical Operation)

	Effective			
	Jan. 1/02	Jan. 1/03	Apr 10/03	Jan. 1/04
	2%	3%	Increase	4%
Probationary Period	\$13.0366	\$13.4277	\$13.8367	\$14.3902
Balance of 1st year	\$16.1772	\$16.6625	\$17.0715	\$17.7544
2nd year	\$16.4312	\$16.9241	\$17.3331	\$18.0264
Thereafter	\$16.5862	\$17.0838	\$17.4928	\$18.1925

NOTE: Two hundred and fifty-four (254) day's work including probationary period shall constitute one year's service.

Shift Differentials

26.2 Effective February 1, 2003 employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of 50¢ per hour, and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of 55¢ 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.

11.c. 1 / 0,50 \$/h 11.c. 2 / 0,55 \$/h

26.3 Four or more years' experience as a helper with the Railway will count, upon promotion to the mechanics' classification, as two years' experience as a mechanic.

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26.4 The minimum hourly rate for probationary employees as defined in Clause 13.1 shall be specified in Clause 26.1 (c) and (d).

This Clause 26.4 does not apply in respect of employees who on entering the service can show evidence of six months' service in similar work on any Railway.

An employee who, on entering the service can show evidence that he/she has had six months' service as a Trackman on any Railway will receive the rate of trackman 7 - 24 months.

An employee who, on entering the service can show evidence

that he/she has, in accordance with the provisions of Section 27 hereof, received the training and is qualified in any of the classifications referred to in Clause 26.1 (a) or (b), shall upon filing a position in such classifications be paid the rate applicable to qualified employees in those classifications.

26.5 On Railways and in territories where Maintenance of Way Employees are assigned exclusively to steel bridge work, rail and reclamation plants, or other work of a special nature for which seniority territories are established by agreement between the System Federation General Chairman and officers of the Railway under the provisions of Clause 13.10, the rates to be paid and any special conditions shall be mutually agreed upon between the System Federation General Chairman and the proper officer of the Railway.

26.6 Employees temporarily assigned to higher-rated positions shall receive the higher rates in accordance with Clauses 26.1 and 27.5, while occupying such positions.

26.7 Employees temporarily assigned to lower-rated positions shall not have their rates reduced.

Compensation for Additional Positions or Classifications

26.8 When additional positions or classifications are created, compensation shall be fixed in conformity with agreed rates for similar positions or by agreement between System Federation General Chairman and officers of the Railway.

SECTION 27

Training (Track Forces Only)

27.1 Employees taking training under this Training Program shall, for the purpose of this agreement, be designated as follows:

(a) Regular Employee: 'An employee holding a position as an Extra Gang Foreman, an Assistant Extra Gang Foreman, a Track Maintenance Foreman, an Assistant Track Maintenance Foreman, a Track Maintainer, or a Trackman, prior to January 1, 1978, or an employee being qualified as a Track Maintainer pursuant to paragraph (b) below.

(b) Trainee: An employee establishing seniority as a Trackman on or after January 1, 1978. Such employee shall be regarded as a Trainee until he/she becomes fully qualified as a Track Maintainer, after which he/she will be regarded as a regular employee.

27.2 A Regular Employee will be required to take training and attempt the qualifying tests in all classifications in which he/she holds seniority. In instances where an employee requests that he/she not be required to take training because of particular circumstances, his/her case will be reviewed by the System Federation General Chairman or his/her authorized representative, and proper officer of the Company. In the event such employee does not take training, he/she will not be entitled to the higher rate.

A Regular Employee holding seniority in a higher classification who fails to qualify in such higher classification, shall retain seniority in such classification until he/she relinquishes it in accordance with the provisions of this agreement.

27.3 A Regular Employee will not be permitted to apply for or take training for promotion until he/she has successfully completed the qualifying tests in his/her present classification.

27.4 (a) A regular employee hired prior to January 1, 1978, who applies for and successfully completes training for promotion must, when his/her seniority entitles him/her, accept such

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promotion. Such employee failing to accept promotion shall only be permitted to use his/her seniority in his/her former lower classification to bid on future positions bulletined in the higher classification.

(b) An employee hired on or after January 1, 1978, who applies for and successfully completes training for promotion must, when his/her seniority entitles him/her, accept such promotion. Such employee failing to accept promotion shall be released from service, unless otherwise mutually agreed.

27.5 The Company shall determine the order in which employees will receive their training. The selection will be based on seniority order to the extent practicable. However, a senior employee shall not lose seniority in a higher classification to a junior employee when, through no fault of his/her own, such senior employee has not had the opportunity to take training and qualify. **Until** he/she **takes** training, such senior employee shall, while occupying a position in a higher classification, be paid the rate applicable to qualified employees.

27.6 An employee selected for training must attend and actively participate in all training sessions.

27.7 While in training, an employee will be paid at the rate of pay he/she would have received had he/she not been in training and will be allowed away-from-home expenses in accordance with Section 21.10. Time spent travelling, outside of regular working hours, up to a maximum of thirteen (13) hours in any day will be paid to employees directed by the company to attend training at any away-from-home location. No time will be paid to those employees required to travel sixty-five (65) kilometres or less to the training location.

27.8 When regular rest days coincide with the classroom training session, other rest days off will be given without loss of pay.

27.9 If, through mutual agreement in writing between the employee and the appropriate company officer an employee's annual vacation is rescheduled to enable him/her to attend the Training Program, the provisions of Clause 24.12 shall not apply

and the employee affected shall be granted his/her vacation at a mutually convenient later date.

27.10 The company shall provide each employee taking training with text books and/or written material required for training which will remain the property of the company and must be returned on request or on leaving Maintenance of Way service.

27.11 Employees will, when required, assist other employees to learn and understand the various aspects of their jobs.

27.12 The requirements for qualification in each classification, the training and corresponding tests to be given will be established by the company. System Federation General Chairmen will be given an opportunity to review written course material to be used in the training program.

Track Maintenance Course >	prior to appointment
Drivers Licence	prior to appointment
CROR "D" Book	prior to appointment
Basic First Aid	12 months
Basic CPR	12 months
Track Foreman Course	12 months

27.13 An employee taking training will be required to take the corresponding oral, practical and/or written tests. A Trainee who fails a test on the first attempt will be given a second opportunity to pass such test prior to the expiration of two years' cumulative compensated service. A regular employee who fails a test on the first attempt will be given a second opportunity to pass such test within a reasonable period of time.

When training is delayed, employees would not be penalized and would qualify for the higher rate after two years for Track Maintainers and one year for Track Maintenance Foremen. Once training has been provided, any employee who fails will have their rates reduced.

27.14 A Trainee must qualify as Track Maintainer prior to accumulating two years of cumulative compensated service. A Trainee who fails twice on the Track Maintainer's test during such two year period will be released from service or in the case of Trackman "B" having seniority as such prior to January 1, 1978,

or an employee who transferred from another sub-department in Maintenance of Way service, such employee may, seniority permitting, return to his/her former position.

27.15 A Regular Employee who fails twice on any test will be considered for further testing on his/her own time, and providing that the Company is not put to any expense or undue inconvenience. Such employee desiring further testing must apply in writing to his/her supervisor requesting an appointment.

27.16 An employee who fails any test and claims he/she did not have a proper test may appeal the decision under the provisions of Clause 18.6, starting at Step II.

27.17 Notwithstanding the provisions of Clause 13.9, an employee may accept promotion to a higher classification and will be paid the untrained rate, in order of seniority prior to taking training in such classification. An employee so promoted must complete the training and become qualified within 12 months from the date he/she is promoted to such higher classification or be returned to his/her former position and forfeit any seniority acquired through such promotion.

27.18 An employee will not be required to attempt a particular qualifying test without having had an opportunity to receive the appropriate training or be exposed to that aspect of the job.

27.19 An employee who has successfully passed all tests in a classification will receive a card certified by the Chief Engineer. An employee becoming qualified in the classification of Extra Gang Foreman or Track Maintenance Foreman will also receive a diploma certified by the Chief Engineer.

SECTION 28

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SECTION 30

Benefits

Life Insurance Upon Retirement

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

Dental Plan

30.2 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.

Employee Benefit Plan

30.3 Refer to the appropriate supplemental agreement for provisions governing:

- * Weekly Indemnity
- Medicare Allowances
- * Extended Health Care

Continuation of Benefits

30.4 Health and Welfare Benefits applicable to active employees will continue until age 65 for employees:

(a) Retiring with a Company pension and who have 15 years of continuous employment relationship, or

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

Injured on Duty

30.5 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.

Worker Compensation/Weekly Indemnity

3.C **30.6** 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.

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

SECTION 31

Employment Security and Income Maintenance Plan

- 31.1** The provisions of the current Supplemental Agreement governing the Employment Security and Income Maintenance Plan will apply to employees covered by this Agreement.

SECTION 32

Certificate of Service

- 32.1** Employees leaving the service of the Railway shall be furnished with certificate of service, if requested.

SECTION 33

General

Cleaning Latrines

- 33.1** Employees shall not be required to clean out public station latrines or septic tanks.

Stoves in Tool Houses

- 33.2** The use of stoves will be permitted in tool houses.

Performance of Maintenance of Way Work by Employees Outside of Department

- 33.3** Except in cases of emergency or temporary urgency, employees outside of the maintenance of way service shall not be assigned to do work which properly belongs to the maintenance of way department, nor will maintenance of way employees be required to do any work except such as pertains to his/her division or department of maintenance of way service.

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Distribution of Pay Cheques

33.5 Employees will be paid every other Thursday in accordance with the Memorandum of Agreement dated December **20, 1967**.

33.6 ~~All~~ employees will be required to enrol in mandatory direct deposit.

SECTION 34

Applicable to Track Forces Only

Line of Promotion

34.1 (a) The line of promotion for employees in the Track Department shall be as follows:

Trackman/Track Maintainer
Leading Track Maintainer
Assistant Track Maintenance Foreman
Track Maintenance Foreman
'Assistant Extra Gang Foreman
*Extra Gang Foreman

* Section **14.10** does not apply to these classifications.

(b) An employee who has established seniority as an Assistant Extra Gang Foreman prior to January **1, 1978** shall not be required to take training or establish seniority as Extra Gang Foreman. Such an Assistant Extra Gang Foreman shall be paid the rate specified in Clause **26.1** (b).

(c) An Assistant Extra Gang Foreman who takes training and becomes qualified as an Extra Gang Foreman must accept promotion as Extra Gang Foreman when seniority entitles him/her. Failure to do so or being found unqualified as an Extra Gang Foreman, will result in forfeiture of his/her Extra Gang Foreman seniority; however, in such case the employee shall retain entitlement to the rate specified in the "NOTE" to Clause **26.1** (b) while working as Assistant Extra Gang Foreman.

Trackman/Track Maintainer

34.2 (a) A Track Maintainer is defined as an employee who has successfully completed the training program for such classification and has passed the qualifying tests as outlined in Section 27.

(b) The position of Trackman/Track Maintainer is to be regarded as one which has been assigned in accordance with the provisions of Section 14.12 and which has been worked, in the preceding eighteen months, by the Trackman/Track Maintainer assigned to it or by the senior Trackman/Track Maintainer who has displaced him/her.

(c) A Trackman/Track Maintainer who has been laid off on account of reduction of staff and who is unable to exercise displacement rights in accordance with Clause 34.2 (d) shall have preference of employment in order of seniority in any extra gangs. Such employees must return to a position in that classification on their seniority territory when properly notified that such work of an expected duration of thirty (30) days or more is available to them and failing to do so will forfeit their seniority in that classification.

NOTE: See Understanding No. 11.

(d) A Trackman/Track Maintainer whose position was abolished will have prior rights to return to his/her former position if such position is re-established within a period of eighteen months, except that such prior rights will not extend over a Senior Trackman/Track Maintainer who has been displaced and is exercising seniority to displace a junior employee.

Special Maintenance and Extra Gangs

34.3 (a) Trackman/Track Maintainers employed in temporary extra gangs to be known as special maintenance gangs, doing section maintenance work, shall be paid the applicable Trackman or Track Maintainer rate.

NOTE: See Understanding No. 12.

(b) Section rates of pay shall not apply on large temporary extra gangs employed in ballasting and lifting track where new

material has been distributed continuously along the line, relaying rail out of face, lining and other work incidental to such ballasting and relaying rail, or in other work too heavy for regular section gangs to perform.

(c) Extra gangs shall not be used to take the place of regular section gangs.

Section Houses and Dwellings

34.4 (a) Where provided, the company shall keep Bunkhouses in good repair. The company shall also furnish when required, storm doors, storm windows (for cold sections of the country), and shall also furnish window and door screens when necessary.

(b) Deleted

(c) Where necessary at outlying points where other living accommodation is not available, suitable quarters for sleeping and eating shall be provided for track forces and/or B & B, which shall be kept in good repair.

NOTE: See Letter of Understanding dated Dec. 20/95

(d) Where it is necessary to transport water for the use of the employees living in company dwellings, good water and suitable receptacles shall be provided. When water is not available in the vicinity, and is not supplied by the company, it may be obtained on company time.

Special Pay Provisions

34.5 (a) Labourers in extra gang engaged practically all year round shall be paid the same rates as trackmen, or, if qualified as such, as track maintainers.

(b) A track maintenance foreman required to leave his/her own section gang or put in charge of a combination of more than two section gangs, to put in switches, lift, line or surface track, shall be paid the rate of track maintenance foreman B or more employees.

(c) Employees who successfully complete the appropriate training program Extra Gang Foreman (1, 2, 3), shall be paid the applicable rate (Levels 1, 2, or 3).

(d) Extra Gang Foremen holding seniority as such prior to January 1, 1978, in charge of extra gangs of 30 employees or over, or who have had 12 months' service or more as Extra Gang Foreman, shall be paid the maximum rate for Extra Gang Foremen while so employed.

SECTION 35

Applicable to B & B Only

Composition of B & B Gang

35.1 A bridge and building gang will be composed of:

1st Foreman,

2nd Carpenters, who shall be skilled mechanics in house or bench work, and have a proper kit of carpenter's tools,

3rd Bridgemen, who shall be rough carpenters capable of performing the duties required with a saw, axe and hammer, and have a general experience in bridge work.

4th Bridge and building gang labourers, who shall be capable of performing such work as may be assigned to them.

Pump Repairs- 179.3 Hour Employees

35.2 (a) In view of the intermittent character of the work of pump repairers, except as otherwise provided herein, such employees shall be allowed 179.3 hours per four-week period for all work performed during such four-week period. The 179.3 hours per four-week period shall be comprised of 160 straight-time hours and 19.3 hours at time and one-half at the rate to which such employees may be entitled under the provisions of Clause 1 (d) of Article 26.

NOTE: When any employee works less than his/her regular 160 hours in a four-week period, the 19.3 hours referred to in Clause 35.2 (a) will be prorated as per practice currently in effect.

(b) If required to work in excess of 179.3 hours per four-week period, exclusive of time occupied in travelling, such hours will be paid as follows:

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

If these total 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.

(c) Should an employee take a position paid on the basis of Rule 35.2 (a), and remain on such position for a period of less than twelve weeks, the period so engaged will be recognized as the cumulation period for the employee. In such circumstances, overtime compensation will be calculated in relation to the total overtime hours worked prorated over the number of weeks actually engaged during the twelve-week period. This does not apply to employees who work for periods of less than one week. 10.

(d) They shall be assigned one regular rest day per week, Sunday if possible, and service on such assigned rest day shall be governed by Clauses 9.1 and 11.1 Hours paid for on such assigned rest days shall not be included in computing the 179.3 hours per four-week period. •

(e) Where in regular practice such employees were allowed

one day a week off prior to this agreement, the conditions applicable to such day shall apply to the sixth work day of the work week and they shall not be required to work on such days except in emergency to make up the 179.3 hours.

(9) Ordinary maintenance or construction work not heretofore required on Sunday shall not be required on the sixth work day of the work week.

Special Pay Provisions

35.3 (a) Carpenters employed in the bridge and building department and who are required to perform cabinet making, planing mill, and coach and locomotive carpenter work shall be paid under the same provisions as for bench carpenters.

(b) Rates provided for bridge and building gang labourers will not apply to casual labourers temporarily employed as such, provided that regular bridge and building department employees laid off on account of reduction of staff, who take jobs as labourers and are available for service the year round, shall be paid bridge and building gang labourer's rates.

(c) A bridge and building foreman having his/her gang increased to twenty employees or over, for the supervision of whose work he/she is responsible, shall receive sixty (60) cents per day in addition to his/her regular rate of pay.

NOTE: See Understanding No. 16.

SECTION 36

Interpretation

36.1 It is agreed that the Ontario Northland Railway and the Brotherhood of Maintenance of Way Employees representing the maintenance of way employees shall confer promptly upon notice **from** either **party** to the other with respect to any questions which may arise regarding the interpretation **of** this Agreement.

SECTION 37

Deduction of Dues

37.1 The Agreement signed at Montreal, Quebec on February 7, 1953 by and between the Railways and the respective labour organizations providing in Article 3 for the deduction of dues is made a part hereto, as Appendix "A", as are subsequent amendments thereto, and employees hereby will be subject to these provisions. See Appendix "A".

SECTION 38

Jurisdiction

38.1 For the carrying out of this Agreement, the company shall, except as otherwise provided, deal only with duly authorized Committees of its maintenance of way employees. At the beginning of each year the System Federation General Chairman will furnish the company with the names of the committees authorized to deal with such matters.

SECTION 39

Printing of Agreements

39.1 The Company will undertake the responsibility for the printing of this agreement as may be required from time to time and will absorb the cost of such printing. This will include the cost of printing updated pages.

SECTION 40

40.1 "The System Federation General Chairman and the Proper Officer of the company shall confer promptly upon notice from either party to the other with respect to any questions which may arise regarding the interpretation or application of this agreement. Interpretations or applications that are agreed to will be concluded in mutual agreement in writing between the System



Federation General Chairman and the Officer of the company. Unless otherwise specified, the Chief Engineer is the company officer responsible for interpretations and the administration of the agreement.

Should either the Brotherhood or the company desire to revise an article or articles, a written statement containing the proposed change shall be given and a conference held within thirty (30) calendar days.

If any of the changes referred to above cannot be settled by mutual agreement during the term of the collective agreement, such changes may be progressed during the next open period of the agreement."

Duration of Agreement

13. a

40.2 This Agreement as amended and updated, shall remain in full force and effect until December 31, 2004 and thereafter, subject to four months notice in writing from either party to this Agreement of its desire to revise, amend or terminate it. Such notice may be served at any time subsequent to August 31, 2004.

For ONTC:

For the Unions:

R. Hains
Executive Vice-President

R. Paulin
Local Chairman
Brotherhood of Maintenance of
Way Employees

13. a

S. Crawford
Assistant System Federation
General Chairman Brotherhood of
Maintenance of Way Employees

13. a

UNDERSTANDINGS

With the exception of the following understandings, all previous understandings between the company and the Brotherhood of Maintenance of Way Employees are null and void.

NO. 1 - SECTION 2.1

Question: How are employees to be paid when twenty minutes is taken for lunch?

Answer: If an employee took twenty minutes in his/her lunch hour he/she would be paid for 40 minutes at time and one-half rate. If however, twenty minutes is taken for lunch during regular working hours there would be no loss of pay, and he/she would be allowed time and one-half if required to work through the regular lunch hour.

NO. 2 - SECTION 7.1

Subject to the provisions of Section 7.1 where track work is required on a rest day, preference shall be given to employees regularly working on that track section to perform such work, wherever this is reasonably practicable, before calling employees from an adjoining track section.

NO. 3 - SECTION 12.1

Question: Does the Snow Plow Foreman assigned to such position have rights to position of Flanger Foreman or Spreader Foremen when snow plow is not required?

Answer: Yes.

NO. 4 - SECTION 12.1

A Track Maintenance Foreman bidding in a Section on which a Snow Plow Foreman is required must qualify as a Snow Plow Foreman unless there are at the location sufficient Snow Plow Foremen or track department employees willing to qualify as such to meet requirements.

Should a Senior Snow Plow Foreman desire to exercise his/her seniority rights at any location he/she must make himself/herself available when required.

NO 5. - SECTION 12.2

Question: Should regular Trackmen, Track Maintainers and Leading Track Maintainers in order of seniority have preference for the purpose of assisting Snow Plow Foreman in the operation of a snow plow?

Answer: Yes, if qualified.

NO. 6 - SECTION 12.3

Question: Section 12.3 of the Agreement, Snow Service reads as follows:

"The rate applicable will be paid the employee for the hours he/she is entitled to pay from the time required to report for duty at home station until released from duty on return to home station, at straight time within regularly assigned hours for section work and at the rate of time and one-half outside the limits of such regularly assigned hours except that for deadheading he/she shall be paid at pro rata rate."

In view of the varied interpretations placed upon the words "for the hours he/she is entitled to pay", contained in this Clause, how will the snow plow foreman be compensated under the following conditions?

Example 1: A snow plow is called at Station "A" at 13K Wednesday and works to Station "B" tying up at Station "B" at 20K Wednesday and remaining at Station "B" until 6K Thursday when the plow foreman is called and works back to Station "A" arriving there at 14K. Foreman provided with suitable sleeping accommodation at Station "B". His/her assigned hours are 8K to 17K and twenty minutes allowed for meals en route. (See Section 2.11 of the Agreement).

Snow Plow Foreman should be compensated:

From "A" to "B" - 13K to 17K at straight time rate. 17K to 20K at the rate of time and one-half.

From "B" to "A" (return trip) - 6K to 8K at the rate of time and one-half.

8K to 12K at straight time rate.

12K to 13K at the rate of time and one-half.

13K to 14K at straight time rate.

Example II: A snow plow is called at Station "A" at 13K Friday and proceeds to Station "B" tying up at "B" at 24K. Plow is held at Station "B" and snow plow foreman, whose assigned hours are 8K to 17K Monday through Friday, is instructed to return to his/her home section at "A". There was no transportation available until Monday morning. Foreman **was** provided with suitable sleeping accommodation at Station "B".

Snow Plow Foreman **is** compensated:

From "A" to "B" - 13K to 17K at straight time.

17K to 24K at ~~the~~ rate of time and one-half.

Detention time allowed under Section 11.1 of the Agreement.

Saturday awaiting conveyance - 16 hours straight time. Sunday

awaiting conveyance - 16 hours straight time. Deadheading time on Monday from "B" to "A" to be paid at straight time rate.

Example III: A snow plow is called at Station "A" at 13K Tuesday and proceeds to Station "B" tying up at 20K. Plow is held at Station "B" all day Wednesday where snow plow foreman is provided with suitable sleeping accommodation. Plow leaves Station "B" on Thursday at 10K arriving Station "A" at 18K. The foreman's assigned hours are 8K to 17K, Monday through Friday. Snow Plow Foreman should be compensated:

Tuesday - 13K to 17K at straight time.

17K to 20K at time and one-half.

Wednesday - 8K to 24K at straight time for detention **as** per Section 11.1 of the Agreement.

Thursday - 8K to 24K at straight time.
12K to 13K at time and one-half.
13K to 17K at straight time. 17K to 18K at time and one-half.

NO. 7. - SECTION 13.9

Question: "A" is a section from which a snow plow is operated. Can the railway require that Trackmen, Track Maintainers and Leading Track Maintainers bidding on positions bulletined for this section, be qualified or qualify for the operation of snow plows?

Answer: No. The Brotherhood and Management will cooperate in endeavouring to have sufficient qualified employees available to man snow fighting equipment.

NO. 8. - SECTION 14

There is a vacancy for the position of Track Maintenance Foreman, and a Trackman, Track Maintainer or Leading Track Maintainer having the necessary service, and considered qualified, bids in same and is accepted, but after a period of six to eight months he/she falls down on the job and is reduced, although still retaining his/her qualifications as a Trackman, Track Maintainer or Leading Track Maintainer.

Question: Where does he/she go, back to his/her former position on section or to any section which his/her seniority entitles him/her to go? 7. p.

Answer: Unless satisfactorily placed by mutual arrangement, employee may exercise his/her seniority as Trackman, Track Maintainer or Leading Track Maintainer.

NO. 9. - SECTION 14.22

Question: What is meant by the term "service" as contained in Section 14.22 of the Agreement?

Answer: Date of entry into service as a Maintenance of Way Employee under this Agreement

NO. 10 - SECTION 34.2 (d)

A Trackman/Track Maintainer temporarily displaced from his/her section and who exercise his/her seniority to a Trackman/Track Maintainer position on another section must return to his/her own section when work on such section is re-opened, unless in the meantime he/she has bid in a bulletined position.

NO. 11. - SECTION 34.2 (d)

It will not be necessary for the Trackman or Track Maintainer, having completed his/her probationary period under this agreement to complete a probationary period under this agreement to complete a probationary period as an extra gang labourer. He/she will be paid the maximum rate per hour applicable to a temporary extra gang labourer.

It is also understood that when a temporary extra gang labourer is employed on a regular section gang he/she will be required to comply with the provisions of Section 13.1 of this Agreement if he/she has not previously done so.

NO. 12. - SECTION 34.3 (a)

Effective February 1, 1942, service performed in a special maintenance gang by a probationer who has had service on a regular section will be counted towards completing the probationary period as specified in Section 13.1 of this Agreement.

NO. 13 - SECTION 18.5

Question: When an employee is dismissed from the service of the railway and later reinstated in a lower classification, can he/she displace any junior employee or only fill a vacancy?

Answer: It was considered that, generally speaking, this question should be automatically decided by the terms under which the employee returns to the service of the railway. This is a question which would be best determined by the representatives of the Brotherhood and the Local Officers of the railway who would have full particulars with respect to the case.

Generally speaking, they should be guided by the principle that the return of an employee to the service of the Company, who has been dismissed or demoted for cause, should not be permitted to displace other employees.

NO. 14 - SECTION 11.1

Question: If an employee had been instructed to relieve a Foreman at Point B, would he/she be entitled to the Foreman's rate of pay while travelling to and from Point B?

Answer: Unless he/she was voluntarily exercising his/her seniority rights, he/she would be paid under Section 11.1 of the Agreement at his/her regular rate until he/she assumed the duties of Foreman at Point B and he/she would be paid in accordance with the same clause at Foreman's rate when travelling from Point B to resume his/her regular duties.

NO. 15 - SECTION 13.2

Question: Should an employee who left the service of his/her own accord be required, upon re-employment, to serve the probationary period stipulated in Section 13.1 of the Agreement before receiving the minimum rate established by the schedule?

Answer: The object of Section 13.1 is to secure qualified employees for the service, therefore, if the experience of an applicant meets the requirements of this Section he/she is, if employed, entitled to the minimum schedule rate.

NO. 16. - SECTION 35.3 (c)

Question: How shall overtime be calculated for a Bridge and Building Foreman who qualifies for compensation under this clause?

Answer: When, during overtime hours, the gang is twenty (20) employees or more, overtime will be based on the regular daily rate of the foreman plus sixty (60) cents. When, during overtime hours, the gang is less than twenty (20) employees, overtime will be based on the regular daily rate.

NO. 17 - GENERAL

Assigning of Trackmen, Track Maintainers or Leading Track Maintainers to paint switch targets when regular painters available for such work.

Disposition: When the volume of work at any one point is sufficient to warrant it, a painter is available, will be assigned.

NO. 18 - SECTION 9.2

A patrol over two sections is required by the Company on the sixth day of the regular work week as a regular practice. On one of the sixth days that the patrol is normally required, the same employees who may regularly perform the patrol are not assigned.

Question: Would the employees who perform the patrol still be covered by the application of Clause 9.2 even though they do not regularly perform the patrol?

Answer: Yes. It is the intention of this Section that the patrol be required as a regular practice. It is not the intention that the same employee(s) must also be assigned as a regular practice in order to be paid in the manner prescribed.

APPENDIX "A"

UNION DUES AGREEMENT

Deduction of Dues

1 c The Railways shall deduct on the payroll for the pay period which contains the 24th calendar day of a 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 appropriate Organization, subject to the conditions and exceptions set for hereunder.

1. The amount to be deducted shall be equivalent to the uniform, regular dues payment of the appropriate Organization which is signatory to the agreement 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 appropriate Organization in accordance with its constitutional provisions. The provisions of this article shall be applicable to each individual Organization on receipt by the Railway concerned of notice in writing from such Organization of the amount of regular monthly dues.

2. Employees filling positions of a supervisory or confidential nature not subject to all the rules of the applicable Agreement as may be mutually agreed between the designated officers of the individual Railway and of the Organization concerned shall be excepted from dues deduction.

3. Membership in any of the Organizations signatory hereto shall be available to any employee eligible under the constitution of the applicable Organization 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.

4. Deductions for new employees shall commence on the payroll for the first pay period which contains the 24th calendar day of the month.

5. If the wages of an employee on the payroll for the pay period which contains the 24th calendar day of any month are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Railways in such month. The Railways 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.

6. Employees filling positions coming within the scope of more than one wage agreement in the pay period 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.

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

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

9. The Railways shall not be responsible financially or otherwise either to the Organization 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 Organization, 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 or officers of the Organization.

10. The question of what, if any, compensation shall be paid the Railways by the Organizations signatory hereto 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.

11. 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 Railways pursuant to the first paragraph of Article III of this agreement, all 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 Organization or any of them counsel fees are incurred those shall be borne by the Organization or Organizations so requesting. Save as aforesaid the Organizations, jointly and severally, shall indemnify and save harmless the Railways from any losses, damages, costs, liability or expenses suffered or sustained by them as a result of any such deduction or deductions from payrolls.

Letters of Understanding

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Montreal, Quebec
March 13, 1970

Mr. C. Smith
Vice-President
Brotherhood of Maintenance
of Way Employees
115 Donald Street
Winnipeg 1, Manitoba

Referring to your discussions today with Mr. J.D. Anderson, Vice-President, Industrial Relations, CP Rail, in which you expressed the concern on the part of some members of your General Committee as to the manner in which the Railways intend to apply the new starting time rules agreed to in the Memorandum of Settlement signed on February 18, 1970.

We are prepared to advise the line officers that the purpose of the flexibility in starting times which will enable a particular work force to function in the manner that will achieve higher productivity. It was realized by all concerned at the negotiations that maintenance and construction work on the Railways' facilities must, to the extent possible, be performed at times when conditions permit the undertaking to be progressed in the most efficient and productive manner and the purpose of the rule is to meet these conditions. There is no intention whatever that starting times be changed as you put it to suit the personal desire or convenience of any Company officer. Starting times will not be changed except where it is necessary to do so to obtain proper productivity and efficiency in the work force.

The foregoing is consistent with the application of starting time flexibility in the other collective agreements in the railway industry.

Yours truly,

(Original signed D.M. Dunlop)
Chairman, Operating Committee

(Original signed K.L. Crump)
Executive Secretary

ONTARIO NORTHLANDRAILWAY

CANADIAN NATIONAL RAILWAYS

CP RAIL

Montreal Quebec
April 28, 1978

Mr. R.E. Peer
Chairman Associated Railway Unions
Negotiating Committee
Suite 1, 332 Lafleur Avenue
Ville LaSalle, Quebec H8R 3H5

Dear Mr. Peer:

The following letter will be sent to the line management:

'This will confirm the understanding reached during negotiations concerning the policy which is to be adopted with respect to employees who, because of severe snow conditions, either report late for work or unable to report at all.

11. d. 2
All employees are expected to make every effort to report for work on time, notwithstanding snow or storm conditions. However, in the circumstances quoted above, it is agreed that employees, except Running Trades and Sleeping, Dining and Parlour Car employees, who arrive late for their assignments, but report prior to the mid-point of their tour of duty, will be paid for the day provided such late arrival is directly attributable to the aforementioned severe snow conditions. Employees who report after the mid-point of their tour of duty will be paid one-half day.

With respect to employees who are unable to report for work due to the aforementioned severe snow conditions, or who report after the mid-point of their tour of duty, it is agreed that notwithstanding the provisions of the collective agreement, such employees may be given the opportunity to work additional hours at straight time rates

in order to make up part or all of such lost time. It is understood that such arrangements will only apply insofar as they do not conflict with the provisions of the Canada Labour Code.

The above policy only applies when the proper municipal authorities have requested the public to leave their motor vehicles at home and local public transportation services are not operating due to snowstorms.

The nature of work in which the Running Trades and Sleeping, Dining and Parlour Car staff are involved results in certain vagaries and uncertainties from day to day. Furthermore, the collective agreements covering these employees contemplate their services being interrupted by storm conditions and there are arrangements in their collective agreements in respect thereto. Alternatively, it is recognized, generally speaking, that opportunities will occur for such employees to make up lost miles or time resulting from storm conditions. Therefore, no special arrangements are contemplated for these employees."

Yours truly,

FOR THE RAILWAYS SIGNATORY
TO THE MASTER AGREEMENT:

(Sgd.) S.T. Cooke
Asst Vice-President
Labour Relations

Canadian National Railways CP Rail

(Sgd.) R. Colosimo
Asst Vice-President
Industrial Relations

CANADIAN NATIONAL RAILWAY COMPANY

CP RAIL

ONTARIO NORTHLAND RAILWAY

Montreal, Quebec
March 5, 1982

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

Dear Sir:

This has reference to the granting of holidays to employees who as a part of their regular assignment work in more than one province where the holidays differ.

Following review of this subject, it has been established that, under the circumstances, employees who by the nature of their work may be required to work in more than one province, will be granted holidays with pay on the basis of their location of their headquarters, irrespective of where they may actually be working on the holiday in question.

The same principle applies to employees who transfer their headquarters from one province to another, in that they would be granted holidays with pay on the basis of their headquarters at the time the holiday occurs. However, as a consequence of employees' transferring from one province to another, no employee shall be entitled, if qualified, to less than or more than a total of eleven general holidays in any one year.

This letter will supersede previous letters on this subject.

Yours truly,

(Sgd.) W.H. Morin
Vice-president
Labour Relations
Canadian National Rlwy. Co.

(Sgd.) R. Colosimo
Vice-President
Industrial Relations
CP Rail

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North Bay, Ontario
April 26, 1982

Mr. A. Passaretti
Vice-President
Brotherhood of Maintenance of
Way Employees
Suite 1, 1708 Bank Street
Ottawa, Ontario K1V 7Y6

Dear Sir:

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.

3. c This letter will confirm our understanding that, in such circumstances, ~~the~~ proper officer of the company and the General Chairman of the Brotherhood 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 seniority group.

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

hardship, the General Chairman may discuss the circumstances with the company.

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

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

Yours truly,

P.A. Dymont
General Manager

I CONCUR:

(Sgd.) A. Passaretti
Vice-President
Brotherhood of Maintenance of Way Employees

Ontario Northland Railway

North Bay, Ontario
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 as 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
- (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
- (4) where the nature or volume of work is such that it does not justify the capital or operating expenditure involved; or
- (5) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property; or
- (6) where the nature or volume of the work is such that undesirable fluctuations in employment would automatically result.

The conditions set forth above will not apply in emergencies, to items normally obtained from manufacturers or suppliers not 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. 2. 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 for that purpose.

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

Understanding agreed to between the Railway and the authorized representatives of the Carmen and Bridge & Building Workers as to the division of work to be performed on Boarding and Work Gang Service Equipment.

- (1) Carmen shall retain all construction of steel cars when being built or under general repairs and modifications.
- (2) All work now performed by Carmen and B. and B. workers on wooden cars will remain status quo until these cars are retired.
- (3) Carmen's work on steel cars will consist of all steel and wood work, painting and stencilling to the body and frame, all inside finishing and trimming such as ceiling, walls, floors, room dividers, including general repairs as to readiness for service.
- (4) All running gear maintained by carmen.
- (5) After carmen have made these steel cars wholly serviceable the B. & B. workers can make emergency minor repairs that occur on the road to doors, windows, screens, roof patching, touch up painting to the repairs that they have made on these cars.
- (6) All stoves and refrigerators installed in construction, and modifications in steel cars will be done by carmen. Heater stoves and refrigerators removed for storage and reinstallation for service to be done by B.& B. workers.

All the work agreed to between the Carmen and Bridge and Building Employees on the above mentioned Boarding and Work Gang Service equipment will remain as outlined above unless otherwise mutually agreed upon in writing between the Carmen and Bridge and Building Employees.

FOR THE EMPLOYEES

FOR THE RAILWAY:

**R. Marsh
E.L. Desjardins
Bro. of M of W Employees**

**E.A. Frith
General Manager**

**William G. Bishop
Bro. of Rly. C. of A.**

APPROVED BY:

**A.F.H. Hopper
System Federation
General Chairman
Bro. of M. of W. Employees**

**F.A. Armstrong
Gen. Vice-President
Bro. of Rly. C. of A.**

**North Bay, Ontario
November 6, 1967
File: 8405-2**

ONTARIO NORTHLAND

North Bay, Ontario
October 30, 1995

8375 - 1

Mr. R.F. Liberty
System Federation Chairman
Brotherhood of Maintenance of Way Employees

Dear Mr. Liberty:

This is to confirm our discussions during recent bargaining on working rules contained in Agreement #7.1. It was agreed that the following understandings will be adopted when dealing with **Section 24 - Vacations With Pay.**

- Employees going on vacation will only be eligible for overtime calls on the rest days immediately prior to the vacation period and not prior to them returning to their next regulate shift.
- **For** employees transferred to the Work Service Agreement during the Extra Gang season who take their vacation AFTER the work season, the rate will be established based on the majority of shifts during the work season.
When the vacation is taken PRIOR to the start of the work season, the rate will be established based on the majority of shifts in the prior work season.

R.G. Leach
Chief Engineer

RGL:jek

ONTARIO NORTHLAND

North Bay, Ontario
December 20, 1995

8375 - 1 H

Mr. R.F. Liberty
System Federation Chairman
Brotherhood of Maintenance of Way Employees

Dear Mr. Liberty:

Re: Job Exchanges

This will confirm our discussions during recent bargaining on working rules contained in Agreement 7.1 concerning employees assigned to locations which do not have bunkhouses. The company agreed that in instances where the assignment of an employee to a location not equipped with a bunkhouse facility may cause undue hardship, discussions will be held to try and minimize the impact on the employee through a job exchange.

Job exchanges will only be considered where an employee is required to drive more than 40 miles from his home location. The employee prompting the job exchange must bid on any future vacancies into locations where bunkhouse facilities are available.

Responsibility for finding a suitable candidate for a job exchange will rest with the union.

R.G. Leach
Chief Engineer

RGL/jek

ONTARIO NORTHLAND

North Bay, Ontario
October 31, 1995

8375 - 1

Mr. R.F. Liberty
System Federation Chairman
Brotherhood of Maintenance of Way Employees

Dear Mr. Liberty:

This is to confirm our discussions during recent bargaining on working rules contained in Agreement #7.1. The company agreed that on the Extra Gangs the spare Group #2 Machine Operator would be assigned to the position of Motor Car Operator. In the event that there is not a spare Group #2 operator available, the senior Group #3 operator would be paid at the Group #2 rate and be responsible for the Gang Car(s).

R.G. Leach
Chief Engineer

RGL:jek

ONTARIO NORTHLAND RAILWAY

North Bay, Ontario
December 20, 1995

8375 - 1 H

Mr. R.F. Liberty
System Federation Chairman
Brotherhood of Maintenance of Way Employees

Dear Mr. Liberty:

Re: Filling Truck Driver Positions

This is to confirm our discussions during recent bargaining on working rules contained in Agreement **7.1**.

6.F.1 The company agreed that future vacancies as truck drivers will be bid and awarded on the basis of Truck Driver seniority subject to qualifications. In the event that there are no qualified applicants, positions will be awarded on the basis of service seniority in Agreement **7.1** subject to meeting qualifications. If there are no applicants from **7.1**, then ~~rule~~ **14.15** will apply. The company will provide the training required to qualify.

R.G. Leach
Chief Engineer
RGL/jek

ONTARIO NORTHLAND RAILWAY

North Bay, Ontario
November 21, 1997

Mr. R.F. Liberty
System Federation Chairman
Brotherhood of Maintenance of Way Employees

Re: Snow Plow Service (Track Forces Only)

This letter is to confirm discussions held at our recent Article III negotiations on Agreement 7.1. The following interpretations will apply to employees used in snow plow service.

Snow Plow Foremen

A seniority list will be established for employees who are qualified or wish to be qualified as Snow Plow Foremen. To be qualified, employees must be in possession of an A-100 Rule Card, know the territory over which the plow will operate, and be familiar with the operation of the snow plow. When a snow plow will operate out of a terminal, the Snow Plow Foreman will be called in the following manner.

1. Foreman and/or Assistant Foreman at terminal from which plow operates.
2. Other qualified employees in seniority order from terminal from which plow will operate.
3. Foreman and/or Assistant Foreman from adjacent Section on territory where plow will operate.
4. Other qualified employees in seniority order from adjacent section over which plow will operate.

Headquarters for plows will be assigned to the following locations.

- North Bay
- Englehart
- Cochrane
- Hearst

A separate Snow Plow Foremen's list will be established for each location.

When a Spreader Foreman is required, the Snowplow Foreman will carry out those responsibilities.

Employees bidding Foreman positions at these locations must become qualified as Snow Plow Foremen within one year of a permanent bid to these locations. Applicants will be given a qualification test during the first year. The designated Railway Officer and a Representative of the Brotherhood shall be in attendance when the qualification test is taken. An applicant who fails a test on the first attempt will be given a second opportunity to pass prior to the expiration of one year's service in this position.

If an employee leaves the headquarters at which he attained Snowplow Foreman/Wingman Seniority his name will be removed from the Seniority List if he leaves his headquarters permanently and he will not be allowed to exercise his seniority if he leaves his headquarters temporarily.

CN Northline

During the term of the Transfer Agreement, former CN Northline employees will only be permitted to operate plows over the Kapuskasing Subdivision. They will be given preference for the operation of the plow over the Kapuskasing Subdivision.

Deadheading

The deadheading provision of Section 12.2 will only apply when employees are deadheading on passenger trains, buses and not travelling with the plow. Employees travelling with the plow will be responsible for the plow and will be paid at the applicable rate (i.e. straight time for regular working hours and overtime for hours outside of regular working hours).

Sincerely yours,

E. Marasco
Senior Director Track and Structures

EM/mi

June 17, 1996
(revised)

This will confirm that the Letter of Understanding concerning the Pension Plan, dated July 3, 1994 will be renewed as follows:

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

Signed at North Bay, Ontario the 17th day of June 1996

For the Association:

For the Company:

D. Graham
Transportation
Communications
International Union
(General Office Clerks)

K. J. Wallace
President

Ron Marleau
Transportation Communications
International Union
(Train Oprs. Employees)

Ron Liberty
Brotherhood of Railway Employees

D. M. Kerr
C.A.W. (Clerks and Other Classes)

D. M. Kerr
C.A.W. (Train Service Employees)

Gilles Haele
Brotherhood of Locomotive Engrs.

Lloyd Marshall
United Transportation Union
(Trainmen and Yardmen)

Ron J. Cote
ONR Police Association

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:

For the Company:

Brotherhood of
Locomotive Engineers

R. Hains
Executive Vice-President

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

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

8. 6

Letter of Understanding

April 9, 2003

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

Dear Mr. Paulin:

Re: Bulletining of Assignments

With respect to your demand #43 discussed at our meeting of July 22, 2002, Please be advised as follows.

The Company commits to ensuring that every opening, be it for temporary or permanent assignments, gets bulletined in accordance with the provisions of the Agreement. If it is found that the position is not subsequently required, it will be so identified by stipulating in the follow-up bulletin as 'position not required'.

Sincerely

E. Marasco
Senior Director
Track and Structures

Memorandum of Understanding

**Memorandum of Supplementary Agreement
Between Ontario Northland Railway and
Brotherhood of Maintenance of Way Employees
Governing Employees in Work Equipment and
Welding Services**

It is agreed that the applicable provisions of Wage Agreement 7.1, as revised and amended, shall apply to employees in the classifications specified in Section 1 hereof except as otherwise provided by this supplementary agreement.

SECTION 1 - CLASSIFICATIONS

Machine#	Description
-----------------	--------------------

SPECIAL GROUP

52-1881	Plasser 09 CAT Tamper
---------	-----------------------

PAYLOADER OPERATOR

47-1751	Hough H60E Payloader
47-1771	Hough H30B Payloader

GROUP 1

47-1631	Caterpillar D6 Bulldozer
47-1831	JSW BH70 Hydraulic Excavator
47-1832	Terex 72-51B Payloader
47-1891	Caterpillar IT28 Payloader
48-1741	Pettibone441 B Speedswing
48-1871	Pettibone360 Speedswing
48-1891	Kershaw 50-1 Truck Crane
48-2841	Pettibone40 5CP 20 Tone Crane
52-1791	Canron EASTD Mark 1 Switch Tamper (Torsion Beam)
52-1792	Canron EAJD Mark 1 Tamper (Outside Jack)
53-1841	Plasser PAL 204 Track Liner (incl. laser attach)
58-1801	Loram 1015 Tie Inserter
58-1901	Kershaw 47-2 Tie Replacer

GROUP 2

- 48-1781 Pyke TC-E Tie Crane
- 48-1801 Kershaw 12-2 Tie Crane
- 48-1831 Pyke HSVC Utility Crane
- 49-1821 Pyke Model "K" Regulator/Snowblower
- 49-1861 Pyke Model "M" Regulator/Snow Fighter
- 49-1901 Pyke Model "M" Regulator/Snow Fighter
- 49-1931 Pyke Model M-35 Regulator/Snow Fighter
- 50-1851 Nordberg "Claws" Spike Puller
- 50-1852 Nordberg "Claws" Spike Puller
- 51-1841 Nordberg Super "B" Auto Spiker
- 52-1821 Canron STM. Junior Tamper
- 53-1811 Fairmont WIII Series "B" Spud Track Liner
- 54-1851 Racine Anchormatic Anchor Machine
- 56-1781 Sullair 250 DV Air Compressor/w Safetran 5080
- 57-1691 Dual Spike Driver
- 57-1692 Pyke Tie Spacer
- 58-1781 Pyke Tie Spacer
- 59-1751 Kershaw 34-3 Scarifier
- 60-1632 Canron RH Rail Heater
- 60-1731 Kershaw 23-4 Snow Blower - Rouyn
- 60-1781 Canron EJG Snow Blower - Englehart
- 60-1791 Pyke "K" Snow Blower - N. Bay
- Pyke Model "K" Snow Blower (Kapuskasings)

GROUP 3

- 50-1781 Fairmont W-8-4 Series H Spike Puller
- 50-1861 Geismar AS-3 Spike Puller
- 50-1957 Nordco CHP Spike Puller
- 51-1851 Virginia USH-2 Uni-Spiker
- 55-1*** Geismar BSR8 Bolt Machine
- 58-1782 Fairmont W86-F Rail Lifter/Plate Setter
- 56-1811 Compair Air Compressor DD4 Hammer Assembly
- 58-1881 Tamper SGRPH Section Gang Tie Inserter
- 58-1931 Matweld Tie Replacer
- 59-1651 Fairmont W71 Tie Sprayer
- 59-1661 Geismar DN80 Gauger Adzer
- 59-1671 Nordberg ATI Gauger
- 59-1821 Fairmont W104 Tie Plug Inserter
- 59-1822 Kershaw 16-1 Ballast Cribber
- 59-1891 Nordberg A Ride-On Adzer
- 86-1*** Abrasive Rail Saws
- 87-1*** Rail Drills

10.

* This bulletined position contemplates a helper on a diesel locomotive crane who is carrying out the duties as a helper and, in addition, is working toward qualifying on the machines. Successful applicants to the position must show acceptable progress to the company's satisfaction on the machine within a period of up to 60 working days. This period may be extended by agreement between the General Chairman and the proper officer of the company. Should the incumbent be disqualified, the next senior applicant will be assigned.

This period may be extended by agreement between the General Chairman and the proper officer of the company. Should the incumbent be disqualified, the next senior applicant will be assigned.

Welding Employees

Welders
 Grinders
 Welder's Helpers
 Grinder's Helpers

It is recognized that the following machines will be used by regular sections forces as part of their normal duties.

Power Track Wrench	Hand tampers	Snow Blower
Power Track Saw	Spike Driver	Back Pack Blowers
Power Rail Saw	Air Compressor	Brush Saws
Power Track Drill	Tie Inserter	Chain Saws
Spike Straightener	Power Jack	Fire Pumps
Spike Puller	Rail Grinder	Hydraulic Pail Puller- Expander

SECTION 2 - GUARANTEES

Employees while assigned to any job and available for service shall be allowed the minimum number of hours which constitutes a day's work at pro rata rates for which such number of hours work may be required for each day so assigned exclusive of the assigned rest days and general holidays.

SECTION 3 - SENIORITY

(A) There shall be separate seniority lists for the classifications contained herein as follows:

- 1 Special Group Operators
- 2 Group #1 Machine Operators
- 3 Group #2 Machine Operators
- 4 Group #3 Machine Operators
- 5 Lidgerwood Operators
- 6 Spreader Operators
- 7 Front End Loader Operators, Bulldozer Operators and *Helpers
- 8 Shovel and Crane Operators and "Helpers
- 9 Diesel Locomotive Crane Operator and *Oiler/Helper
- 10 Rail Welders and *Helpers

*if assigned

(B) The names of employees appearing on the seniority lists in any of the positions mentioned above and who hold seniority in the Maintenance of Way Department, will continue to be shown on the Maintenance of Way seniority list and they will continue to accumulate seniority in the Maintenance of Way Department. All positions enumerated in Section 1, except those covered by Clause C of this section will be considered seasonal. Employees appointed to such seasonal work will retain rights to regular positions to which assigned and will revert thereto when not employed in the above classifications.

(C) The positions of Pay Loader Group 1 Operator, Pay Loader Group 2 (Bulldozer) Operator and Diesel Locomotive Crane Operator will be considered as permanent positions. Headquarters will be designated on the bulletin. When work in these classifications is not available temporarily employees

holding positions will be employed as extra employees in the Maintenance of Way Department at their bulletined headquarters, (in the Department from which promoted) and will be paid for such work at their regular rates of pay. If permanently displaced from these positions, employees affected shall have the right to displace a junior permanent employee of his/her class in the Maintenance of Way Department from which promoted. Employees will be considered as permanently displaced when it is known the period of displacement will be for one month or more.

(D) Operators of front end baders weighing over 8,000 lbs. will be classed and compensated as Bulldozer Operators and will be subject to schedule rules applying to that class of employee.

SECTION 4 - APPOINTMENTS

Vacancies in positions enumerated in Section 1 of this Supplementary Agreement shall be bulletined as follows:

(A) The positions of Pay Loader Group 1 Operator, Pay Loader Group 2 (Bulldozer) Operator and Diesel Locomotive Crane Operator will not be bulletined when vacant, it being understood and agreed that these positions will be filled by senior helpers, if any, assigned to each type of machine.

(B) The position of Diesel Locomotive Crane Oiler Helper when required shall be bulletined to Bridge and Building Department employees only.

(C) The position of Pay Loader Group 2 (Bulldozer) Helper when required shall be bulletined jointly to Track Department and B. & B. Department.

(D) Positions in Welding Service above that of Welder's Helper shall not be bulletined. Employees are expected to follow the order of promotion as listed in order to qualify for the next classification.

(E) Except as provided in Clause (a), (b), (c) and (d) of this Section, all positions enumerated in Section 1 of this supplementary agreement shall be bulletined to Track Department employees only.

(F) Should a position of Operator become vacant and there are no qualified applicants from Helpers within the group designated. Helpers will be allowed to bid from the other groups. Such helpers will have preference over applicants not working under the terms of this Supplementary Agreement.

(G) Helpers assigned to a particular machine, if qualified, shall assume the duties of Operator of such machine for temporary vacancies of up to 30 days.

(H) Senior qualified applicant will be given preference when making appointments, the designated Railway officer to be the judge of qualifications. In case a senior applicant is not accepted, the **Local** Chairman will be notified and given the opportunity of making representation on behalf of the applicant if he/she so desires.

When an employee is tried out in any position covered herein and shows no aptitude for the work he/she will not be retained in Work Service and will return to his/her position in the Maintenance of Way Department within thirty (30) days without loss of seniority.

(I) If possible, applicants **will** be given a qualification test during the first season. The designated Railway officer and a representative of the Brotherhood shall be in attendance when a qualification test is taken, whether in the first season or at a later date.

(J) Maintenance of Way employees shall be required to protect their Machine Operator seniority except as otherwise provided herein. Machine Operators who have seniority as Trackmen/Truck Drivers shall protect their seniority in the highest rated classification in which they are entitled to work. Failure to do so shall result in forfeiture of such seniority. This does not apply to snow blower operators.

Track Maintenance Foremen and Assistant Track Maintenance Foremen ~~are~~ not required to accept a lower rated position to protect their Machine Operator's seniority. If they will not be accepting lower rated positions, they must declare this intention prior to start-up of the Gangs each season.

(K) Machines in Groups I, II, III may be operated by Extra Gang labourers or other employees for temporary period when no

regular Operator is immediately available. Employees temporarily operating such machines will not establish Operator seniority and will be compensated in accordance with this Agreement.

(L) When Machine Operators are unable to exercise his/her seniority to **fill** another position in such higher classification, shall exercise his/her seniority and may displace a junior employee holding a bulletined temporary position that is expected to be in existence for fourteen **(14)** days or more.

SECTION 5 - TRAINING FOR PROMOTION

Employees shall be encouraged to learn the duties of other positions and every opportunity shall be afforded them to learn the work of such positions on their own time, and during their regular working hours when it will not unduly interfere with the performance of their regularly **assigned** duties. The supervisory officer may arrange with the interested employee to exchange positions for **short** temporary periods without affecting the rates of pay of the employees concerned.

SECTION 6 - ASSIGNMENT OF WORK

A Machine Operator working in a particular group may be required to operate any machine in his/her group or in any lower group on which qualified. If temporarily assigned by the company to a lower group when work is available in a higher group, he/she shall not have his/her rate reduced.

SECTION 7 - GENERAL

(WELDING SERVICE ONLY)

(A) Where service **as** a grinder or welder is intermittent due to the seasonal nature of the **work**, **125** days' cumulative service as such **will** be considered as one year's service in applying graded class rates provided at least a **12** month period has elapsed.

(B) When a Welding Foreman is required the position will be bulletined in the Welding group and the senior qualified Welder will be appointed.

**SECTION 8 - HEADQUARTERS
AND EXPENSES**

(A) Employees covered by Clause (c) of Section 3 will be supplied with sleeping accommodation when away from headquarters. Where employees are lodged in boarding cars and are preparing their own meals, they will be allowed \$22.50 per day, except that when meals may be taken with an organized gang they will be reimbursed at the going rate for such meals. When employees are not lodged in boarding cars they shall be compensated for boarding expenses they necessarily incur. This will also apply to the bulldozer helper when one is required. (refer to 4C).

(B) When employees (except those covered by Clause (c) of Section 3) covered herein are working with an organized gang, the headquarters of the gang will be considered the headquarters of such employees and they will not be allowed away from home expenses. If required to be away from home station other than with the organized gang they will be governed by the provisions of Clause (a) of this section except that expenses will not be paid to an employee for work performed at a location where he/she maintains his/her residence.

SECTION 9 - RATES OF PAY

See Appendix "A"

SECTION 10 - TERMINATION

This Supplementary Agreement supersedes the Work Service Supplementary Agreement dated June 3, 1974 and shall have the same termination provisions as Wage Agreement 7.1.

This Supplementary Agreement becomes effective on the date it is signed.

Signed at North Bay, Ontario this 23rd day of April 1981.

For the Brotherhood of
Maintenance of Way
Employees:

For Ontario Northland
Railway:

Adrien Larivee
Area Chairman

R.O. Beatty
General Manager

Approved:

F.L. Stoppler
System Federation General Chairman



APPENDIX "A"

RATES OF PAY

Machine Operators working alone or with a helper on the main line outside of cautionary limits and required to arrange their own protection under CROR rules will be paid at Group #1 rates.

	Jan. 1/02 2%	Jan. 1/03 3%	Effective April 10/03 Increase	Jan. 1/04 4%
Machine Operators				
Special Group	\$20.4347	\$21.0477	\$21.1477	\$21.9936
Group I	\$19.6748	\$20.2650	\$20.3650	\$21.1796
Group II	\$18.7660	\$19.3289	\$19.4289	\$20.2061
Group III	\$17.5940	\$18.1218	\$18.2218	\$18.9507
Mobile Lubricator Operator	\$21.6171	\$22.2656	\$22.2656	\$23.1562
Permanent Machine Operator (PMO)			\$20.9060	\$21.7422
Machine Operator Helpers				
Helpers	\$17.0095	\$17.5198	\$17.5198	\$18.2206
Oiler Helpers	\$17.1931	\$17.7089	\$17.7089	\$17.4173
Welding Employees				
Welders/Grinders				
1-24 months	\$19.1668	\$19.7418	\$19.8418	\$20.6355
25 – 36 months	\$19.5942	\$20.1820	\$20.2820	\$21.0933
37 – 48 months	\$20.0091	\$20.7021	\$21.8021	\$21.6342
Thereafter	\$20.5907	\$21.2085	\$21.3085	\$22.1608
Welder Foreman	\$21.2303	\$21.8672	\$21.8672	\$22.7419
Welders' Helpers	\$17.095	\$17.5198	\$17.5198	\$18.2206
Grinders' Helpers	\$17.095	\$17.5198	\$17.5198	\$18.2206

12.6

Effective

Jan. 1/02 Jan. 1/03 April 10/03 Jan. 1/04
 2% 3% Increase 4%

Extra Gang Labourers

Probationary Period	\$13.0356	\$13.4267	\$13.7267	\$14.2757
April 1/04 \$0.20				\$14.4757
Next 156 Days	\$14.3198	\$14.7494	\$15.0494	\$15.6513
April 1/04 \$0.20				\$15.8513
Thereafter	\$14.6574	\$15.0971	\$15.3971	\$16.0130
April 1/04 \$0.20				\$16.2130

Attendant

0 – 6 months	\$16.5046	\$17.9998	\$17.9998	\$17.6797
7- 24 months	\$16.9269	\$17.4347	\$17.4347	\$18.1321
Over 24 months	\$17.0411	\$17.5524	\$17.5524	\$18.2545

**Memorandum of Understanding
Between Brotherhood of Railway Carmen and
Brotherhood of Maintenance of Way Employees
On Ontario Northland Railway**

It is agreed that fabricating, finishing, repairing and other work which may, at the discretion of the company, be assigned to the parties in its shop complex at North Bay, will be distributed in accordance with the guidelines contained in this document. It is clearly understood that nothing herein will be interpreted as granting work jurisdiction to either or any of the Brotherhoods party hereto.

1. Generally, such work associated with rolling stock or furnishings for rolling stock, including steel boarding cars will be performed by the Car Department, and,

Generally, such work associated with buildings or furnishings and fixtures for buildings will be performed by the B. & B. Department.

2. Furniture that requires upholstering work will be repaired and refinished to completion by the Car Department.

3. The painting of highway vehicles and large motorized track machines will be done by the Car Department, however, B. & B. painters will continue to do touch up work on maintenance of way track machines and the painting of pay loaders.

4. Car Department employees will continue to refurbish the boat and the trains which the company has on display over the system.

5. Inspection and qualification of steel boarding cars for service will be performed by the Car Department.

6. The cutting of car stakes will be performed by the Car Department.

7. B. & B. painters will paint tools and equipment to be used in the shops or outside but *not* tools and equipment that belong to the Car Department **such** as tool boxes, welding screens, welding carriages and work related signs.

8. The following is a list of items normally painted by B. & B. employees:

Buildings, shim shacks, oil shacks, outhouses, garbage boxes, work benches, cupboards, shelving, desks, chairs, filing cabinets, lockers. Switch targets, switches. frogs.

Tool boxes, power tool boxes, truck racks (except Car Dept.)
Fire extinguishers, fire box stations.
Water barrels, waste drums, bridge barrels.
Signs, portable signs, fencing.
Switch boxes, electrical panels, battery stands.
Welding screens, portable wagons (except Car Dept.)
Portable partitions.
Hand and power tools, track tools.
Motor cars, small track motors, track equipment.
Electric motors, pipes, valves.
Chief Commanda life boats, life rafts.
ONR Barge, boat oars, life jackets.

9. In the event of a problem developing in the application of this understanding, the union and company representatives will meet and settle the issue.

Signed at North Bay, Ontario this 11th day of December 1987.

For Brotherhood of Maintenance of Way Employees:

D. Locke
R.L. Liberty

For Brotherhood of Railway of Carmen:

A. Bedard

For Ontario Northland Railway:

P.A. Dymont
General Manager

Memorandum of Agreement between Brotherhood of Maintenance of Way Employees and Ontario Northland Transportation Commission concerning the establishment of the position of Mobile Lubricator Operator/Maintainer.

It is hereby agreed between the parties that a position of Mobile Lubricator operator/Maintainer will be created in accordance with the following provisions:

1. A new classification of Mobile Lubricator Operator/Maintainer will be created under the Supplementary Agreement Governing Employees in Work Equipment and Welding Services.
2. The rate of pay for the Mobile Lubricator Operator/Maintainer will be **\$20.175** per hour.
3. The position will be advertised in accordance with the terms of the collective agreement, Section 14. The bulletin will contain a description of ~~the~~ desired qualifications.
4. Employees in the B&B and Track departments will be eligible to apply for the position by submitting an application outlining their qualifications and experience for the position.
5. Applicants having the specified qualifications for the position of Mobile Lubricator Operator/Maintainer will be interviewed. The interview will contain a testing and scoring provision. The best overall candidate will be appointed to the position.
6. The successful candidate will be required to remain on the position for a minimum period of two (2) years from the effective date of the appointment and may not bid on other positions until the expiration of the two (2) year period. The employee may voluntarily sign an agreement with the Company and the Brotherhood to extend this provision for an additional year.
7. The mobile Lubricator Operator/Maintainer position will not be subject to the normal displacement ~~rules~~ of the collective agreement.
8. An employee awarded the position of Mobile Lubricator Operator/Maintainer will have his/her seniority protected in all other classifications in which he/she holds seniority for the duration of time working in the classification of Mobile Lubricator Operator/Maintainer and will not be required to protect on temporary or seasonal positions to maintain seniority.

This memorandum is signed and becomes effective this 18 day of December 1998.

For BMW:

For ONTC:

R. F. Liberty
System Federation
General Chairman

E. Marasco
Senior Director
Track **and** Structures

April 23, 2003

8375-1 H

Steven Crawford
Federation General Chairman
Brotherhood of **M/W** Employees (BMW)
Western System Federation
1802 Lodgepole Drive
Kamloops, BC **V1S 1S7**

Dear Mr. Crawford:

Re: Establishment of Permanent Machine Operator (PMO)
Positions

Pursuant to the agreement reached and signed on April 9, 2003, between the BMW and Ontario Northland Transportation Commission on revisions to Agreement No. 7.1, the following represents the understanding and mutual agreement between the two parties signatory hereto on the establishment of three PMO assignments.

The headquarters of the three assignments will be as follows:
North Bay, Englehart, and Cochrane.

The North Bay and Englehart positions will be bulletined as soon as possible following the signing of this Letter of Understanding. The Cochrane position will be phased in accordance with the departure, grandfathering or other acceptable arrangement and agreement between the BMW and Ontario Northland of the incumbent payloader operator.

The objective of the introduction of the PMO assignment is to achieve maximum flexibility, cost effectiveness and stability by reclassifying a position at these locations, which for all intents and purposes is now primarily a payloader assignment which at times is not fully engaged. These PMO position classifications replace the payloader position assignments at the noted locations and as such do not reflect the introduction of three (3) additional positions.

The PMO will work at the designated headquarters and as directed by the company where practical and possible. The PMO

position will have a primary machine assignment to be determined by mutual agreement between the company and the union, with the understanding and acceptance that **the PMO will** also be required to operate other machines as and when required and as qualified, with the following exceptions:

- **Will** not be required to operate the 20-ton crane unless the PMO is qualified on same.
- Will not be required to operate machines working in an extra gang consist. That is, **this** position will not be used to fill a machine operator's position on an extra gang.
- Will not be required to operate system snow fighters when working on the main line.

Except as noted above, the PMO, **if** available, will be assigned to cover **different** machine tasks as required at the headquarters and/or the main line. If the PMO is not available, **the** assignments will be covered as per the current practice. When away *from* the headquarters, the PMO will be entitled to expenses in accordance with the provisions of *the* collective agreement.

For the initial appointment, the PMO must have minimum operating efficiency in three key pieces of track machinery in the Group 1 and/or Group 2 list and **the** ability, willingness and aptitude to learn to operate others as required. A proficiency test will be conducted by the machinery trainer and concurrence on qualifications/disqualifications will be reached between the machinery trainer, the track programs supervisor and the appropriate union representative. Because one of the obvious objectives is stability within the position. once appointed, successful PMO candidates will be locked in for a period of two years.

When extra gangs are working in the vicinity of the headquarters of the PMOs, whenever practical and possible, every effort will be made to afford the PMO the opportunity of training on different machines.

The rate of pay of the PMO position is established at \$20.906. **If** qualified and if called upon to operate a special group rate machine, the special group rate will apply.

Sincerely,

**E. Marasco
Senior Director
Track and Structures**

**Steven Crawford
Federation General Chairman**

**Richard Paulin
Local Chairman**

AGREEMENT NO. 7.2

RATES OF PAY AND RULES

Governing Extra Gang Labourers

Between

ONTARIO NORTHLAND RAILWAY

and

THE BROTHERHOOD OF

MAINTENANCE OF

WAY EMPLOYEES

Agreement No. 7.2

INDEX

AGREEMENT NO. 7.2

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EXCEPT AS OTHERWISE **PROVIDED** HEREIN,

AGREEMENT NO. 7.1 WILL APPLY

SECTION 1

Definition of Extra Gang Labourers

1.1 By "Extra Gang Labourers" is meant employees working in temporary Extra Gangs, for whom rates of pay are provided in this agreement.

1.2 By "Attendant" is meant employees working in temporary Extra Gangs responsible for maintenance of boarding cars and associated equipment.

1.3 The use of the masculine gender in this Collective Agreement includes the feminine and vice versa.

SECTION 2

Hours of Service and Meal Periods

2.1 In emergencies employees shall not be required to work more than 16 hours continuously without a rest of 8 hours; no employee shall be required to work more than 5 hours without food.

SECTION 3

Accumulation of Rest Days

3.1 Rest days may be accumulated over a period of up to 13 consecutive weeks, by decision of the Railway. The period of accumulation may be extended beyond 13 weeks by mutual consent between the System Federation General Chairman and the appropriate officer of the Railway.

3.2 At the expiration of the accumulation period the employee concerned will be granted leave on the basis of one regula;

working day off duty with pay for each rest day worked during the accumulation period.

3.3 During the accumulation period, the employee concerned will be paid currently for regular working days only. Payment for time worked on rest days being accumulated will not be paid currently but will be paid for at the straight time rate for the period of leave outlined in 3.2 above. However, punitive overtime earned on any day will be paid currently.

SECTION 4

Seniority

4.1 The seniority of an extra gang labourer shall commence from the date of entry into the service as an extra gang labourer covered by this Agreement.

A new employee shall not be regarded as permanently employed until after 3 months' service which service must be accumulated within the preceding 24 months. Within such 3-month period he/she may, without investigation, be removed for cause which in the opinion of the Company renders him/her undesirable for its service.

2.F(P)4.2 Before completion of probationary period employees must undergo medical examination as required by the company.

4.3 Seniority lists of all Extra Gang Labourers and Attendants covered by this Agreement, showing name, date of entry into the service and seniority standing, shall be prepared and posted in a place accessible to the employees concerned not later than March 1st of each year, a copy of which will be furnished representatives of the employees.

4.4 Attendant position will be offered to Extra Gang Labourers in seniority order subject to 34.2(c) of Agreement 7.1. Attendants may be required to work a split shift with a flexible starting time as follows: commencing one-half (1/2) hour before the Gang starts work, work four (4) hours on-duty, four (4) hours off duty and **four (4)** hours back on duty. Any extra duty hours will be governed by the principles of Section 8 of Agreement 7.1

SECTION 5

Students

5.1 The following provisions govern the use of post secondary 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.

NOTE: Students may be hired solely to supplement the ranks of extra gang labourers.

SECTION 6

Staff Reduction

6.1 In the event of reduction of staff in any gang, the senior qualified employees will be retained. Employees laid off in such gangs or as a the result of displacement will have the right to exercise their seniority in other extra gangs.

6.2 Displacement rights must be exercised and work commenced on that position of choice within 10 days of displacement except that employees who are on leave of absence at the time of displacement will be required to exercise

10. c
10. d

such rights prior to resuming duty. An employee failing to exercise such rights will forfeit his/her seniority and his/her name will be struck off the seniority list.

6.3 Employees will be given no less than 4 working days' advance notice 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 shorter notice may be given.

6.4 An employee who is laid off and who desires to return to the service when work is available for him/her, must keep the proper officers of the Railway advised of his/her address in order that he/she may be readily located when his/her services are required. A laid-off employee failing to comply with this rule, will forfeit his/her seniority rights under this agreement and his/her name shall be struck off the seniority list by agreement between the System Federation General Chairman and the appropriate officer of the Railway.

6.5 Laid-off employees shall be recalled to service in, order of seniority when staff is increased or when vacancies occur.

6.6 A laid-off employee who fails to report for duty, or to give satisfactory reasons for not doing so within 15 calendar days from date of notification, shall forfeit his/her seniority rights under this agreement, and his/her name shall be struck off the seniority list by agreement between the System Federation General Chairman and the appropriate officer of the Railway.

6.7 Rules 6.4, 6.5 and 6.6 do not apply in cases of employment for under thirty days' duration where the employee has steady work of thirty days or more elsewhere.

SECTION 7

Rates of Pay

7.1 The rates of pay for employees covered by this agreement are as follows:

	Effective Jan. 1/02	Effective Jan. 1/03	Effective April 10/03	Effective Jan. 1/04
	2%	3%	Increase	4%

Extra Gang Labourer

First **156** days' service excluding probationary period

	\$14.3198	\$14.7494	\$15.0494	\$15.6513
Effective April 1/04 (\$0.20)	-----			\$15.8513

After **156** days' service excluding probationary period

Thereafter	\$14.6574	\$15.0971	\$15.3971	\$16.0130
Effective April 1/04 (\$0.20)	-----			\$16.2130

Attendant

0 – 6 months	\$16.5046	\$17.9998	\$17.9998	\$17.6797
7- 24 months	\$16.9269	\$17.4347	\$17.4347	\$18.1321
Over 24 months	\$17.0411	\$17.5524	\$17.5524	\$18.2545

Students	\$8.6353	\$8.8944		\$9.2502
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7.2 The minimum hourly rate for probationary employees shall be:

	\$13.0356	\$13.4267	\$13.7267	\$14.2757
Effective April 1/04 (\$0.20)	-----			\$14.4757

This Clause 7.2 does not apply in respect of employees who on entering the service can show evidence of six months' service in similar work on any Railway.

7.3 Employees temporarily assigned to higher-rated positions shall receive the higher rates while occupying such positions.

11.2.5

Employees temporarily assigned to lower-rated positions shall not have their rates reduced.

7.4 The provisions of Clause 2.4(b) of Agreement 7.1 will apply to employees covered by this Agreement.

SECTION 8

Duration of Agreement

8.1 This agreement **as** amended and updated, shall remain in full force and effect until December **31, 2004** and thereafter, subject to four month's notice in writing from either party to this agreement of its desire to revise, amend or terminate it. Such notice may **be** served at any time subsequent to August **31, 2004**.

For ONTC:

For the Unions:

R. Hains
Executive Vice-President

R. Paulin
Local Chairman
Brotherhood of Maintenance of
Way Employees

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

**EMPLOYEE BENEFIT PLAN
SUPPLEMENTAL AGREEMENT**

BETWEEN

**ONTARIO NORTHLAND
TRANSPORTATION COMMISSION**

AND

ASSOCIATED RAILWAY UNIONS
(representing the Unions Signatory hereto)

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:

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".

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".

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

(e) Extended Health Care Benefits, details of which are contained in Appendix "E".

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

N (g) Long Term Disability Protection Plan, details of which are contained in Appendix "G".

N (h) Vision Care Benefits, details of which are contained in Appendix "H".

W/I 2. Eligibility qualifications and pay direct provisions shall be as outlined in Appendix "I".

3. An Administrative Committee will be established to act as a Committee of Appeal in cases where an employee may feel that he/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.

6. a. b
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.
- (9) 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.

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"

13. a. $\frac{6}{100}\%$ WEEKLY INDEMNITY BENEFITS

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 after termination of the previous disability.

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

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

Benefits will not be payable:

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

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

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

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

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

(f) if the employee is drawing vacation pay or pay for general holidays or is on strike; (see Note 2);

(g) for intentionally self-inflicted injury, or injury resulting from war, insurrection or participation in a riot;

(h) for absence from work due to pregnancy leave;

(i) for any period during which an employee is engaged in any occupation for wages or profit;

(j) when an employee is laid off, or on leave of absence (see Note 3).

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

Explanation of Notes

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

APPENDIX "C"

MEDICARE ALLOWANCES

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

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

(b) Eligible employees resident in the Province of Ontario

Monthly allowances as follows:

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

13. a

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.

3. -

4. Subject to the provisions of the above sections an employee qualifies for an allowance for any month only if he/she performs

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

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

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

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

Note:

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

APPENDIX "D"

PAID MATERNITY LEAVE PLAN

1. Effective on the first day of the month following the signing of this agreement, a paid Maternity Leave Plan will be established for claims which originate on or after that date. The plan will provide maternity leave benefits in the event of childbirth or the adoption of a child less than one year old of an amount that, when added to Employment Insurance Maternity Benefits, will result in the employee receiving 70% of her weekly base pay with no maximum amount for those weeks during which she receives Employment Insurance Maternity Benefits, i.e., for a maximum of 15 weeks. *12. F. 1 | E i 15 | P 70%* *12. F. 2 | E i 15 | P 70%*
2. The provisions of the paid Maternity Leave Plan are subject to the approval of Human Resources Development Canada.
3. Employees have no vested right to payments except to payments as outlined in Clause 1 above.
4. Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

APPENDIX "E"

EXTENDED HEALTH CARE BENEFITS

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

- a) Hospital Benefit

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

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

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

(b) Drug Benefit

a.4/N

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

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

- (i) No generic substitute is available, or
- (ii) An allergic reaction to the generic drug is demonstrated.

(c) Major Medical Benefit

- The Major Medical Benefit portion of the plan is subject to a deductible of \$25.00 per family, per calendar year.
- This benefit is subject to a lifetime maximum amount of \$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.

13.a-5/

General Exclusions

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

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

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

Co-ordination of Benefits

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

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

APPENDIX "F"

DENTAL CARE BENEFITS

2-5/N 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 xrays should be submitted to Maritime Life for approval. Failure to do so may result in payment of a lesser benefit amount because of the difficulty in determining the need for such treatment after it has been provided. Dental x-rays will be promptly returned to the dentist.

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

Limitations

No amount will be paid for charges for:

- dental care which is cosmetic;
- completion of claim forms;
- broken appointments;

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

APPENDIX "G"

LONG TERM DISABILITY PROTECTION PLAN

1. Employee Eligibility:

a) Must be a current active employee with permanent status and a minimum of ~~two~~ **(2)** years of continuous employment relationship.

b) For employees hired after December 15, 1999, 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 / N

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.

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

13. a. 1 | 100%

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).

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.

13.b

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 selfsustaining 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

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.

/OM

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 #7.1.

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 20th 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.

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 $4 \frac{1}{12}$ (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

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 tire, flood, tempest, or earthquake or a reduction of cessation of work due to strikes by employees of the Company;

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

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

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

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

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

Claim Procedure

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Temporary recall for less than five working days

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

Example of Payments for Part Week on Recall

4.7 Assume that an employee with a rate of \$15.00 per hour (\$120. per day, \$600. per week) is laid off Friday, February 8, 1992 (last day worked February 7~~th~~) 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

b.1

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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a.3(P)
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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

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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

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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 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

3.2 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.

4.0 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.

(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.

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

f. 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 other officer as may be named. by the Union concerned, to receive such notices. In any event, not less than three month's notice shall be given, with a full description thereof and with appropriate details as to the consequent changes in working conditions and the expected number of employees who would be adversely affected.

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

8.3 When the implementation of a technological, operational or organizational change is delayed or ~~is~~ to be delayed, at the

instance of the Company, in excess of thirty calendar days, a new notice as per Article 8.1 shall be given.

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

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

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

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

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

Maintenance of Basic Rates

8.9 An employee whose rate of pay is reduced by \$2.00 or more

per week, by reason of being displaced due to a technological, operational or organizational change, will continue to be paid at the basic weekly rate or hourly rate applicable to the position permanently held at the time of the change providing that, in the exercise of seniority, he/she;

(a) First accepts the highest-rated position at his/her location to which his/her seniority and qualifications entitle him/her; or

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

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

(i) the dollar value of the incumbent above the prevailing job rate has been maintained for a period of three years, and thereafter until subsequent general wage increases applied on the basic rate of the position he/she is holding erase the incumbent differential; or

(ii) the employee fails to apply for a position, the basic rate of which is higher, by an amount of \$2.00 per week or more than the basic rate of the position which he/she is presently holding and for which he/she is qualified at the location where he/she is employed; or

(iii) the employee's services are terminated by discharge, resignation, death or retirement.

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

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

Date	Basic Rate	Level
Oct.1, Yr.1	\$450.00	\$500.00
Jan.1, Yr.2(4%)	468.00	518.00
Jan.1, Yr.3(3%)	482.04	532.04
Jan.1, Yr.4(3%)	496.50	546.50
Jan.1, Yr.5(3%)	511.40	546.50
Jan.1, Yr.6(3%)	526.64	546.50
Jan.1, Yr.7(3%)	542.54	546.50
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 even or thirty-day waiting period, as the case may be, will begin on the commencement date of the recognized seasonal working period. Seasonal employees and recognized seasonal working period shall be defined in Memoranda of Agreement signed between the Company and the affected Organizations signatory thereto.

ARTICLE 11

Casual and Part Time Employees

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

14.9

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 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"

Organization	Classification
B.M.W.E. Brotherhood of Mtce of Way Employees	7.1 All BMW E 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

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