

AGREEMENT 11.1

Between

CANADIAN NATIONAL RAILWAY COMPANY

and

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

covering

**Rates of pay and rules governing the service
of S & C Coordinators, S & C Technicians,
S & C Testmen, S & C Leading Maintainers,
S & C Leading Mechanics, S & C Maintainers,
S & C Mechanics, S & C Assistants, S & C Linemen,
S & C Apprentices and S & C Helpers**

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(version française disponible sur demande)

PREFACE

EMPLOYMENT SECURITY

AND

INCOME MAINTENANCE

PLAN

This reprint of the Employment Security and Income Maintenance Plan reflects the amendments made to the Employment Security and Income Maintenance Agreement dated April 21, 1989, as amended by mutual agreement effective June 1, 1995.

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DEFINITIONS

In this Agreement, the terms used herein will have the meanings as hereinafter provided and the words implying the masculine gender include the feminine:

- A.** "Employment Security" means that an employee who has completed 8 years of Cumulative Compensated Service with the Company will have Employment Security as provided in Article 7.
- B.** "Eligible Employee" means an employee of the Company represented by one of the Organizations signatory to the Employment Security and Income Maintenance Agreement dated April 21, 1989, who is eligible for benefits pursuant to the eligibility requirements of Articles 4 , 6 or 13.
- C.** "Basic Weekly Rate" means the Basic Weekly Rate of pay including stand by applicable to the position held at the time of change. (Hourly rated employees, 40 X the basic hourly rate; seasonal and spare employees, 80 per cent of average weekly earnings over the eight weeks preceding layoff.)
- D.** "Seniority District or Seniority Territory" means that Seniority District or Seniority Territory as defined in the applicable collective agreement.
- E.** "The Plan" means the benefits and terms and conditions relating thereto as agreed for the employees of the Company, as defined herein, which benefits, terms and conditions appear in this Agreement.
- F.** "Cumulative Compensated Service" means:
 - (i)** one month of Cumulative Compensated Service which will consist of 21 days or major portion thereof.
 - (ii)** Twelve months of Cumulative Compensated Service shall constitute one year 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 or 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 calendar year, shall be included in the computation of Cumulative Compensated Service.

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

H. “Technological Change” means: the introduction by the employer into his work, undertaking or business of equipment or material or a different nature or kind than that previously utilized by him in the operation of the work, undertaking or business; or

“Operational or Organizational Change” means: a change in the manner, method, procedure or organizational structure by which the employer carries on the work, undertaking or business not directly related to the introduction of equipment or material provided that any such change is not brought about by:

(i) a permanent decrease in the volume of traffic outside of the control of the company; or

(ii) a normal reassignment of duties arising out of the nature of the work in which the employee is engaged; or

(iii) a normal seasonal staff adjustment.

Note: Any permanent shutdown or permanent partial shutdown of an operation, facility or installation, shall be considered as a Technological, Operational or Organizational change. Any permanent Company-initiated change, excluding changes which are brought about by general economic conditions, and which result from the reduction or elimination of excess plant capacity shall also be considered as Technological, Operational or Organizational changes.

I. “Master Agreement” means the Master Agreement signed between the Company and the Organizations signatory hereto.

J. “Location” means: Greater Metropolitan Area.

ARTICLE 1
THE TRUSTEE

1.1 The Trustee shall pay to Eligible Employees the benefits for which they are entitled in keeping with the provisions of The Plan.

ARTICLE 2
LABOUR ADJUSTMENT COMMITTEE

2.1 The Labour Adjustment Committee shall consist of up to three representatives of management and up to three representatives of the Union. The Committee shall be co-chaired by the Chief Engineer or designate and one of the System General Chairmen of the International Brotherhood of Electrical Workers, System Council No. 11, or designate.

Part-time union officers participating in Labour Adjustment Committee meetings will not lose any pay. The Company will reimburse any expenses incurred as per provisions of the Collective Agreement.

The Committee will meet quarterly or as often as is deemed appropriate by the Co-Chairpersons.

2.2 The role of the Committee will be to:

- (a)** Review the status of surplus employees as well as any initiative which may impact employees represented by the Union.
- (b)** Mediate the item(s) remaining in dispute following the discussions held in accordance with Paragraph 2.3.
- (c)** Examine placement opportunities for surplus employees inside the Company system wide, as well as with external employers, where appropriate. The Committee will do everything possible to encourage surplus employees to accept employment opportunities identified by the Committee.
- (d)** Provide, where it deems appropriate, tuition assistance of up to \$3,000 to surplus employees. This assistance will be provided for training or education which will assist the individual in accessing work opportunities inside the Company or with external employers. These expenditures may be advanced upon presentation of appropriate receipts and documentation to the Committee.

Dispute Resolution

2.3 Should the Labour Adjustment Committee be unable to resolve the issues referred to them under Paragraph 2.2, the item(s) remaining in dispute may be referred to an Arbitrator as set out in the “final Settlement of Disputes” provisions of the collective agreement. The items to be decided by the Arbitrator shall not include the right of the Company to make the change or the implementation date.

Grievance Procedure and Final Dispositions of Disputes

2.4 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 be progressed in accordance with the provisions of the collective agreement commencing at the authorized “designated officer” level.

2.5 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 the Committee, except that if the dispute is one involving the question of whether or not a change is a technological, operational or organizational one as contemplated under Article 8.1 of The Plan, then such dispute shall be progressed to arbitration under the provisions of the collective agreement.

2.6 The request to have the Committee adjudicate upon a dispute 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 submitted in writing to the Co-Chairmen of the Committee and 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 Co-Chairmen of the Committee.

2.7 Except as otherwise provided in The Plan, in the event the Labour Adjustment Committee is unable to reach a decision on any question, the Union or the Company may request that such question be referred to arbitration.

The parties shall submit a joint statement of issue or issues to a single Arbitrator, who shall be the person from time to time occupying the position of Arbitrator for the Canadian Railway Office of Arbitration.

The Company and the Union shall respectively bear any expenses each has incurred in the presentation of the case to the Arbitrator, but any general or common expenses, including the remuneration of the Arbitrator, shall be divided equally.

In the event that the parties do not agree upon a joint statement of issue, or issues, remaining in dispute, either or each may submit a separate statement to the Arbitrator in accordance with the procedure outlined above for the joint statement and the other party shall be provided with a copy thereof.

The Arbitrator shall hear the dispute within 30 days from date of the request for arbitration and shall render his decision together with reasons therefor in writing within 30 days of the completion of the hearing.

2.8 When a question has been referred to an Arbitrator as provided for in Article 2.7 hereof, the Arbitrator shall have all the powers of the Committee as set out in Article 3 hereof in respect of that question. The Arbitrator shall have no power to add to, subtract from, or modify any of the terms of The Plan or any other collective agreement. The decision of the Arbitrator shall be final and binding.

2.9 The Committee shall meet quarterly or more often as it may determine.

ARTICLE 3 SPECIAL CASES

3.1 Subject to the provisions of The Plan, the Committee 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 any other collective agreement. The Committee 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 the Union.

3.2

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

(i) special case(s) involving extenuating circumstances.

Note: **Effective May 1, 1989**, if the extenuating circumstances involve the relocation of employees to the Metropolitan Toronto area, such employees, provided they are a homeowner and eligible for relocation benefits pursuant to the provisions of Articles 6.1 and 6.2 herein, will be allowed a special relocation allowance of \$18,000.

In the event such employees relocate to a location other than the Metropolitan Toronto area, the appropriate System General Chairman may meet with the Assistant Vice-President, Labour Relations to discuss whether or not a special relocation allowance for such other location is required. In the event that such discussions do not result in mutual agreement, the Union may, within 30 calendar days, refer the outstanding issue to the Committee.

In such event it is understood that the special relocation allowance with respect to the Metropolitan Toronto area will not be used by the signatories hereto as guidelines for adjudication.

- (ii) special case(s) of temporary layoffs of not more than 16 weeks lending themselves to an orderly implementation of lay-off 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 basis, after all employees with less than two years service have been laid off.
- (iii) special case(s) of permanent staff reductions lending themselves to special offers of optional early retirement separation allowances to employees eligible, or within one year of eligibility, to retire under Company pension rules so as to prevent the otherwise unavoidable relocation and permanent separation of employees with two or more years' service. The separation allowance to apply in each such special case of optional early retirement is to be a lump sum payment calculated on the basis of the following formula:

Years of Cumulative Compensated Service	Number of Weeks Salary Credited for Each Year of Service Remaining to Normal Retirement
35 or more	4.5
34	4.4
33	4.3
32	4.2
31	4.1
30	4.0
29	3.9
28	3.8
27	3.7
26	3.6
25 or less	3.5

Note:

- (a) A partial year of service remaining to normal retirement is to be expressed on a monthly basis, e.g., 4 years and 1 month (or major portion thereof) equals 4-1/12 (4.083) years.
 - (b) One week's salary shall be the employees' Basic Weekly Rate at the time of the change.
- (b) The Committee may only approve such special case(s) conditional upon the Committee's observance 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 the Canada Employment and Immigration Commission that employees who avail themselves of such an inverse seniority layoff procedure will not be disqualified nor disentitled from unemployment insurance benefits for so doing.
 - (v) approval of such special case(s) shall not involve the modification of any Company plan or agreements 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.
- (c) The foregoing procedures shall not alter the effective date of staff reductions.

3.3 The Committee shall have the power to admit to coverage under The Plan any applicant bargaining unit that has a collective agreement with a railway, as defined herein, subject to such conditions as may be determined from time to time by the Committee. Unless otherwise agreed between the employer 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 Co-Chairmen of the Committee.

For the purpose of this Article, a railway is defined as Canadian National Railway Company and its subsidiaries and joint properties. It also includes an employer associated with Canadian National Railway Company, a group of whose employees has been admitted to The Plan as provided for in this Article.

ARTICLE 4
WEEKLY LAYOFF BENEFITS

Benefit Accumulation - Layoff Payments

4.1

- (a)** For each year of Cumulative Compensated Service (or major portion thereof) an employee will be allowed a gross layoff benefit credit of five weeks for each such year.
- (b)** Effective June 1, 1995, for each year of Cumulative Compensated Service (or major portion thereof) an employee will be allowed a gross lay-off benefit credit of six weeks for each such year.

Note: In arriving at net layoff benefits available for an employee, any previous layoff payments made from the Job Security Fund, under the provisions of previous Job Security Agreements and Article 4 of The Plan must be taken into account on a "weeks of benefits paid" basis. For example, if an employee with 10 years Cumulative Compensated Service was laid off under the provisions of The Plan, he would be treated as follows:

Gross weeks of layoff benefits entitlement - 10 (yrs) X 6 (weeks)	60 weeks
Less weeks of layoff benefits paid under the provisions of previous Job Security Agreement and Article 4 of this Plan	<u>10 weeks</u>
Net Layoff Benefit available	50 weeks

- (c)** 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 twenty (20) years of Cumulative Compensated Service, when the following maximum layoff benefit will apply:

Years of Cumulative Compensated Service	Maximum Period for which Weekly Benefits Payable for each Period of Layoff
20 years or more but less than 25 years	- 3 years
25 years or more but less than 30 years	- 4 years
30 years or more	- 5 years

4.3 An employee who, at the beginning of the calendar year, has completed 12 years of Cumulative Compensated Service and subsequently receives weekly benefits due to layoff, in accordance with the provisions of Article 4 of The Plan shall, upon return to service after termination of layoff, be credited with the accumulated layoff benefit weeks he had to his 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”) provided he meets all of the following requirements:

- (i)** He has two years or 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)** Intentionally left blank
- (iv)** He has exercised full seniority rights on his 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.
- (v)** Employees who elect layoff benefits under this Article 4 will forfeit their entitlement to a severance payment under Article 13.
- (vi)** He has not applied for a severance payment under Article 13 within fourteen calendar days from the date of layoff.

(b) Intentionally left blank

- (c) An employee who, on being laid off, does not qualify under Article 4.4(a)(i) 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 has two years of continuous employment relationship. The seven-day waiting period provided for in Article (a)(ii) 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 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 this Article 4.4 (d) (ii), retirement, Act of God, including but not limited to fire, flood, tempest or earthquake or a reduction or cessation of work due to strikes by employees of the Company;
 - (ii) During any interval between the time that he is recalled to the service of the Company after a period of layoff, and the time at which he 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 provisions of Article 4.6 of The Plan, on the same basis as if he had returned to work on the date such work became available.
 - (iii) If he declines, for any reason, other than as expressly provided for in this Article 4.4 (d) (ii), recall to work on his Basic Seniority Territory in accordance with the seniority provisions of the collective agreement.
 - (iv) If employees fail to comply with the provisions of Article 4.12.
 - (v) In respect of any period in which he is receiving other payments of any kind or nature directly from the Company, except as otherwise expressly provided in Article 4.6.
 - (vi) During any recognized period of seasonal layoff as defined in Article 10.
 - (vii) After his dismissal from the service of the Company.

Claims Procedure

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

- (a)** Employees with TWO or more years of continuous employment relationship and LESS THAN TWENTY YEARS' Cumulative Compensated Service:
- (i)** A weekly layoff benefit for each complete 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 allowable under unemployment insurance for such week, will result in the employee receiving 80 percent of his 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 the maximum unemployment insurance weekly benefit currently in force 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 Basic Weekly Rate at time of layoff.
 - (iii)** Weekly layoff benefits provided for under Article 4.5 shall cease when an Eligible Employee has exhausted the 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 complete 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 allowable under unemployment insurance for such week, will result in the employee receiving 80 percent of his 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 Basic Weekly Rate at time of layoff.

- (c) It shall be the responsibility of the employee to report for each week for which he 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 that his 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 Article 4.4 (a) except that:

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

An employee who has qualified for weekly layoff benefits in accordance with Article 4.4 (a) and who returns to work for part of the last claim week and thereby receives earnings from the Company in that 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 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 Article 4.4 (a) will not have his weekly benefit payment reduced for any claim week during which he returned to the service temporarily for less than five working days.

EXAMPLE OF PAYMENT FOR PART WEEK ON RECALL

4.7 Assume that an employee with a rate of \$15.00 per hour (\$120.00 per day, \$600.00 per week) is laid off Friday, April 16, 1993, (last day worked April 15th) and recalled to work Thursday, May 27, 1993. 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 - \$425
(from the Plan)

- (ii) employee with 20 or more years of service - 80% of Basic Weekly Rate at the time of layoff - (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
(\$342 unemployment insurance and \$138 from the Plan)

LAST PLAN CLAIM WEEK (MAY 21 - MAY 27, 1993, INCLUSIVE)

For unemployment insurance purposes, employee works 2 days, (May 27 and 28 -both of which days fall in one unemployment insurance claim week) -Earnings \$240.00

Deduct unemployment insurance allowable earnings (25% of employee's unemployment insurance entitlement of \$342) \$85.50

Net earnings for unemployment insurance purposes \$154.50

Unemployment insurance entitlement during last plan claim week -(\$342 -\$154.50) \$187.50

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

One day's wages for Thursday, May 27, the last day of the plan claim week \$120.00

Unemployment insurance entitlement \$187.50

From The Plan \$172.50

TOTAL \$480.00

4.8 Intentionally left blank.

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 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 Seniority Territory will have his group life insurance continued during the period of layoff, up to a maximum period of two years from date of layoff.

4.10 Any agreement reached between the parties will not be valid in respect of benefits under The Plan unless approved by the Canada Employment and Immigration Commission on the basis that no deductions will be made from the Government 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 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 providing such claim is submitted within sixty calendar days of the effective date of The Plan. The period of continuous layoff immediately 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 right to any benefit payments unless subsequently returned to work and again laid off.

Work Requirements

4.12

- (a)** Effective June 1, 1995, employees who are not eligible for the benefits contained in Article 7 of this Plan will be entitled to the benefits contained in Article 4 and Article 13 of this Plan.

In order to become and remain eligible for these benefits, the employee in receipt of Job Security Benefits will be required to continuously exercise their seniority as follows.

- i) fully exhaust their seniority in their classification at their location; if unable to hold work,
- ii) fully exhaust their seniority in their bargaining unit at their location; if unable to hold work,
- iii) fully exhaust their seniority on their Region.

Note: Relocation benefits will be triggered only when permanent vacancies are filled or when an employee displaces onto a permanent position.

- iv) must fill vacancies in any other bargaining units, non-scheduled or management positions at the home location; if unable to hold work.
 - v) may accept work outside of CN Rail at the home location as determined by the Labour Adjustment Committee.
- (b) Employees will be required to accept permanent and temporary vacancies at their home location in other bargaining units, non-schedule and management positions subject to qualifications. Any bargaining unit positions in Article 4.12(a)(iv) must be vacancies which occur after all bulletining and recall provisions of the relevant collective agreements have been exhausted. Failing to do so, their weekly layoff benefits will be forfeited for the duration of that vacancy, but all other rights will remain.

Note: For the purposes of this provision, a temporary vacancy is defined as one of at least 7 calendar days and less than 90 calendar days duration. A permanent vacancy is defined as one of at least 90 days in duration.

- (c) Employees accepting a vacancy in another bargaining unit, schedule or management position pursuant to this Article 4.12 will continue to accumulate seniority in the classification from which laid off. Such employees must accept recall to the first permanent vacancy in their original classification at their home location. Failure to do so will result in the loss of seniority in their original classification.
- (d) Should a permanent vacancy arise in the bargaining unit at a time when several members of the bargaining unit are on laid-off status and receiving benefits, the vacancy will be offered to the laid off employees in order of Cumulative Compensated Service (C.C.S.). Only the most "junior" (i.e. in years of C.C.S.) will be required to accept the vacancy pursuant to paragraph (b) above. The provisions of this paragraph (d) come into effect only after acknowledgment by the

Canada Employment and Immigration Commission that it will not invalidate registration of the Plan.

- (e)** Employees who work outside their bargaining unit pursuant to paragraph (b) above will be governed by the terms and conditions of employment or of the collective agreement under which they are working except they will be compensated while so employed at 80 percent of their Basic Weekly Rate at time of layoff, or the established rate for the vacancy, whichever is the higher. In the application of this provision, if it is necessary to supplement the basic rate of the position concerned, each week so supplemented shall be deducted from the employees' weekly layoff benefits entitlement. Provided employees remain in a position to which a supplement applies, such supplement will be paid until such time as the amount expended for supplementary payments equals the amount of weekly layoff benefits they would have received had they not been required to fill a vacancy or, until the employees vacate the position, whichever date comes first. In determining the weekly layoff benefits they would have received if they had not been required to fill the vacancy, it will be assumed that the employees had no outside earnings.

If employees are laid off from a position occupied pursuant to paragraph (b) above and still eligible for weekly layoff benefits, their benefits will be calculated as if they had been laid off from their original classification.

- (f)** Employees who accept a permanent vacancy in accordance with paragraph (b) above will, for purposes of bidding, establish a seniority date in their new classification based on the date of transfer. Ninety (90) calendar days after employees transfer to a permanent vacancy in accordance with paragraph (b) above, they will, for purposes of protection against layoff, establish a seniority date in their new classification based on the seniority date in the classification from which laid off. In such circumstances, i.e. to protect against layoff, the employee shall displace the junior employee at the location in the classification to which transferred. An employee who transfers to a temporary vacancy in accordance with paragraph (b) above will, for all purposes, establish a seniority date in the new classification based on the date of transfer.
- (g)** Employee on lay off benefits will be required to accept recall to vacancies of expected duration of at least 7 calendar days and less than 90 calendar days in their classification at their home location. Failing to do so, the employee's weekly layoff benefits will be forfeited for the duration of that vacancy, but all other rights will remain. Notice of recall shall be provided as per the collective agreement, except when waived by the employee.
- (h)** These provisions shall operate over any clause in a collective agreement to the contrary.

ARTICLE 5

TRAINING OF EMPLOYEES

5.1 An employee who has Employment Security under the provisions of Article 7 of The Plan who has his position abolished and is unable to hold work due to a lack of qualifications, will be trained for another position within his seniority group and, failing that, will be trained (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 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 last railway classification during his period of training (hourly rated employees, 40 x the basic hourly rate; seasonal and spare employees, 40 x the average hourly earnings over the eight weeks preceding lay-off).

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 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 rate of pay,

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

5.3 At the option of the Company training provided under the provisions of either Article 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 per cent of the Basic Weekly Rate of his last job classification during his period of training. In addition, he 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 has been trained.

5.7 In addition, the Company, where necessary and after discussion with the Union, 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 System General Chairman and the appropriate officer of the Company either prior to or at the time of layoff or at the time of the serving of the notice pursuant to Article 8 or as retraining under Article 5.7 is considered. Any unresolved differences between the parties concerning the usefulness of training for future Company service, the necessity for retraining, or the suitability and adaptability of an employee for training, may be progressed to arbitration in keeping with Article 2.10 of The Plan.

ARTICLE 6

RELOCATION EXPENSES

Eligibility

6.1 To be eligible for relocation expenses an employee:

- (a) must have been laid off or displaced, under conditions where such layoff or displacement is likely to be of a permanent nature, with the result that no work is available at his 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 employee 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 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 and be required to relocate to hold work under the provisions of Article 7 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) as per the current provisions of the Employment Security and Income Maintenance Agreement, relocation benefits will only apply when an employee is required to travel an additional 25 miles to the new work location or the commuting allowance benefit will apply if the employee does not change his residence but is required to travel an additional 15 miles to the new work location.

Relocation Benefits

6.3 Payment of door-to-door moving expenses for the Eligible Employee's household goods and his 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 Effective June 1, 1995 an allowance of up to \$750 for incidental expenses actually incurred as a result of relocation.

6.5 Effective June 1, 1995, reasonable transportation expenses from his former location to his new location by rail, or if authorized, by bus or employee-owned automobile, and up to \$ 190 for employee without dependents and that an additional amount of \$ 80 will be paid for each dependent for meals and temporary living accommodation. Receipts will be required for rail and bus transportation.

6.6 Upon authorization, an employee may drive his automobile to his new location at the allowance per kilometer specified in the current Collective Agreement.

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

6.8

- (a)** Effective June 1, 1995, except as otherwise provided in Article 6.8 (c), reimbursement of up to \$12,000 for loss sustained on the sale of a relocating employee's private home which he 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 per cent 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 the time of the change; or
 - (ii)** Effective June 1, 1995, 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 \$12,000 specified in Article 6.8 (a) 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 house and receives any benefit to which he may be entitled under Article 6.8 must advise the Company's officer concerned accordingly within twelve months of the date the initial change 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 date 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 Effective June 1, 1995, 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 shall require the prior of the Company and shall not, in any event, exceed a total cost of \$ 6,000.

6.10 Effective June 1, 1995, if employees, are eligible for moving expenses do not wish to move their household to their new location they may opt for a monthly allowance of \$190 which will be payable for a maximum of twelve months from the date of transfer to the new location. Should employees elect to transfer to other locations during such twelve-month period following the date of transfer, they shall continue to receive the monthly allowance referred to above, but subject to the aforesaid twelve month limitation. Employees who elect to move their household effects to a new location during the twelve-month period following the date of their 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 their 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 relocating 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 employee first secures the Company's approval to pay in excess of the three months' 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 home, under the provisions of Article 6.8(b), the following procedure will apply:

(a) In advising the Company officer concerned of his desire to sell his house, the employee shall include pertinent particulars as outlined in Article 6.12(i), including his opinion as to the fair market value of his house.

(b) 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.

- (c) Within 15 working days from date of receipt of employee's advice of his desire to make a claim, the Company officer shall advise the employee concerned whether the suggested fair market value is satisfactory and, if so, such price shall be the fair market value as contemplated by Article 6.8 (a).
- (d) If, however, the officer concerned is not satisfied that the price requested by the employee is the fair market value, then an effort shall be made to resolve the matter through joint conference of the officer and 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).
- (e) 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.
- (f) The employee and Company officer concerned shall endeavor to mutually agree upon the independent appraiser referred to in Article 6.12(e). If they are unable to agree, then the Minister of Labour shall be requested to appoint such an independent appraiser.
- (g) The residence shall not have been listed for sale with any appraiser appointed pursuant to the provisions of this Article, nor with such appraiser's employee, fellow employee or partner.
- (h) The fees and expenses of any appraiser appointed in accordance with Article 6.12 (e) or (f) shall be paid by the Company.

Note: In the event an employee desires to sell his 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.

(i) Particulars of House to be Sold

Name of Owner

Address

No.	Street	City-Town
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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, coal, gas, electricity

Garage: Yes..... No

Size of Lot

Fair Market Value: \$

Other Comments

Date Signature

ARTICLE 7

EMPLOYMENT SECURITY

SECTION A - SYSTEM REQUIREMENTS

7.1 When an employee who has eight or more years of cumulative compensated service and commenced service prior to January 1, 1994, is affected by a change pursuant to article 8 of this Agreement, such employee is required, on a continuous basis, to do the following in order to become and remain eligible for the benefits contained in Section A) Article 7 of this Agreement:

- (a)** fully exhaust seniority in their own classification at their location; if unable to hold work,
- (b)** fully exhaust seniority in their own bargaining unit at their location; if unable to hold work,
- (c)** fully exhaust seniority in their own bargaining unit on their region; if unable to hold work,

- (d) accept work outside of CN Rail at the location as determined by the Labour Adjustment Committee; if unable to hold work,
- (e) fill unfilled permanent vacancies in their own bargaining unit on the system; if unable to hold work,
- (f) fill unfilled permanent vacancies in other bargaining units, non-scheduled or management positions at the location, region, system;

Note: For the purposes of this Article, “permanent vacancy” will mean any position of an expected duration of more than 90 days.

7.2

- (a) Prior to an employee being required to fill a permanent vacancy beyond the Region pursuant to Article 7.1, the Labour Adjustment Committee will meet and review whether any alternatives are available.
- (b) Employees will continue to hold and accumulate seniority on the list from which they have transferred.
- (c) Employees must accept temporary vacancies within the Region in accordance with existing rules in their collective agreement.
- (d) Any outside earnings an employee was receiving prior to the date of the notice of permanent job abolishment will not be deducted from benefits received under this Article. In all other cases, outside earnings will be deducted.

7.3 If unable to hold a permanent position pursuant to Article 7.1, an employee shall receive the employment security benefits contained in Article 7.4, at their home location, until a permanent position becomes available under the above-stated obligations. At such time, the employee will be required to obtain a permanent position in accordance with the above-stated obligations and, if required to relocate, shall be eligible for relocation benefits.

7.4 The Employment Security Benefit entitlement under Article 7 Section A of this Agreement is as follows:

8 years or more but less than 16 years CCS	4 years at 100% salary
16 years or more but less than 26 years CCS	5 years at 100% salary
26 years or more CCS	6 years at 100% salary

Employment Security Benefits are subject to future general wage increases. All applicable deductions will be made including union dues, pension, unemployment insurance, etc.

7.5 Should an employee in receipt of employment security benefits be required to fill a permanent position in accordance with the above-stated obligations, the employee's employment security benefit entitlement shall be re-instated according to the employee's years of cumulative compensated service in accordance with the formula stated above with no reduction of benefits already taken.

7.6 Employees required to relocate, that is, when they must travel an additional 25 miles from their principal place of residence to their new work location, pursuant to Article 7 Section A) and who actually relocate, will be entitled to the relocation benefits pursuant to Article 6 or, may choose actual reasonable expenses incurred up to the following:

	<u>Homeowner / Non-Homeowner</u>
Within the Region	\$28,000 / \$16,000
Beyond the Region	\$55,000 / \$33,000

7.7 Employees electing to be covered by the benefits contained in Article 7 Section A), who fail to fully exhaust their seniority in their classification at their location or, in their bargaining unit at their location or, their Region, shall forfeit their seniority and will forever forfeit entitlement to benefits under this Agreement.

7.8 Employees electing to be covered by the benefits contained in this Article 7 Section A), who at any time, fail to meet the requirements outlined in Article 7.1(d), (e) or (f), will forever forfeit entitlement to benefits under Article 7 Section A) of the Employment Security and Income Maintenance Agreement. Such employees may however, at that time, opt to receive the benefits contained in Section B of this Article. Article 7 Section B) benefits will be reduced by any wages received under Article 7 Section A).

7.9 An employee who chooses to be covered by Article 7 Section B) prior to being affected by a permanent staff reduction will continue to be eligible for Article 7 Section A) coverage if at a future date such employee obtains a permanent position and is again affected by a change pursuant to Article 8.1.

7.10 Employees affected by a change pursuant to Article 8.1, must decide, prior to the implementation date of that change, whether they wish to be governed by the rights and obligations of either Article 7 Section A) or Article 7 Section B) of this Plan.

7.11 Employees on Employment Security benefits as of June 30, 1995, and governed by the terms and conditions of Article 7 of the E.S.I.M.A. of April 21, 1989, ("the Former plan") will continue to be governed by those provisions subject to the following additional conditions or limitations which will come into effect on October 01, 1995.

The duration of Employment Security entitlement will be limited to the duration outlined in Article 7.4 of this Plan.

When employees have expended their Employment Security benefits and are not occupying a permanent position, such employees must occupy a permanent position pursuant to Article 7.1 or elect options 1 or 3 of Article 7 Section B).

Employees currently in receipt of benefits who are in the transition period of 4 to 6 years outlined above, will be required, in addition to the requirements of Article 7 of the Former Plan, to fill permanent vacancies in all other bargaining units, non-scheduled or management positions on the Region and accept work outside of CN Rail at their home location. Any outside earnings will be deducted from Employment Security payments.

When permanent vacancies occur on the System within the bargaining unit, the Labour Adjustment Committee will meet to ensure the filling of such vacancies, initially on a voluntary basis to senior employees with the view to providing employees who are currently on Employment Security with a permanent position on their Region. If the Labour Adjustment Committee cannot fill such a vacancy on a voluntary basis, the junior employee on the Region, currently on Employment Security of the Former Plan, must fill that vacancy on the System.

During this period, the Labour Adjustment Committee will meet to develop additional opportunities and/or options for such employees, including but not limited to placement assistance, job searches, special training, etc., with the ultimate goal of finding permanent employment opportunities.

7.12 Employees eligible for early retirement are not entitled to the benefits contained in this Section 7A); however, such employees will be entitled to Article 7.14 - Option 1 or Article 6 relocation benefits if required to relocate in order to hold a permanent position.

SECTION B - ENHANCED SUPPLEMENTARY UNEMPLOYMENT BENEFIT AND ALTERNATIVE OPTIONS

7.13 Employees who have completed eight or more years of CCS and commenced service prior to January 1, 1994, and are affected by a change pursuant to Article 8.1 of the Plan and elect not to fulfill the obligations under Article 7 Section A) of the Plan, will be required, on a continuous basis, to do the following in order to become and remain eligible for the benefits contained in this Article 7 Section B) of the Plan.

- (a)** fully exhaust seniority in their own classification at their location, if unable to hold work;
- (b)** fully exhaust seniority in their own bargaining unit at their location; if unable to hold work;
- (c)** fill permanent vacancies in other bargaining units, non-schedule or management positions at their home location; if unable to hold work;

Note: The employee named in the Article 8 notice may choose Option 1, 2, 3 or 4 prior to accepting work outside their home location or outside of CN Rail.

Unused option(s) other than option 2 will be transferable as follows:

first to employees in the same classification at the location in seniority order, and then

At the sole discretion of the Company, and after discussion between the Parties pursuant to Article 8.4.

(d) fully exhaust seniority in their own bargaining unit on their Region; if unable to hold work;

- Relocation benefits will be triggered only when permanent vacancies are filled or when an employee displaces onto a permanent position.

Note: Any employees may choose Option 1,3 or 4 prior to accepting work outside of CN Rail.

(e) accept work outside of CN Rail at the home location as determined by the Labour Adjustment Committee; if unable to hold work.

(f) After exhausting (a) through (e), the employee, if eligible, will be required to exercise one of the following options:

7.14

Option One (Enhanced Early Retirement Separation Allowance)

Employees who are eligible for early retirement under the CN Pension Plans rules and who have 85 points, will be entitled to a lump sum early retirement separation allowance. The separation allowance is to be calculated on the basis of the following formula:

Years of Cumulative Compensated Service	Number of Weeks Salary Credited for Each Year of Service Remaining to Normal Retirement
35 or more	6.0
34	5.9
33	5.8
32	5.7
31	5.6
30	5.5
29	5.4
28	5.3
27	5.2
26	5.1
25 or less	5.0

Note:

- (a) A partial year of service remaining to normal retirement is to be expressed on a monthly basis, e.g., 4 years and 1 month (or major portion thereof) equals 4-1/12 (4.083) years.
- (b) One week's salary shall be the employees' Basic Weekly Rate at the time of the change.
- (c) Employees who elect to retire under this Option will have their life insurance and extended health care benefits continued until they reach age 65.

Option Two (Bridging)

Employees who are at least 50 years of age and who will be eligible for early retirement under the CN Pension Plan(s) within 5 years, may elect to take a bridging package at 65% of the employees' basic weekly rate with continued benefit plan coverage (Dental, Extended Health and Vision Care, and Group Life Insurance) until eligible for early retirement, at which time the employee will be given a separation allowance in accordance with the formula outlined in Option One above.

If an employee is at least 48 years of age and within 6 or 7 years of early retirement under the Pension Plan(s) rules, the employee may elect to take a bridging package at 65% of the employees basic weekly rate with continued benefit coverage until retirement, at which time the employee will be given a separation allowance in accordance with the formula provided in Article 3.2 (a) (iii) of the current Plan. (Dental continued until early retirement - Extended Health and Vision Care and Group Life Insurance continued until normal retirement).

Bridging is subject to the employee's normal applicable deductions. Employees will be paid through the Direct Deposit System, on the same basis as they were paid at work. Employees will accumulate credit for pension eligibility purposed. For these employees, active employment is severed and the employees will not be entitled to future wage adjustment.

It is understood that these bridging options will be available only to those employees who are directly affected and whose name appears on the notice of permanent staff reductions supplied to the Union and/or the employees.

Option Three (Severance Payment)

Employees may elect to take a lump sum severance payment in accordance with the following scale:

8 years or more but less than 16 year CCS	\$ 50,000
16 years of more but less than 26 years CCS	\$ 60,000
26 or more years. of CCS	\$ 65,000

Such employees shall be entitled to Group Life Insurance and Extended Health and Vision Care benefits fully paid by the Company for one year.

Option Four (Educational Leave)

Employees will be entitled to a leave of absence for educational purposes, with full pay for a period of up to three (3) years while attending an educational training program. The program must be approved by the Labour Adjustment Committee. Employees will be subject to be called to work while not attending courses. All outside earnings during this period of leave will be deducted from the employees' pay. Upon completion, the employee is to resign from Company service unless there is a permanent position available for which the employee is the qualified successful candidate. Such employee forfeits any future entitlement to Article 7 Section A) or Section B) benefits.

Such employee will be treated as a new employee for the purposes of receiving benefits under this Plan and shall forfeit all seniority. However, the employee's prior service shall be recognized for the purposes of pension and vacations.

Option Five (Enhanced Supplemental Unemployment Benefit)

Elect to receive the following enhanced SUB provided the employee has fully exercised seniority on the Region.

8 years or more but less than 16 years CCS	2 years at 80 % salary
16 years or more but less than 23 years CCS	3 years at 80 % salary
23 years or more but less than 30 years CCS	4 years at 80 % salary
30 years or more CCS	5 years at 80 % salary

Employees electing option 5 may elect, at the same time, to continue to be covered by any or all of the current benefits (Dental, Extended Health and Vision Care and/or Group Life Insurance) at their expense. The employee will be required to make direct payment to the benefit Carriers.

7.15 Employees required to relocate pursuant to Article 7.13 (d) and who actually relocate, will be entitled to the relocation benefits provided in Article 6 or the actual, reasonable expenses incurred up to a maximum of \$ 28,000.00 for homeowners, or \$ 16,000.00 for non-homeowners.

7.16 Where more than one relocation results from an employee with more than 8 years Cumulative Compensated Service, who commenced work prior to January 1, 1994, being affected by a change pursuant to Article 8.1 of the Plan, being required to relocate, the initial relocation will be governed by the provisions of Article 6 or 7.6 of the Plan. Any subsequent relocation(s) which take place as a result of the initial change will be governed by the provisions of Article 6 of the Plan.

ARTICLE 8

TECHNOLOGICAL, OPERATIONAL AND ORGANIZATIONAL CHANGES

8.1

- (a) The Company will not put into effect any Technological, Operational or Organizational change of a permanent nature which will have adverse effects on employees holding permanent positions without giving as much advance notice as possible to the System General Chairman representing such employees or such other officer or as may be named by the Union concerned to receive such notices. In any event, not less than 120 days' 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.
- (b) Prior to implementing any other permanent change of a known duration of one year or more, which will have adverse effects on employees holding permanent positions, the company will provide the Union with as much advance notification as possible. The notification will contain a description of the change and the expected number of employees who will be adversely affected.
- (c) In situations where supervisors or employees holding excepted or excluded positions, return to the bargaining unit and displace a scheduled employee occupying a permanent position, the employee so displaced will be entitled, if eligible, to the same benefits as employees affected in (a) & (b) above..

Note: The expiration of a temporary vacancy does not constitute a change under this Plan.

8.2 When a notice is issued under Article 8.1 (a) 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 System General Chairman, or such other officer as may be named by the Union concerned, explaining the situation and revising the implementation dates. If necessary, more than one such advice may be issued.

8.3 Intentionally left blank.

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 matters 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 the Labour adjustment Committee.

8.6 If the Labour Adjustment Committee 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 2.7 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 Union acknowledges, and shall be confined to items not otherwise dealt with in The Plan.

8.7 All benefits under the Plan will be suspended in the event of a legal strike or legal lockout at CN Rail.

8.8 In addition to all other benefits contained in The Plan which are applicable to all Eligible Employees, the additional benefits specified in Articles 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 \$11.00 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 or hourly rate applicable to the position permanently held at the time of the change providing that, in the exercise of seniority, he;

- (a)** first accepts the highest-rated position at his location to which his seniority and qualifications entitle him; or
- (b)** if no position is available at their location they accept the highest-rated position on his basic Seniority Territory to which his seniority and qualifications entitle him.

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

- (i)** the dollar value of the incumbency 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 is holding erase the incumbency differential; or
- (ii)** the employee's services are terminated by discharge, resignation, death or retirement.

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

Date	Basic Rate	Incumbency Level
October 1, 1988	\$500.00	\$550.00
January 1, 1989 (4.5%)	\$522.50	\$572.50
January 1, 1990 (4%)	\$543.40	\$593.40
January 1, 1991 (4.5%)	\$567.85	\$617.85
January 1, 1992 (3%)	\$584.89	\$617.85
January 1, 1993 (3%)	\$602.44	\$617.85
January 1, 1994 (3%)	\$620.51	Incumbency disappears

For the purpose of this Article 8.9, the basic rate of a position paid on a four-week guarantee basis or the basic rate of a position with stand-by 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. Inasmuch as his guarantee represents \$1,890.00 per four-week period, his Basic Weekly rate shall be considered as \$472.50 and his basic hourly rate shall be considered as \$11.81.

Example - Stand-by Earnings

Effective June 1, 1992, The basic rate of an employee who receives a 26-hour straight time stand-by allowance for each four-week period (which is equivalent to 46.50 hours per week) is \$10.00 per hour at the straight time rate. Such employee’s Basic Weekly Rate shall be considered as \$465.00 and his basic hourly rate shall be considered as \$11.625.

Effective July 1, 1993 The basic rate of an employee who receives a 27-hour straight time stand-by allowance for each four-week period (which is equivalent to 46.75 hours per week) is \$10.00 per hour at the straight time rate. Such employee’s Basic Weekly Rate shall be considered as \$467.50 and his basic hourly rate shall be considered as \$11.688.

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 any 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-day waiting period provided for in Article 4.4(a)(ii) will apply, except that in the case of a seasonal employee who is not recalled to work at the commencement of the recognized seasonal working period, the seven-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 periods shall be as defined in Memoranda of Agreement signed between the Company and the Union.

ARTICLE 11

CASUAL AND PART TIME EMPLOYEES

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

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

ARTICLE 12

NON-APPLICABILITY OF SECTIONS 52, 54 AND 55, PART I, 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 to adjust to the effects of the technological change and Sections 52, 54 and 55, Part I, 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 those Unions party to The Plan 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

SEVERANCE PAYMENT

13.1 For each year of Cumulative Compensated Service (C.C.S.) or major portion thereof, an employee will be allowed credit weeks as follow:

- | | |
|---|--|
| Employees with less than eight years Cumulative Compensated Service | - one weeks basic weekly pay for each year Cumulative Compensated Service |
| Employees with eight or more years Cumulative Compensated Service | - two and one-quarter weeks basic weekly pay for all years of Cumulative Compensated Service |

13.2 An employee eligible for a severance payment and who resigns and who at a later date will become eligible for early retirement pension under the Company Pension Rules shall be entitled to receive the lesser of :

- (i) his severance payment entitlement under The Plan; or
- (ii) a lump sum amount equal to the basic pay he would had earned had he worked until eligible for an early retirement pension. The basic pay is to be calculated at the employee's Basic Weekly Rate in effect at the time of his resignation.

13.3 In cases of permanent staff reductions, an employee who has two years or more of continuous employment relationship at the beginning of the calendar year in which the permanent reduction occurs 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 years' salary at the Basic Weekly Rate of the position held at the time of abolishment or displacement (calendar year may be deemed to run from January 1 to December 31).

13.4 An employee will have fourteen calendar days from the date of layoff to decide to claim a severance payment under this Article.

13.5 Notwithstanding any other provision in The Plan, if upon the effective date of resignation from the Company's service, an employee is eligible for early retirement pension, he will not be eligible for a severance payment under this Article.

ARTICLE 14
AMENDMENTS

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

ARTICLE 15
COMMENCEMENT

15.1 Payment of benefits under The Plan shall commence on June 1, 1995.

15.2 The effective date of the amendments of benefits is June 1, 1995.

ARTICLE 16
DURATION

16.1 The Plan cancels and supersedes for the signatory Union hereto, as specified in Appendix "A" of The Plan, The Employment Security and Income Maintenance Plan dated June 1, 1992, between Canadian National Railway Company and the International Brotherhood of Electrical Workers, System Council #11.

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

APPENDICES

**APPENDIX A
LISTING OF COLLECTIVE AGREEMENTS COVERED BY THE PLAN**

Organization	Agr. #	Classification/ Employees	Location
IBEW - System Council No. 11			
International Brotherhood of Electrical Workers, System Council No. 11	11.1	S&C Coordinator S&C Technician S&C Testmen S&C Leading Maintainers S&C Leading Mechanics S & C Maintainers, S & C Mechanics, S & C Linemen, S & C Assistants, S & C Apprentices, S & C Helpers,	CN Rail

**APPENDIX B
CANADIAN NATIONAL RAILWAY COMPANY**

Montreal, Quebec
Date: July 29, 1988

Mr A Passaretti
Chairman
Negotiating Committee
Associated
Railway Unions

Dear Sir:

Letter of Understanding
Re: Timing of a Technological, Operational or Organizational Change

When the Company has issued notice of a technological, operational or organizational change as provided for in Article 8.1 of The Plan, the officer(s) of the Union(s) upon whom the notice has been served and whose members are likely to be affected by the change, may meet with the appropriate officers of the Company with the object of discussing the proposed implementation date of the change.

It is understood that any such change in the proposed implementation date would be considered by the Company on the basis of the possible alleviation of any undue hardship on the employees if the implementation date were to be changed, plus any other factors which might be considered relevant. It is further understood that nothing in this letter restricts the right of the Company to implement the change at the time issued in the original notice or at any later time that the Company might consider appropriate.

Should any employee undergo any undue financial hardship as the result of the change, the Union(s) involved may refer the situation to the Committee of The Plan for possible considerations as a special case as contemplated under Article 3 of The Plan.

Yours truly,

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

APPENDIX C
CANADIAN NATIONAL RAILWAY COMPANY

Montreal, Quebec
Date: July 29, 1988

Mr. A. Passaretti
Chairman
Negotiating Committee
Associated
Railway Unions

Dear Sir:

Implementation of National Transportation Agency Decisions

In the event the Company issues a notice under Article 8 of The Plan relating to a proposed change which requires the proposed implementation date of such change be delayed on account of the National Transportation Agency approval not having been received in sufficient time, the Union officers involved may review with the appropriate Company officers the new implementation date proposed if he is of the opinion that the revised date might have adverse effects on the employees involved.

Should any dispute arise out of the review, it may be submitted to the Committee for adjudication. In such instances, however, the arbitration provisions of The Plan will not apply.

Yours truly,

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

APPENDIX D



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

February 9, 1996

LR8311-1-

Mr. A.G. Cunningham
Senior System General Chairman
International Brotherhood of Electrical
Workers, System Council No. 11
1255 University Street, Suite 512
Montréal, Quebec
H3B 3V8

Mr. J. Senenko
System General Chairman
International Brotherhood of Electrical
Workers, System Council No. 11
15 Wynford Drive
Winnipeg, Manitoba
R2C 3V2

Gentlemen:

This has reference to our meeting on February 8, 1996 during which we discussed the transferability of benefits contained in Article 7.14 of the new Employment Security and Income Maintenance Agreement.

During our discussion it was clearly established that the number of credits to be allocated at a location as a result of an article 8 notice would be calculated as follows:

The number of reductions at the location less the number of jobs created at the location, less the number of employees with less than eight years of Cumulative Compensated Service at the same location.

These credits will be allocated as follows:

- a) to the affected employees listed on the notice of permanent staff reductions served pursuant to Article 8 of the plan
- b) Unused credit(s), except Bridging, will be transferable to employees in the same classification at the location in seniority order, and then
- c) At the sole discretion of the Company and after discussion during meetings held pursuant to article 8.4, to employees in other classifications at the location.

During our meeting it was also agreed that discussions could be entertained concerning the transfer of credits to other locations. Again, such transfers will be at the sole discretion of the Company.

If you agree that the above properly reflect the content of our discussion would you so indicate by signing in the space provided below.

For: W.T. Lineker
Assistant Vice-President

We Agree:

(Sgd) A.G. Cunningham
Senior System General Chairman

(Sgd) J. Senenko
System General Chairman

CC: Mr. John E. Platt
International Representative
International Brotherhood of Electrical Workers
System Council No. 11
18 Colfax Street
Nepean, Ontario
K2G 0W5

APPENDIX E



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

May 3, 1995

Mr. A.G. Cunningham
Senior System General Chairman
International Brotherhood of
Electrical Workers, System Council No. 11
1255 University Street, Suite 512
Montreal, Quebec
H3B 3V8

Dear Sir:

During negotiation of the Employment Security and Income Maintenance Agreement, concerns were raised with regard to mobile homes not being moveable and the amounts payable for relocation purposes.

It was agreed that the current practice would be applied, whereby if it is determined by an independent appraiser that a mobile home is not moveable, homeowner provisions would apply.

Yours truly,

(Sgd) M.M. Boyle
for: Assistant Vice-President
Labour Relations

APPENDIX F



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

May 3, 1995

Mr. A.G. Cunningham
Senior System General Chairman
International Brotherhood of
Electrical Workers, System Council No. 11
1255 University Street, Suite 512
Montreal, Quebec
H3B 3V8

Dear Sir:

During negotiation of the new Employment Security and Income Maintenance Agreement, concerns were raised by the union in regard to the length of entitlement to employment security under Article 7.4 when an eligible employee has taken work outside the Company as determined by the Labour Adjustment Committee.

It is understood that an employee who receives less income while working outside the Company than the employee's employment security salary will have such income topped off to equal 100% of the employment security salary. It is also understood that the employee's employment security entitlement period will not be reduced by the number of weeks of top off received.

Yours truly,

(Sgd) M.M. Boyle
for: Assistant Vice-President
Labour Relations

APPENDIX G



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

May 3, 1995

Mr. A.G. Cunningham
Senior System General Chairman
International Brotherhood of
Electrical Workers, System Council No. 11
1255 University Street, Suite 512
Montreal, Quebec
H3B 3V8

Dear Sir:

In negotiating expanded job opportunities for employees adversely affected by a change pursuant to a notice under Article 8.1, questions were raised in regard to the protection that would be afforded to employees who were required to accept any of the expanded job opportunities.

Employees who are required to relocate beyond the Region pursuant to Article 7 of the Employment Security and Income Maintenance Agreement, if laid off, regardless of the reason, within one year, will revert back to the benefits available under Article 7 without having to relocate for a period of two years. Prior to employees being required to accept such positions pursuant to Article 7, the Labour Adjustment Committee will assess, to the extent possible, the stability of such positions.

When an employee has relocated beyond the Region and such employee is subsequently affected by a permanent change within a two (2) year period, the employee will not be considered as having voluntarily ceased the employment relationship with the Company pursuant to Articles 7.7 and 7.15.

Employees who are required to accept positions within the operating group, where earnings are irregular, will have their earnings adjusted on a quarterly basis.

Yours truly,

(Sgd) M.M. Boyle
for: Assistant Vice-President
Labour Relations

AGREEMENT 11.1

Between

CANADIAN NATIONAL RAILWAY COMPANY

and

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

covering

**Rates of pay and rules governing the service
of S & C Coordinators, S & C Technicians,
S & C Testmen, S & C Leading Maintainers,
S & C Leading Mechanics, S & C Maintainers,
S & C Mechanics, S & C Assistants, S & C Linemen,
S & C Apprentices and S & C Helpers**

Revised and reprinted March 1996

(version française disponible sur demande)

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ARTICLE 1

Scope

1.1 By S & C Coordinators, S & C Technicians, S & C Testmen, S & C Leading Maintainers, S & C Maintainers, S & C Leading Mechanics, S & C Mechanics, S & C Assistants, S & C Linemen, S & C Apprentices and S & C Helpers is meant employees for whom rates of pay are provided for in this Agreement, who have been in the service for six months in the preceding twelve months.

1.2 The use of the masculine gender includes the feminine and vice versa.

ARTICLE 2

Classification

S & C Coordinator

2.1 An employee assigned to supervise, instruct, lead, guide and direct the work of S&C employees engaged in the maintenance or installation of S&C equipment, and to instruct such employees in the proper performance of their work.

2.2 Intentionally left blank

S & C Technician

2.3 An employee who has successfully passed the qualification test for S & C Technician and who has been awarded a position as such to perform work pertaining to or under the jurisdiction of the S & C Department.

S & C Leading Maintainer or S & C Leading Mechanic

2.4 An S & C Maintainer or S & C Mechanic regularly supervising the work of and working with other S & C Maintainers or S & C Mechanics; or an S & C Testman.

S & C Maintainer or S & C Mechanic

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

S & C Apprentice

2.6 An employee in training for the position of S & C Maintainer or S & C Mechanic, and under the direction of S & C Maintainer or S & C Mechanic, performing the work generally recognized as S & C Maintainer's or S & C Mechanic's work.

S & C Helper

2.7 An employee assigned to assist other employees specified herein. An S & C Helper when working alone or with other S & C Helpers shall not be required to do work recognized as distinctively S & C Maintainers' or S & C Mechanics' work.

S & C Assistant

2.8 A Compulsory Trainee who has successfully completed the S & C Apprentice Training Program will be eligible for the S & C Assistant classification three years after the date on which he is enrolled into the Apprentice Training Program. The date of enrollment shall be the date the employee was first paid as an Apprentice.

Where the application of Article 3.2, results in an employee's apprenticeship time being reduced, the above mentioned three-year period will be reduced by the same amount of time.

An employee who is eligible for the S & C Assistant classification shall be considered an S & C Assistant when he is not assigned to a higher rated classification.

An S & C Assistant shall be subject to all the conditions of this Agreement which apply to employees who have successfully completed the Apprentice Training Program and who are referred to as S & C Apprentices. The S & C Apprentice seniority list shall govern the filling of S & C Assistant positions.

NOTE: An Apprentice who is precluded from completing the Training Program within a period of three years, through no fault of his own, will be afforded the title of S & C Assistant and paid the corresponding rate of pay for such position after completion of three years service.

ARTICLE 3

Rates of Pay

3.1 (A)

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Coordinator	22.375	22.823	23.279	23.745
S & C Technician	19.086	19.468	19.857	20.254
S & C Testman	21.500	21.930	22.369	22.816
S & C Leading Maintainer	18.498	18.868	19.245	19.630
S & C Leading Mechanic	18.498	18.868	19.245	19.630
S & C Maintainer	18.233	18.595	18.970	19.349
S & C Mechanic	18.233	18.595	18.970	19.349
S & C Lineman	18.073	18.434	18.803	19.179
S & C Assistant	16.393	16.721	17.055	17.396

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Apprentice (enrolled subsequent to December 31, 1984)				
1st 6 mos. or equiv. experience	13.931	14.210	14.494	14.784
2nd 6 mos. or equiv. experience	14.122	14.404	14.692	14.986
3rd 6 mos. or equiv. experience	14.306	14.592	14.884	15.182
4th 6 mos. or equiv. experience	14.762	15.057	15.358	15.665
S & C Helper (protected rate) as per Memorandum of Agreement dated December 7, 1984	15.322	15.628	15.941	16.260
S & C Helper	11.997	12.237	12.482	12.732

Note: Subject to the terms of the Training Agreement (Article 10), employees occupying positions in the following classifications shall be entitled to the following Training Rates of Pay.

(B)

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Coordinator	22.707	23.161	23.624	24.096
S & C Technician	20.142	20.545	20.956	21.375
S & C Testman (April 1, 1987)	21.825	22.262	22.707	23.161
S & C Leading Maintainer	18.831	19.208	19.592	19.984
S & C Leading Mechanic	18.831	19.208	19.592	19.984
S & C Maintainer	18.566	18.937	19.316	19.702
S & C Mechanic	18.566	18.937	19.316	19.702

New Employee Starting Rates
(Before training rates)

(C)

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Coordinator				
0 to 7 months service	19.019	19.400	19.787	20.183
8 to 14 months service	20.137	20.541	20.951	21.371
15 to 21 months service	21.256	21.682	22.115	22.558
Thereafter	22.375	22.823	23.279	23.745

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Technician				
0 to 7 months service	16.835	17.172	17.515	17.865
8 to 14 months service	17.825	18.182	18.545	18.916
15 to 21 months service	18.816	19.192	19.576	19.967
Thereafter	19.806	20.202	20.606	21.018
S & C Testman				
0 to 7 months service	18.275	18.641	19.014	19.394
8 to 14 months service	19.350	19.737	20.132	20.534
15 to 21 months service	20.425	20.834	21.251	21.675
Thereafter	21.500	21.930	22.369	22.816

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Leading Maintainer				
0 to 7 months service	15.723	16.038	16.358	16.686
8 to 14 months service	16.648	16.981	17.321	17.667
15 to 21 months service	17.573	17.925	18.283	18.649
Thereafter	18.494	18.868	19.245	19.630
S & C Leading Mechanic				
0 to 7 months service	15.723	16.038	16.358	16.686
8 to 14 months service	16.648	16.981	17.321	17.667
15 to 21 months service	17.573	17.925	18.283	18.649
Thereafter	18.498	18.868	19.245	19.630

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Maintainer				
0 to 7 months service	15.498	15.808	16.125	16.447
8 to 14 months service	16.410	16.738	17.073	17.414
15 to 21 months service	17.321	17.668	18.022	18.382
Thereafter	18.233	18.598	18.970	19.349
S & C Mechanic				
0 to 7 months service	15.498	15.808	16.125	16.447
8 to 14 months service	16.410	16.738	17.073	17.414
15 to 21 months service	17.321	17.668	18.022	18.382
Thereafter	18.233	18.598	18.970	19.349

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Lineman				
0 to 7 months service	15.362	15.669	15.983	16.302
8 to 14 months service	16.266	16.591	16.923	17.261
15 to 21 months service	17.169	17.512	17.863	18.220
Thereafter	18.073	18.434	18.803	19.179
S & C Helper				
0 to 7 months service	10.197	10.401	10.610	10.882
8 to 14 months service	10.797	11.013	11.234	11.459
15 to 21 months service	11.397	11.625	11.858	12.095
Thereafter	11.997	12.237	12.482	12.732

Note: Subject to the terms of the Training Agreement (Article 10), employees occupying positions in the following classifications shall be entitled to the following Training Rates of Pay:

Starting Rates
(After training rates)

(D)

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Coordinator				
0 to 7 months service	19.301	19.687	20.080	20.482
8 to 14 months service	20.436	20.845	21.262	21.686
15 to 21 months service	21.572	22.003	22.443	22.891
Thereafter	22.707	23.161	23.624	24.096

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Technician				
0 to 7 months service	17.121	17.463	17.813	18.169
8 to 14 months service	18.128	18.491	18.860	19.238
15 to 21 months service	19.135	19.518	19.908	20.306
Thereafter	20.142	20.545	20.956	21.375
S & C Testman				
0 to 7 months service	18.551	18.923	19.301	19.687
8 to 14 months service	19.642	20.036	20.436	20.845
15 to 21 months service	20.734	21.149	21.572	22.003
Thereafter	21.825	22.262	22.707	23.161

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Leading Maintainer				
0 to 7 months service	16.006	16.327	16.653	16.986
8 to 14 months service	16.948	17.287	17.633	17.986
15 to 21 months service	17.889	18.248	18.612	18.985
Thereafter	18.831	19.208	19.592	19.984
S & C Leading Mechanic				
0 to 7 months service	16.006	16.327	16.653	16.986
8 to 14 months service	16.948	17.287	17.633	17.986
15 to 21 months service	17.889	18.248	18.612	18.985
Thereafter	18.831	19.208	19.592	19.984

CLASSIFICATION	EFFECTIVE			
	Jan. 1/94 \$	Jan. 1/95 \$	Jan. 1/96 \$	Jan. 1/97 \$
S & C Maintainer				
0 to 7 months service	15.781	16.096	16.419	16.747
8 to 14 months service	16.709	17.043	17.384	17.732
15 to 21 months service	17.638	17.990	18.350	18.717
Thereafter	18.566	18.937	19.316	19.702
S & C Mechanic				
0 to 7 months service	15.781	16.096	16.419	16.747
8 to 14 months service	16.709	17.043	17.384	17.732
15 to 21 months service	17.638	17.990	18.350	18.717
Thereafter	18.566	18.937	19.316	19.702

NOTE I: Each month of service referred to in Articles 3.1(C) and (D) equates to 21 days of cumulative compensated service. Therefore, 7 months of service equates to (7 X 21) 147 days of cumulative compensated service.

NOTE II: An employee being paid a starting rate in accordance with Articles 3.1(C) and (D) will have all of his cumulative compensated service applied to determine his rate of pay when he enters work in a different classification.

3.2 The period of equivalent experience in Article 3.1(A) refers to work of their trade on the Railway or elsewhere of which they can show satisfactory evidence.

3.3 In applying the sliding scales 1,044 hours' service as shown on payroll will be considered as six months' service, and 2,088 hours as one year's service. Holiday and vacation time shall be considered service.

3.4 **Effective January 1, 1993**, employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of 45 cents per hour and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of 50 cents per hour.

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

ARTICLE 4

Stand-By Allowance

4.1 In view of the intermittent character of the work of certain S & C Coordinators, S & C Technicians, S & C Leading Maintainers, S & C Leading Mechanics, S & C Maintainers, S & C Mechanics, S & C Assistants, S & C Apprentices and S & C Helpers, they will be paid in addition to their regular earnings for time actually worked, a stand-by allowance of 6.75 straight time hours per week at the applicable hourly rate of the job they occupy. The provisions of Articles 4.2 to 4.16 inclusive, will apply to employees referred to in this Article.

4.2 Employees will be paid in accordance with Article 6 for work performed outside of regular hours on regular work days, on call days and on rest days.

4.3 Employees shall be assigned one regular rest day per week, Sunday if possible, and service on such assigned rest day shall be governed by Article 7.

4.4 Employees shall be assigned one call day per week, either Saturday or Sunday, and one rest day per week, either Saturday or Sunday, except that, at those locations where more than one shift is required, such employees shall be assigned one call day per week and one rest day per week which shall be consecutive.

4.5 On call days and outside of regular hours, employees will protect calls on their own territory. They will be available for calls unless they make suitable arrangements with the S & C Supervisor for the protection of their territory without involving additional expense to the Company and so advise the Rail Traffic Controller.

NOTE: Notwithstanding the provisions of this Article 4.5, in recognizing that the requirements of the service must be met under circumstances caused by the temporary absence of regular employees, the Company may require employees to protect calls on adjacent territories.

(See Appendix S)

4.6 On rest days, employees will not be subject to call. However, they will be called, and if available may accept such call.

4.7 On territories where conditions warrant, other mutually satisfactory arrangements may be agreed upon in writing between the S & C Supervisor and the accredited representative of the employee for protection of the employee's territory.

4.8 Except on assigned rest day, such employees shall not absent themselves from their assigned territory during the regular working hours without permission and when absent from regular place of call after regular working hours, they will notify Rail Traffic Controller or Manager Rail Traffic Control Centre as appropriate.

4.9 Unless other mutually satisfactory arrangements exist between the employees and their supervisor, calls will be directed first to the employee assigned to the territory involved.

Holiday Pay for Qualified Employees on Stand-By

No Work Performed on General Holiday

4.10 When a general holiday falls on a regular work day or on a call day (sixth day) and the employee is not subject to call and does not work on that day, such employee will be paid 8 straight time hours for the general holiday not worked, in accordance with Article 17.5(a).

4.11

- (a) When a general holiday falls on a regular work day or on a call day (sixth day) and the employee is subject to call, such employee will be allowed 8 straight time hours, in addition to the general holiday pay provided in Article 17.5 (a).

NOTE: An employee who had not concluded arrangements to have his or her territory protected on his or her call day in accordance with Article 4.5 will be covered by Article 4.11(a). In the application of Article 4.11(a) an employee may be required to protect calls on his/her territory and one adjacent territory each alternate general holiday. However, recognizing that the requirements of the service must be met under the circumstances caused by the temporary absence of regular employees, the Company may, in such circumstances, require employees to protect calls on adjacent territories each alternate general holiday.

- (b) An employee who concludes arrangements to have his territory protected on his assigned call day each alternate weekend in accordance with Article 4.5 shall be required to enter into a similar arrangement to protect calls on his territory each alternate general holiday. Such employee will only be entitled to receive the 8-straight-time-hour standby payment when it is his turn to protect calls on a general holiday.

The broken time outlined in Article 4.16 is not affected by the application of Article 4.11.

Work Performed on General Holiday

4.12 When a general holiday falls on a regular work day and the employee works his regular hours on that day, such employee will be paid in accordance with Article 17.6. In addition, such employee will be allowed 8 straight time hours for being available on that day as provided in Article 4.11.

4.13 When a general holiday falls on a regular work day or on a call day (sixth day), and the employee is on stand-by, if he is called to work on that day, such employee will be paid for actual time worked in accordance with Article 17.6 in addition to the 8 straight time hours for being available on that day as provided in Article 4.11.

4.14 The general holiday compensation provided in this Article supersedes the provisions of Article 17 where in conflict therewith.

4.15 Employees who do not qualify for general holiday pay in accordance with Article 17.3 will be subject to the provisions of Articles 4.10 to 4.14 inclusive, except that they will not receive payment for the general holiday.

Broken Time for Employees on Stand-By Conditions

4.16 **Effective July 1, 1993**, broken time for employees compensated on the basis of this Article 4 shall be based on 46.75 straight time hours per week. In the event an employee is off duty without pay, he shall have deducted from his wages 8.5 straight

time hours for each regular work day off-duty and 4.25 straight time hours for each call day off-duty.

NOTE: For voluntary Stand-by, see Appendix V.

ARTICLE 5

Hours of Service and Meal Period

5.1 Except as otherwise provided herein, eight consecutive hours, exclusive of meal period, shall constitute a day's work.

5.2 Regular assignments shall have a fixed starting time which will not be changed without thirty-six (36) hours' notice to the employees affected. Employees' time will start and end at a designated point.

5.3 Except as may be otherwise arranged locally, the meal period shall not be less than thirty (30) minutes or more than one (1) hour. The meal period shall be exclusive of the time required to travel, up to a maximum of ten (10) minutes in each direction, to and from meal location.

5.4 Where employees are working on an eight (8) hour continuous shift, only twenty (20) minutes shall be allowed for lunch, and without deduction of pay.

5.5 When meal period is allowed it will be between the ending of the fourth hour and the beginning of the seventh hour after starting time, unless mutually otherwise arranged locally.

An employee who is required to work overtime continuous with his regular shift shall be allowed a twenty (20) minute meal period at the end of the twelfth hour, without deduction in pay.

5.6 If the meal period is not afforded within the allowed or agreed time limit, and is worked, it shall be paid for at one and one-half times the pro rata rate, and twenty (20) minutes without deduction in pay, in which to eat, shall be afforded at the first opportunity.

S & C Testmen

5.7

(a) S & C Testmen shall be considered as 40-hour week employees and shall be covered by the provisions of Article 7.

(b) An S & C Testman, if required to work in excess of eight (8) hours on a regular work day or to work on a rest day, shall be compensated in accordance with Article 6 of

this Agreement, except that present understandings with respect to the accumulation of "bank time" will continue in effect.

ARTICLE 6

Overtime and Calls

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

6.2 Except as otherwise provided, an employee called in case of an emergency or a temporary urgency outside of his regular assigned hours, after having been relieved, will be paid a minimum of three hours at overtime rates for which three hours of service may be required, but for such minimum he will not be required to perform work other than that of the emergency, and possibly another emergency which might arise subsequent to the time of the call. If, however, an employee is called to commence work less than two hours before his regular starting time, the time will be computed continuously with the regular day's work and the time before the regular starting time will be paid for at the rate of time and one-half on the minute basis.

(See Appendix D)

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

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

ARTICLE 7

Rest Days

7.1 Unless otherwise provided, a work week of forty (40) hours consisting of five (5) days of eight (8) hours each is established.

7.2 Except as otherwise provided in Article 4, employees shall be assigned two rest days in each seven. The rest days shall be consecutive as far as is possible consistent with the establishment of regular relief assignments and the avoidance of working an employee on an assigned rest day. Preference shall be given to Saturday and Sunday and then to Sunday and Monday. The work weeks may be staggered in accordance with the Company's operational requirements.

7.3 In any dispute as to the necessity of departing from the pattern of two consecutive rest days or for granting rest days other than Saturday and Sunday or

Sunday and Monday to employees covered by Article 7.2, it shall be incumbent on the Company to show that such departure is necessary to meet operational requirements and that otherwise additional relief or working an employee on an assigned rest day would be involved.

7.4 On positions where it is not reasonably practicable to provide regular relief each week, the rest day or days for which relief is not provided may be accumulated and granted at a later date. Such accumulation shall not exceed five (5) days and rest days so accumulated shall be allowed consecutively when five (5) days have been accumulated. 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 Company and the System General Chairman.

7.5 In the event that a situation arises which makes it impracticable to assign consecutive rest days to all employees on a particular territory the following procedures shall be observed.

- (a) All possible regular relief positions shall be established pursuant to Articles 7.6, 7.7 and 7.8.
- (b) Possible use of rest days other than Saturday, Sunday or Monday, where these may be required under this Agreement, to be explored by the parties.
- (c) Accumulation of rest days under Article 7.4 shall be considered.
- (d) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.
- (e) If the foregoing does not solve the problem then some of the relief men may be given non-consecutive rest days.
- (f) If after all the foregoing has been done there still remains service which can only be performed by requiring employees to work in excess of five days per week, the number of regular assignments necessary to avoid this may be made with two non-consecutive days off.
- (g) The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief men.

7.6 All possible regular relief assignments with five days' work per week and two consecutive rest days (subject to Article 7.5) shall be established to perform necessary relief work or to perform relief work on certain days and such types of other work on other days, as may be assigned under this Agreement.

7.7 Where situations exist making it impracticable to establish relief assignments in accordance with the above, the officers of the Company and the System General Chairman 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.

7.8 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.

7.9 Employees, if required to work on regularly assigned rest days shall be paid at the rate of time and one-half on the minute basis with a minimum of three hours at time and one-half for which three hours' service may be required, 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 Article 7.4.

7.10 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 shifts, be utilized in computing the forty (40) 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.

7.11 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 spare or unassigned employees shall mean a period of seven consecutive days starting with Monday.

7.12 When 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 unassigned employee who will otherwise not have forty (40) hours of work that week. In all other cases by the regular employee.

7.13 Various work cycle arrangements may be established by mutual agreement between the proper officer of the Company and the Union. Such work cycle variations may include 10 work days followed by 4 rest days, 15 work days followed by 6 rest days, 8 work days (10 hours each) followed by 6 rest days, etc. Where such agreement is reached the parties will make a joint application to the Minister of Labour in accordance with the provisions of the Canada Labour Code.

It is understood that the various work cycle arrangements are for the purpose of meeting the Company's operational requirements or to provide employees working long distances from home sufficient time to return home on their rest days.

NOTE: Work cycle arrangements of 10 work days followed by 4 rest days which commence on a Tuesday do not require a Ministerial Permit.

ARTICLE 8

Service Away From Headquarters

8.1

- (a)** Except as otherwise provided, employees detained for conveyance and while travelling on orders of the Company to and from work outside of their regular assigned territory or headquarters, after regular working hours, will be paid straight time. This does not apply to employees compensated on the basis of a stand-by allowance covered by Article 4 or to employees travelling in regular boarding cars or when sleeping accommodation is furnished by the Company.
- (b)** Employees will be paid at the straight time rate for time travelling in boarding and sleeping cars, on orders of the Company, under the following conditions:
 - (1)** During regular working hours,
 - (2)** between 0001 and 0600 hours provided the employees concerned have to work that day,
 - (3)** between 0600 and 2200 hours on a regularly assigned rest day or on a general holiday.
- (c)** When practical to do so, boarding and sleeping cars shall be moved at times other than between 2300 and 0600 hours.

8.2

- (a)** Employees required to remain away from their headquarters or boarding cars overnight will be paid reasonable expenses for meals and lodging which they necessarily incur.
- (b)** Employees with no headquarters who are required to be absent from their place of residence overnight will be paid reasonable expenses for meals and lodging which they necessarily incur.

(See Appendices T and U)

8.3 Employees who, due to the requirement of the position held, are unable to be at their headquarters for their noonday lunch shall be reimbursed for actual reasonable expenses incurred for the noonday lunch up to a maximum of \$9.50. This amount is subject to review if conditions warrant on a yearly basis.

Expenses up to a maximum amount of \$ 12.25 will be allowed for any additional meal which employees necessarily incur. This amount is subject to review if conditions warrant on a yearly basis.

8.4 Employees with no headquarters who, due to the requirement of the position held, are unable to return to their residence for their noonday lunch, shall be reimbursed for actual reasonable expenses incurred for the noonday lunch up to a maximum of \$9.50, unless such is provided by the Company. This amount is subject to review if conditions warrant on a yearly basis.

Expenses, up to a maximum amount of \$ 12.25 will be allowed for any additional meal which employees necessarily incur. This amount is subject to review if conditions warrant on a yearly basis.

8.5 When meals in cars are supplied by a contractor or by the Company, the charge for same will be \$2.20 per meal.

8.6 Employees boarding in Company or contractor's outfits shall not be required to pay for meals while on leave of absence, when absent from outfits on duty or on account of sickness, or when permitted to go home for the weekend and absent for two or more consecutive meals. In the latter case, forty-eight hours' written notice must be given to those in charge of outfits, of intent to be absent from such meals, otherwise the employee will be charged three dollars (\$3.00) for each meal not taken.

8.7 When it can be done without in any way interfering with the work, employees shall be permitted to take meals at their homes. In such cases, no charges for meals shall be made provided that the employee gives a forty-eight-hour written notice to those in charge of outfits of his intent to be absent from such meals, otherwise the employee will be charged three dollars (\$3.00) for each meal not taken.

ARTICLE 9

Promotion and Seniority

9.1 A new employee shall not be regarded as permanently employed until after 125 working days' service, which service must be accumulated within the preceding twenty-four months. Within such period he may without investigation be removed for cause which in the opinion of the Company renders him undesirable for its service. If retained in service, such employee shall be accorded seniority in the classification in which he was first employed.

Seniority List Distribution

9.2

(a) Seniority lists shall be updated and posted at the headquarters locations of all employees concerned, on or before June 30 and December 31 of each year. A copy of said list shall also be furnished to the union representatives of the employees.

- (b) Seniority lists shall be open for correction for a period of sixty calendar days on presentation in writing of proof of error by the employee or his representative to the employee's immediate supervisor.
- (c) Except by mutual agreement, seniority standing shall not be changed after becoming established by being posted for sixty calendar days following date of issue, without written protest.

9.3 When two or more employees commence work in the same seniority group on the same day, the employee with the greatest previous service with the Company shall be senior, otherwise seniority standing shall be determined by the hour that the employee commences work. All things being equal, they shall be placed on the seniority list in alphabetical order of the surnames.

9.4 For the purpose of promotion and seniority employees, on a Region by Region basis, shall be grouped as shown below:

- S & C Coordinators
- S & C Technicians
- S & C Leading Maintainers, S & C
- Leading Mechanics and S & C Testmen
- S & C Maintainers and S & C Mechanics
- S & C Apprentices
- S & C Helpers

NOTE: For seniority purposes the S & C Lineman classification will be considered as a separate seniority group and excluded from the line of promotion.

9.5 Intentionally left blank

9.6 Intentionally left blank

9.7 Promotions shall be based on ability, merit and seniority; ability and merit being sufficient, seniority shall prevail; the Management to be the judge, subject to appeal as a grievance under Article 11 when the senior applicant is not awarded the position.

9.8 Employees will be promoted in the respective groups and territories specified in Paragraphs 9.2 and 9.4.

9.9

(a) Bulletins will be issued on the first Friday of every month, advertising positions available and giving the names of the successful applicants to the positions advertised the previous month. Appointments will be made by the Officer of the Company issuing the bulletin. If there is no information to be distributed, a bulletin to that effect will be issued.

- (b)** Bulletins will be available to employees on the appropriate seniority territories for a period of not less than 10 calendar days. Bulletins will close on the third Friday of every month. A copy of the bulletins will be supplied to the Local Representative and the System General Chairman of the Brotherhood.
- (c)** Permanent new positions or vacancies and temporary positions or vacancies, which it is known will exist for ninety (90) calendar days or more, will be bulletined to the Region. The Local Representative of the Brotherhood will be consulted when the Company is unable to release an employee from a temporary vacancy at the expiration of ninety (90) days because of unforeseen circumstances.
- (d)** A new position or vacancy expected to be in existence in excess of ninety (90) days, but not more than one (1) year, will be bulletined as temporary. When it is known that a position which has been bulletined as temporary will exceed one (1) year, it will be bulletined as permanent, except when such position or vacancy is due to the medical disability of the regular incumbent or when an employee is promoted temporarily to an official or excepted position.

If a temporary vacancy exists due to an employee being temporarily promoted to an official or excepted position, the vacancy will be bulletined once per year as specified by this Article 9.9 (d).

If a temporary vacancy exists due to the medical disability of the permanent incumbent for a period of one year, the System General Chairman and the proper Officer of the Company will meet to discuss the proper course of action that should be taken.

9.10

- (a)** Bulletins for positions on maintenance will show headquarters, assigned territory, classification, hours of work, qualifications required, whether temporary or permanent and if temporary the anticipated duration.
- (b)** Bulletins for positions on construction or inspection will show headquarters if applicable, assigned territory, classification, hours of work, qualifications required, whether temporary or permanent and if temporary the anticipated duration. In addition, a position on construction will show the permanent gang's number.

9.11 An employee may cancel his application provided cancellation reaches the issuing officer on or before the closing date of the bulletin. An employee may bid on a vacancy created by himself but will not be appointed to such vacancy unless there are no other applicants, or until it again becomes vacant. New positions or vacancies may be filled temporarily pending appointments.

9.12 Employees appointed by bulletin to permanent positions in a seniority group will be accorded a seniority date in such group, and in all lower rated groups in which they

have not previously established seniority, from the date of appointment by a bulletin. However, a Co-ordinator will only acquire S & C Technician seniority rights as of the date he is awarded such a position. An employee appointed to a permanent vacancy or new position by bid in a lower rated seniority group will forfeit his seniority in all higher rated groups. In no case will an employee be permitted to bid down into the Apprentice classification.

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

(a) Employees affected by a staff reduction may exercise their seniority to a permanent or temporary position on their Region by displacing a junior employee in their group or a junior employee in a lower seniority group. If they elect to displace in lower seniority groups, they must displace to a permanent position and will forfeit their seniority in all higher groups than the one into which they elected to displace.

Notwithstanding the provisions of Article 9.18 (b), employees working temporary assignments must, upon their permanent assignment being abolished or filled by a senior employee in the exercise of displacement rights, declare the permanent assignment to which they will exercise their seniority rights.

Employees who have exhausted their displacement rights in their classifications will be permitted to fill a bulletined permanent vacancy in the next lower classification until an appointment is made. Such employees will be required to exercise their displacement rights if a more senior employee bids the position, otherwise, they will be appointed to fill the position.

Similarly, employees affected by a staff reduction will be permitted to fill a bulletined permanent vacancy in their own classification until the appointment is made. Such employees will be required to exercise their displacement rights if a more senior employee bids the position, otherwise they will be appointed to fill the position.

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

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

9.14 Employees reduced to a lower seniority group through staff reduction shall continue to accumulate seniority in the group or groups from which reduced. Such employees must return in order of seniority to advertised permanent positions in such higher group or groups or forfeit seniority in such higher group or groups. Such employees will be given preference in order of seniority in filling temporary positions or temporary vacancies in such higher seniority group or groups, but failure to accept same will not result in forfeiture of seniority.

When an employee is demoted or restricted for cause, his displacement rights will be mutually arranged between the System General Chairman and the proper officer of the Company. If no agreement is reached by the parties, he will exercise his seniority to displace the junior employee in the next lower classification to which his seniority and qualifications entitle him to work.

9.15 Employees laid off on account of reduction in forces shall be returned to the service in order of seniority. Employees desiring to avail themselves of this rule must file their names and addresses with the proper officer. Employees who have performed no service under this Agreement during the preceding calendar year, may be removed from the seniority list by agreement between the System General Chairman and the District Engineer. Employees must report for duty within seven days of notification by registered mail or they will be considered as having severed their employment relationship. Employees who have responded to recall may have up to 30 days to report for duty if they have a satisfactory reason for so doing. Such employees will be eligible to take the next vacancy but will not have the right to displace the employee who accepted the recall.

9.16 A laid-off employee who is employed elsewhere at the time he is notified to report for duty may, without loss of seniority, elect to decline recall to vacancies or positions of less than 60 days, provided that another laid-off employee in the same classification is available and written application is made to the recalling officer as quickly as possible but in any event within 3 days of receipt of notification to resume duty.

9.17

- (a)** An employee, with his concurrence, may be loaned from one Region to another. While on loan, he will be furnished with copies of bulletins issued on his home Region and may bid on such bulletins. If he fails to return to his home Region within one year, he may, within 30 days, elect to forfeit his seniority on his home Region and be accorded seniority on his new Region corresponding with the date he commenced service on such Region, unless otherwise mutually arranged between the System General Chairman and the proper Officer of the Company. An employee so loaned will, on returning to his former Region, resume duty on the position to which he is regularly assigned.
- (b)** Employees may be required to perform work of an expected duration of one week or less on a Region adjacent to their seniority territory.

- (c) Upon written mutual agreement between the System General Chairman of the Brotherhood and the appropriate S & C Officer, employees may be required to perform work of an expected duration of less than ninety (90) days on a Region adjacent to their seniority territory.
- (d) Temporary positions on Maintenance of an expected duration of ninety (90) days or more, but less than one (1) year, involving work on two adjacent Regions may be established. Such positions would be advertised to both seniority territories involved and awarded to the senior qualified applicant from the seniority territory where the preponderance of the work is to be performed. Should there be no applicants from that seniority territory, the positions would then be awarded to the senior qualified applicant from the other seniority territory. Should there be no qualified applicants for the position, a Compulsory Trainee from the seniority territory where the preponderance of the work is to be performed would be promoted to the position in accordance with Article 10.8.

9.18

- (a) An employee will be permitted to fill a temporary assignment in his own or a higher classification and when released, will return to his regular position unless it has been abolished or filled by a senior employee in the exercise of displacement rights, in which event the returning employee will exercise his displacement rights.
- (b) An employee awarded a temporary assignment shall remain on such until released or until expiration of the assignment. However, the employee may exercise his seniority rights to temporary assignments in a higher classification or, if it results in the employee's earnings being increased due to a standby allowance, within the same classification.
- (c) When an employee is released from a bulletined temporary assignment, he may displace a junior employee on another bulletined temporary assignment before returning to his regular position.
- (d) When an employee on a temporary assignment is the successful applicant for a bulletined permanent assignment, he may take the permanent assignment or complete the temporary assignment.

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

9.20 Employees now filling or promoted to an official or excepted position with the Company and employees elected as Representatives of the employees covered by this Agreement (who shall be considered as on leave of absence), will be continued on the

seniority list for the group or groups in which they had previously established seniority, and will continue to accumulate seniority while so employed.

- (a) Employees promoted on or after January 1, 1979 to a permanent non-schedule, official, or excepted position with the Company, or its subsidiaries, shall continue to accumulate seniority on the seniority list from which promoted for a period of two (2) consecutive years. Following the two-year period in such capacity, such employees shall no longer accumulate seniority but shall retain the seniority rights already accumulated up to the date of their promotion. (If an employee is promoted to and is working a temporary position which becomes permanent, the date of promotion shall be the date originally promoted to the temporary position).

NOTE: Effective July 1, 1995, employees affected by the provisions of this Article 9.20 (a) will recommence accumulating seniority from that date. Employees promoted on or after the above date, will continue to accumulate seniority and the provisions of this Article 9.20 (a) will not be applicable.

- (b) Employees who are released from an official or excepted position, must exercise their seniority in accordance with (i) or (ii) below, within thirty (30) days of their release or they will forfeit their seniority.

- (i) Employees who are released from a permanent official or excepted position because of a staff reduction, demotion, or voluntarily revert to the schedule ranks, must either bid on any vacant position or displace the junior employee in the highest classification on their Region to which their seniority and qualifications entitle them to work.

Employees who revert to temporary positions, will also be required to declare on the permanent position held by the junior employee in the highest classification in which they hold seniority on their Region or to a vacant permanent position.

- (ii) Employees promoted temporarily to an official or excepted position will have their regular position protected. While working such temporary position, employees will only be permitted to apply for permanent positions bulletined in a higher classification. When released from such temporary position, they will return to their regular position. In the event their position has been abolished or they have been displaced by a senior employee, they will be required to exercise their seniority by displacing a junior employee on their Region to which their seniority and qualifications entitle them to work.
- (c) The appropriate System General Chairman and appropriate Local Representative shall be advised when employees are promoted to temporary official or excepted position and the expected duration thereof. In the case that employees are promoted to a temporary official or excepted position and later to a permanent position, the System General Chairman will also be advised of such change.

9.21 An employee returning to work following personal illness; injury; vacation; as well as leave of absence of less than one year's duration for other than educational purposes shall return to his former position unless such position has been bulletined as permanent in accordance with Article 9.9, or it has been filled by a senior employee in the exercise of seniority rights, in which event he will be required to exercise his displacement rights in the highest group in which he holds seniority and is qualified. Such employee will also have the right to apply for and secure any position which has been bulletined and filled during his absence, if qualified and entitled to it. Such application must be filed with the proper authority within seven days of the employee's return. The employee thereby displaced shall return to his former position.

In cases of an employee returning from leave of absence of more than one year, for other than educational purposes such employee will only be permitted to displace the junior employee in the highest classification to which his seniority and qualifications entitle him to work or apply for vacant positions unless other arrangements are mutually agreed to between the System General Chairman and the appropriate officer of the Company before leave of absence is granted.

9.22 Unless otherwise mutually agreed between the Local Representative and the proper officer of the Company, an employee returning from leave of absence for educational purposes must exercise his seniority to displace in a gang; however, if he is unable to hold work in a gang he must, seniority permitting, displace the junior Helper on his seniority territory. An employee on such leave will not be permitted to bid on bulletins while working between school terms.

9.23 Except as otherwise provided in Article 9.18, an employee who has been awarded a position by bulletin, will be transferred to such a position, where practicable, within thirty (30) days of the award, time of such transfer not to exceed forty-five (45) days.

In the event the Company is unable to release an employee within thirty (30) days from the date of the award, such employee shall, if the rate of the position awarded him is higher than the rate of his present position, be paid the higher rate after the expiration of the thirty (30) days. If applicable, such higher rate will also apply to that portion of an employee's compensation referred to as a stand-by allowance.

The above time limits may be extended by mutual agreement between the employee, the Local Representative and the appropriate officers of the Company.

Special Rules for S & C Technician

9.24

(a) Because of the special nature of the S & C Technician position, employees, other than S & C Technicians, who bid on bulletined S & C Technician positions, will be required to successfully pass an evaluation test prior to being appointed to such position.

- (b)** It is acknowledged that advances in technology may require updating of the evaluation test and that it may be necessary for those employees who had previously passed the evaluation test but who had not worked as S & C Technician to be re-examined.
- (c)** If no applications are received from qualified employees holding S & C Technician seniority, bulletins for S & C Technician positions will be awarded to the senior employee who is able to successfully pass the evaluation test, based on S & C Maintainer/Mechanic seniority.
- (d)** An employee awarded a position of S & C Technician will be allowed a minimum of 90 calendar days to demonstrate his ability to perform the work. The company will have a maximum of 180 calendar days to evaluate his ability to perform the work. During this period of time, his position will be bulletined on a temporary basis. If he fails to meet the requirements of the position, he shall be returned to his permanent position.

During such probationary period, an employee may apply for other permanent positions and if successful will only be permitted to occupy such position if released in accordance with this Article 9.24(d).

- (e)** An employee appointed to an S & C Technician position will be accorded a seniority date as such and will continue to accumulate seniority in those classifications in which he had formerly established seniority. A Technician who does not have Maintainer/Mechanic seniority due to his having bid to the position of Technician directly from the Helper or Apprentice classification will be accorded Maintainer/Mechanic seniority at the time a Helper or Apprentice who is junior in seniority to the Technician acquires Maintainer/Mechanic seniority.

An S & C Technician who does not have S & C Leading Maintainer/ Mechanic seniority due to his having bid to a position of S & C Technician directly from the Helper or Apprentice classification will be accorded such seniority at the time a Maintainer/Mechanic who is junior in seniority to him acquires S & C Leading Maintainer/Mechanic seniority.

- (f)** When there are no qualified applicants for a bulletined S & C Technician position and no employee is able to pass the evaluation test, the Company will have the option to appoint an S & C Technician from outside the S & C Department or hire a new employee.

Such employee shall be accorded S & C Technician seniority from date of appointment and shall be accorded a corresponding seniority date in the S & C Helper and S & C Apprentice classifications.

- (g)** An employee appointed to an S & C Technician position in accordance with Article 9.24 (f) may apply for bulletined S & C Technician positions, except that the

Company shall have the right to decline such application if it determines that such employee does not have the necessary experience to perform the duties of the advertised position.

- (h) The Company reserves the right to employ non-schedule specialists. Before exercising this right the Company is prepared to meet with the System General Chairman of the Union to explain the specialist nature of the proposed position.

Special Rules for S & C Co-ordinators

9.25 The S & C Coordinator classification will be established and positions will be created where the Company requires an S & C Coordinator. In addition to the duties of S & C Coordinator, applicants must have the ability to supervise, instruct, lead, guide and direct other S & C employees.

- (a) A regular bulletin will be issued advertising the position of S & C Coordinator. Employees who submit applications for such positions will be required to state their qualifications. A copy of the bulletin will be supplied to the Local Representative and the System General Chairman.
- (b) In awarding an S & C Coordinator position, the employee's abilities to supervise, instruct, lead, guide and direct other S & C employees will be the governing factors. Where the employee's abilities are equal, the employee with the greatest seniority as prescribed by Article 9.4 will be awarded the position. The Company will be the judge of an employee's abilities and qualifications subject to appeal when the senior applicant is not awarded the position.
- (c) The Company will have a maximum of 180 calendar days to evaluate the ability to perform the work of employees awarded positions of S & C Coordinator. During this period of time, the employees' former positions will be bulletined on a temporary basis. If employees fail to meet the requirements of the positions, they will be returned to their permanent position.
- (d) Employees awarded positions of S & C Coordinator shall not be subject to displacement, except in the case of a staff reduction in the classification of S & C Coordinator. In such instances, the Company will remain the judge of the employee's abilities and qualifications.

9.26 Notwithstanding the provisions of Article 9.25, the Company may temporarily, for a period of less than three (3) months, designate an employee to fill the position of S & C Coordinator. This of course will not be taken to recognize that such employee meets the qualification requirements outlined in Article 9.25 when future vacancies in the S & C Coordinator classification are required to be filled.

9.27 In the event an employee working as an S & C Coordinator has not established seniority in a lower classification at the time a junior employee is accorded such

seniority, the employee working as S & C Coordinator will be placed on the seniority list immediately ahead of the junior employee.

NOTE: Within ninety (90) days of finalization of this Agreement, the parties will meet in order to discuss the implementation of the S & C Coordinator positions, including its effect on present S & C Technicians.

9.28 Intentionally left blank

Special Rules for S & C Helpers

9.29 S & C Helpers, who were hired prior to 1 January 1985 will have the S & C Apprentice rates applied every 6 months in line with Article 3.1 in recognition of their on the job experience.

9.30 An S & C Helper hired prior to 1 January 1985 and who is working as such, will not be permitted to exercise his S & C Apprentice seniority when positions are abolished or when staff is being reduced.

ARTICLE 10

Training

(See Appendix Q)

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

- (a)** Compulsory Trainee: An employee who is enrolled into the S & C Apprentice Training Program.
- (b)** Selected Trainee: An employee that the Company has designated to take job-related training.
- (c)** Technician Trainee: An employee who has been selected to take training for promotion as an S & C Technician.

COMPULSORY TRAINEE

10.2 A compulsory Trainee must be able to speak, read and write the English language, or the French language in the Province of Quebec, and must be able to successfully pass the Company selection process for the position of an S & C Apprentice. Such employee will be classed as an S & C Apprentice and compensated at the Apprentice starting rate of pay.

10.3 A Compulsory Trainee must, throughout his apprenticeship, continue to display the desire and aptitude to learn the trade or he will be removed from the service of the Company.

10.4 A Compulsory Trainee who fails on his first attempt on any examination, will be given an opportunity to retake the examination prior to the commencement of the next training session which he is scheduled to attend. Such employee, who fails on the final examination, will be re-examined not less than 30 days nor more than 90 days from date of failure.

10.5 A Compulsory Trainee who fails twice on any one examination during the Apprentice Training Program, will be removed from the service of the Company.

10.6 An S & C Helper will be enrolled into the S & C Apprentice Training Program as vacancies occur provided that he is able to pass the Company selection process. Selection of candidates will be made in seniority order. Such employee, who is unable to pass the Company selection process, will be removed from the service of the Company.

10.7 A Compulsory Trainee may take promotion to a higher classification prior to the completion of the Apprentice Training Program in order of seniority as Apprentice. In such case, the employee will establish seniority in the higher classification and will be paid the corresponding rate of pay. An employee so promoted must complete the training program or he will be removed from the service of the Company.

10.8

(a) When there are no qualified applicants for permanent positions of S & C Maintainer or S & C Mechanic, a Compulsory Trainee who has successfully completed the S & C Apprentice Training Program and who has not been promoted in accordance with Article 10.7 must accept promotion to such positions in seniority order. An employee who refuses to accept promotion in accordance with this Article will be removed from the service of the Company.

(b) Notwithstanding 10.8 (a) above, temporary assignments in the classifications of S & C Maintainer or S & C Mechanic, will be offered in order of seniority to Compulsory Trainees who have successfully completed their S & C Apprentice Training Program. In the event that there is an unfilled temporary assignment the junior qualified employee will be required to fill such position. Employees obligated to accept such temporary assignment which would result in their traveling more than sixty miles in one direction (more than 120 miles return) from their permanent headquarters or from their place of residence by the most direct route, will be afforded a \$25.00 per diem allowance for expenses. The allowance will apply each day the employee remains at the temporary location.

10.9 A Compulsory Trainee taking promotion under Article 10.7 shall be returned to his former position and shall forfeit seniority in the higher classification if he fails to meet

the requirements of the service within 90 days. It is understood that such employee may be returned to his former position at any time during the 90-day period if, in the judgement of the Company, he cannot be expected to meet the requirements of the service.

10.10 S & C Helpers who are on the protected rate of pay are excluded from the S & C Apprentice Training Program.

10.11 A Compulsory Trainee who has successfully passed all the training-related examinations will receive certification of this fact from the Assistant Chief Engineer - Signals and Communications.

SELECTED TRAINEE

10.12 When the Company considers it necessary, an employee shall be designated as a Selected Trainee and will be required to take job-related training.

10.13 A Selected Trainee who fails any training related test will be required to be re-examined within a 90-day period.

10.14 A Selected Trainee who fails any training related test twice shall no longer receive the training rate of his particular classification. Such employee may request to retake the examination at a future date provided he does so on his own time and provided the Company is not put to any expense or undue inconvenience. The request for a re-examination must be made in writing to the employee's immediate supervisor. If successful, such employee's training rate will be reinstated effective the day after he passes the re-examination.

10.15 A Selected Trainee will not be required to attempt a particular test without having had an opportunity to receive the appropriate training or be exposed to that aspect of the job.

TECHNICIAN TRAINEE (See Appendix W)

10.16 When the Company requires Technician Trainees, a notice will be posted advising all employees. Employees who submit written application will be required to state their qualifications for consideration and their seniority date. Employees will be evaluated to determine the applicant's potential in becoming a qualified S & C Technician. Any dispute concerning the selection of a Technician Trainee will be referred to the Steering Committee for final determination.

10.17 An employee selected as a Technician Trainee shall be paid the applicable rate of pay for the position he holds.

10.18 In the event that there is no successful applicant for a Technician Trainee, the Company may hire a new employee. The System General Chairman shall be notified.

10.19 A new employee hired as a Technician Trainee will be paid the S & C Assistant rate of pay.

10.20 A Technician Trainee will be allowed 90 working days to demonstrate his potential to meet the necessary requirements. During this 90-day period, if it is determined that such employee will be unable to become a qualified S & C Technician his training will be terminated, or in the case of a new employee hired as a Trainee Technician, will be removed from the service of the Company.

Employees may not voluntarily terminate training; however, in the event the employee does request either permanent or temporary termination, the Company reserves the right to consider each case on its merit. In the event an employee is permitted to terminate training for a temporary period due to illness or extraordinary personal circumstances, reinstatement as a Technician Trainee shall be at the discretion of the Company.

10.21 Technician Trainees will be given periodic performance appraisals to monitor their progress. Such employees must continue to display a desire and aptitude to become qualified S & C Technicians or their training will be discontinued and they will be required to revert back to the permanent position they hold.

10.22 A Technician Trainee's period of training will vary depending on the progress in learning and will be monitored by the Steering Committee.

10.23 When the Company determines that a Technician Trainee is required to enroll into classes conducted by an approved training agency or correspondence course, it will pay the required tuition costs, the costs of necessary text books and instructional literature. Alternatively, the Company may provide such employee with home training material in order that he gain the necessary technical knowledge of his trade.

10.24

(a) Technician Trainees who are determined to be sufficiently qualified to perform Technician duties will be required to fill S & C Technician positions when there are no qualified applicants. Such employees will be given the opportunity to claim such positions in order of their earliest selection date as a Technician Trainee.

(b) When an S & C Technician position is not filled in accordance with Clause (a) above, the junior Technician Trainee who is determined to be sufficiently qualified to perform the work will be assigned to fill the position. An employee who refuses such promotion will be removed from the service of the Company.

10.25 Technician Trainees will not have their training interrupted as a result of staff reductions. In such circumstances the most junior employees who have not been selected as Technician Trainees will be laid off.

GENERAL

10.26 The Company shall provide each employee taking training with books, literature and other material to permit him through study to prepare for examinations. All S & C employees will assist Trainees to acquire the knowledge and practical experience essential for their development and proficiency in servicing S & C equipment and systems.

10.27 A Trainee who fails any training-related test twice and claims he did not have a proper test may appeal the decision under the provisions of the Grievance Procedure commencing at Step 2.

EXPENSES AND TRAVEL TIME

10.28 An employee who is required to take training at a location which is outside of his working area but leaves and returns to his place of residence on a daily basis, will be reimbursed the actual reasonable cost of noontime meal and will be paid travel time at pro rata rates for all time travelling in excess of three hours in any one day.

10.29 An employee who is required to take training away from his working area who is unable to leave and return to his place of residence on a daily basis, will be allowed actual reasonable expenses necessarily incurred. Such employee will be paid travel time at pro rata rates to a maximum of 5 hours per day for time travelling outside of regular hours of duty, except that travel time will not be allowed between 2100 and 0700 hours when sleeping accommodation is available.

10.30 An employee will be permitted to travel to his place of residence on weekends provided that such employee is available for his first training assignment following the weekend. Such employee will be assisted by the application of the terms of the Weekend Travel Assistance Letter which is currently in effect and as may be reissued from time to time. In addition, such employee will be allowed actual reasonable meal expenses necessarily incurred, however, he will not be eligible for payment of any time spent travelling.

REST DAYS AND ACCUMULATIVE TIME

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

VACATION

10.32 If, through mutual agreement in writing between the employee and the appropriate Company officer, an employee's annual vacation is rescheduled to enable him to take training, the provision of Article 16.13 of Agreement 11.1 shall not apply and the employee affected shall be granted his vacation at a mutually convenient time.

10.33 An employee required to develop a formal training course or provide such formal training to fellow employees will be afforded \$15.00 per day in addition to their regular rate of pay when so engaged.

Formal training will not be considered as normal day-to-day on the job training provided to fellow employees for the proper performance of work.

ARTICLE 11

Discipline and Grievances

Discipline

11.1 Except as otherwise provided herein, an employee who has 125 working days' service will not be disciplined or discharged until he has had a fair and impartial investigation. Investigations will be held as quickly as possible.

11.2 An employee may be held out of service for investigation for a period not exceeding three working days. He will be given at least one day's notice in writing of the investigation and notified of the charges against him. However, an Officer who may be on the ground when the cause for investigation occurs may hold an immediate investigation.

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

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

11.5 If the decision is considered unjust an appeal may be made in writing in accordance with the grievance procedure under Article 11.8. Such appeal shall set forth the grounds upon which it is made. On request, the System General Chairman shall be shown all evidence of record in the case.

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

NOTE: On territories where the discipline trial project is in effect, Articles 11.1 to 11.6 inclusively are suspended.

(See Appendices M and N)

11.7 Employees will be advised by Form 780 when discipline is being assessed. Employees who are demoted, suspended or discharged will have their positions advertised on a temporary basis, provided such discipline is being appealed in the grievance procedure.

Grievance Procedure

11.8 A grievance concerning the interpretation or alleged violation of this Agreement or an appeal by an employee that he has been unjustly dealt with shall be processed in the following manner:

Note 1: Where discipline involves suspension or dismissal, an appeal may commence as Step 3 of the grievance procedure.

Maintenance Employees

Step 1

Within 28 calendar days from the cause of the grievance the employee and/or the Local Representative may present the grievance in writing to the officer designated by the Company, who will give a decision as soon as possible, but in any case within 28 calendar days of receipt of the grievance.

Step 2

Within 45 calendar days of receiving a decision at Step 1, the Local Representative may appeal in writing to the officer designated by the Company. The appeal shall include a written statement of the grievance and where it concerns the interpretation or alleged violation of this Agreement the statement shall identify the specific provisions involved. A decision will be rendered within 45 calendar days of receipt of appeal.

Step 3

Within 60 days of receiving the decision under Step 2, the System General Chairman of the Brotherhood may request a joint conference with the officer designated by the Company. The request for joint conference must be accompanied by the Brotherhood's contention and all relevant information to the dispute involved. The joint conference shall be arranged to take place within 60 calendar days from the time such request is received and a decision shall be rendered in writing within 60 calendar days of the joint conference.

Employees in Construction, Quality Control and Network Operations

Step 1

Within 28 calendar days from the cause of the grievance the employee and/or the Local Representative may present the grievance in writing to the officer designated by the Company, who will give a decision as soon as possible, but in any case within 28 calendar days of receipt of the grievance.

Step 2

Within 45 calendar days of receiving a decision at Step 1, the System General Chairman of the Brotherhood may appeal in writing to the officer designated by the Company. The appeal shall include a written statement of the grievance and where it concerns the interpretation or alleged violation of this Agreement the statement shall identify the specific provisions involved. A decision will be rendered within 45 calendar days of receipt of appeal.

Step 3

Within 60 calendar days of receiving the decision under Step 2, the System General Chairman of the Brotherhood may request a joint conference with the officer designated by the Company. The request for joint conference must be accompanied by the Brotherhood's contention and all relevant information to the dispute involved. The joint conference shall be arranged to take place within 60 calendar days from the time such request is received and a decision shall be rendered in writing within 60 calendar days of joint conference.

11.9 In the application of Article 11.8, each party will notify the other in writing of any changes in designated officers.

11.10 A grievance under Article 11.8 shall include a written statement of the grievance and where it concerns the interpretation or alleged violation of the Collective Agreement, the statement shall identify the Article involved.

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

11.12 When a grievance not based on a claim for unpaid wages is not progressed by the Brotherhood within the prescribed time limits, the grievance will be considered to have been dropped. Where a decision is not rendered by the appropriate officer of the Company within the prescribed time limits, the grievance may be processed to the next step in the grievance procedure.

11.13 When a grievance based on a claim for unpaid wages is not progressed by the Brotherhood within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision with respect to such a

claim for unpaid wages within the prescribed time limits, the claim will be paid. The application of this Rule shall not constitute an interpretation of this Collective Agreement.

11.14 If a grievance remains unsettled following Step III, either the International Representative of the Brotherhood or the Assistant Vice-President, Labour Relations may request of the other a meeting to discuss the grievance. Such a request shall be made within sixty (60) calendar days of the rendering of the decision at Step III.

11.15 The time limits referred to in Steps I, II, and III and Article 11.14 may be extended by mutual agreement between the parties referred to in each instance.

Final Settlement of Disputes

11.16 A grievance concerning the interpretation or alleged violation of this Agreement, or an appeal by an employee that he has been unjustly disciplined or discharged, and which is not settled at the highest level of the grievance procedure may be referred by either party to a single arbitrator for final and binding settlement without stoppage of work.

11.17 The International Representative of the Brotherhood or the officer designated by the Company requesting the arbitration must notify the other party in writing within sixty (60) calendar days following the date the decision was rendered at the last step of the grievance procedure.

11.18 Within forty-five (45) calendar days of date of receipt of a request for arbitration the parties shall endeavor to agree on the name of the arbitrator, it being understood that preference will be given to the arbitrator chairing, at that time, the Canadian Railway Office of Arbitration. If an agreement is not reached, the party requesting arbitration may then request the Minister of Labour to appoint an arbitrator and advise the other party accordingly. Such request to the Minister of Labour must be made no later than fourteen (14) calendar days following the 45-day period referred to in this paragraph.

11.19 A Joint Statement of Issue containing the facts of the dispute and reference to the specific provision or provisions of the Collective Agreement allegedly violated, shall be jointly submitted to the arbitrator in advance of the date of the hearing. In the event the parties cannot agree upon such Joint Statement of Issue, each party shall submit a separate Statement of Issue to the Arbitrator in advance of the date of the hearing and shall at the same time give a copy of such statement to the other party.

11.20 The hearing shall be held by the Arbitrator in Montreal in the office of the Company unless otherwise mutually arranged, or unless the Arbitrator deems it advisable because of special circumstances to hold the hearings elsewhere.

11.21 At the hearing before the Arbitrator, argument may be given orally and/or in writing, and each party may call such witnesses as it deems necessary.

11.22 The decision of the Arbitrator shall be rendered in writing to both parties within thirty (30) calendar days of the completion of the arbitration hearings and shall be final and binding upon the parties.

11.23 Disputes arising out of proposed changes in rates of pay, rules or working conditions, modifications in or additions to the scope of this Agreement, are specifically excluded from the jurisdiction of the Arbitrator and he shall have no power to add to or to subtract from, or modify any of the terms of this Agreement.

11.24 Each party shall respectively bear any expenses each has incurred in the presentation of the case to the Arbitrator, however both parties will equally share the fees and expenses of the Arbitrator.

11.25 The time limits as provided herein may be extended by mutual agreement between the parties.

ARTICLE 12

Leave of Absence and Free Transportation

Leave of Absence

For Union Positions:

12.1

(a) Employees elected as System General Chairman, Regional Representatives or Local Representative, or as a delegate to any Union activity requiring leave of absence, shall be granted leave for the term of office or until completing the activity, as the case may be, for which leave of absence was granted. Applications for, or renewal of such leave for periods of one calendar month or more must be made by the Union to the Vice-President of the Region on which the applicant is employed. Pass transportation will be granted in accordance with Company policy.

(b) Appointive - Leave of absence to appointive Union positions such as Special Representative and Organizer, may be granted at Management's discretion, for a period not in excess of one year, in accordance with Company policy.

For Other Reasons:

12.2 Leave of absence for other reasons, including personal, for a period not in excess of one year, may be granted at Management's discretion in accordance with Company policy.

12.3 Applications for leave of absence for periods of one (1) calendar month or more must be in writing and must state the reason for such leave and the period for which

leave is requested, and must be made to the appropriate officer of the Company in sufficient time to permit relief arrangements being made. Authorization for such leave of absence must be obtained in writing.

12.4 Extension of leave of absence may be granted when supported by application in writing to the appropriate officer of the Company. Such applications must be received in ample time to obtain authorization or if authorization is not granted, to enable the employee to return to work at expiration of his leave. Failure to obtain extension or to report for duty on or before the expiration of a leave, unless such failure to report is explained to the satisfaction of the Company, will cause the employee to forfeit his seniority.

12.5 Employees on authorized leave of absence shall be continued on the seniority list.

12.6 Employees in S & C gangs in order to get home for weekends and the men in the gang being agreeable, may, upon request to the S & C Coordinator and with the approval of the S & C Supervisor, work in excess of 8 hours per day at the pro rata rate. 40 hours worked will constitute one work week. Any time worked over 40 hours in any one work week shall be considered as overtime. Where weekly trips cannot be arranged due to the gang working a long distance from their homes and arrangements are made for the men to go home the second week, any time worked after the first 40-hour week will be considered as another work week and no overtime will be allowed until another 40 hours has been worked.

12.7 An employee transferred by direction of the Company to positions which necessitate a change of residence will receive free transportation for himself, dependent members of his family and household goods; in accordance with the Company's regulations. Such employee will be compensated for time lost up to a maximum of two days, unless otherwise arranged.

ARTICLE 13

Mileage Allowance

13.1 Effective January 1, 1988, where an automobile allowance is paid, such allowance shall be 28 cents per kilometer.

ARTICLE 14

Sleeping Quarters

14.1 Living accommodation for road gangs shall be equipped and maintained suitable to the health and well-being of the employees.

ARTICLE 15

Relief Work and Preservation of Rates

15.1 Employees temporarily assigned to higher rated positions for a period of one day or over will receive the higher rate to which their experience entitles them while occupying such positions.

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

ARTICLE 16

Vacations

16.1 An employee who, at the beginning of the calendar year, is not qualified for vacation under Article 16.2, 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 Article 16.2.

16.2 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 3 years and has completed at least 750 days' cumulative compensated service, shall have his vacation scheduled on the basis of one working day's vacation with pay for each 16-2/3 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 will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Article 16.3.

NOTE 1: An employee covered by Article 16.2 will be entitled to vacation on the basis outlined therein if on his fourth or subsequent service anniversary date he achieves 1,000 days of cumulative compensated service; otherwise his vacation entitlement will be calculated as set out in Article 16.1. 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 next vacation, the adjustment will be made at time of leaving.

16.3 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 9 years and has completed at least 2,250 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working day's vacation with pay for each 12-1/2 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 20 working days; in subsequent years, he will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Article 16.4.

NOTE 2: An employee covered by Article 16.3 will be entitled to vacation on the basis outlined therein if on his tenth or subsequent service anniversary date he achieves 2,500 days of cumulative compensated service; otherwise his vacation entitlement will be calculated as set out in Article 16.2. 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 next vacation, the adjustment will be made at time of leaving.

16.4 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 19 years and has completed at least 4,750 days of cumulative compensated service, shall have his 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 will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Article 16.5.

NOTE 3: An employee covered by Article 16.4 will be entitled to vacation on the basis outlined therein if on his twentieth or subsequent service anniversary date he achieves 5,000 days of cumulative compensated service; otherwise his vacation entitlement will be calculated as set out in Article 16.3. 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 next vacation, the adjustment will be made at time of leaving.

16.5 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 28 years and has completed at least 7,000 days of cumulative compensated service, shall have his 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 Article 16.5 will be entitled to vacation on the basis outlined therein if on his twenty-ninth or subsequent service anniversary date he achieves 7,250 days of cumulative compensated service; otherwise his vacation entitlement will be calculated as set out in Article 16.4. 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 next vacation, the adjustment will be made at time of leaving.

16.6 An employee who is assigned one rest day in seven will be allowed vacation on the basis of 6, 12, 18 and 24 days as the case may be, exclusive of assigned rest days.

16.7 In computing service under Articles 16.1, 16.2, 16.3, 16.4 and 16.5, days worked in any position covered by similar Vacation Agreements will be accumulated for the purpose of qualifying for vacation with pay.

16.8 Intentionally Left Blank

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

16.10 An employee who, while on annual vacation, becomes ill or is injured, shall have the right to terminate (temporarily) his 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 vacation if within his scheduled dates. If the remaining vacation falls outside the employee's scheduled dates, such vacation will be rescheduled as may be mutually agreed between the proper officer of the Company and the authorized Local Union representative.

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

16.12 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 shall be given at least 15 working days' advance notice of such rescheduling and will be paid at the rate of time and one-half his regular rate of wages for all work performed during the scheduled vacation period. The rescheduled vacation with pay to which he is entitled will be granted at a mutually agreed upon later date. This Article 16.12 does not apply where rescheduling is a result of an employee exercising his seniority to a position covered by another vacation schedule.

Advance Vacation Payment

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

16.14 Provided an employee renders compensated working service in any calendar year, time off duty on account of 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.

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

16.16 An employee terminating his employment for any reason at a time when an unused period of vacation with pay stands to his credit shall be allowed vacation

calculated to the date of his leaving the service, as provided for in Articles 16.1, 16.2, 16.3, 16.4 and 16.5 and, if not granted, shall be allowed pay in lieu thereof.

16.17 An employee who is laid off shall be paid for any vacation due him 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 at the beginning of the following calendar year.

16.18 An individual who leaves the service of his own accord or who is dismissed for cause and not reinstated in the service within two years of date of such dismissal shall, if subsequently returned to the service, be required to qualify again for vacation with pay as provided in Article 16.1.

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

16.20 Applications for vacations, 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.

16.21 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.

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

ARTICLE 17

General Holidays

17.1 An employee who qualifies in accordance with Article 17.3 of this Article 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.

All Provinces:

New Year's Day

The day after that on which New Year's Day is observed.

Good Friday

Victoria Day

Dominion Day

Labour Day

Thanksgiving Day

Christmas Day

Boxing Day

Newfoundland:

Discovery Day

Remembrance Day

Nova Scotia and Prince Edward Island:

Easter Monday

Remembrance Day

New Brunswick:

New Brunswick Day (the first Monday in August)

Remembrance Day

Quebec:

St. Jean Baptiste Day

(in substitution for Remembrance Day)

The first Monday in August

Ontario, Manitoba, Saskatchewan, Alberta & British Columbia:

Civic Holiday (first Monday in August)

Remembrance Day

NOTE: If the Government of Canada designates "Heritage Day" or such other day as a general holiday, the day so designated by the Government shall be substituted for the day after New Year's Day in all Provinces except the Province of Quebec and for the first Monday in August in the Province of Quebec.

17.2 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 general holiday agreement of December 11, 1974 will substitute such holiday therefor in the 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.

17.3 In order to qualify for pay for any one of the holidays specified in Article 17.1, an employee

- (a) must have been in the service of the Company and available for duty for at least 30 calendar days. This Clause (a) does not apply to an employee who is required to work on the holiday;
- (b) must be available for duty on such holiday if it occurs on one of his work days excluding vacation days except that this does not apply in respect of an employee who is laid off or suffering from a bona fide injury, or who is hospitalized on the holiday, or who is in receipt of, or who subsequently qualifies for, weekly sickness benefits because of illness on such holiday; a regularly assigned employee who is required to work on such general holiday shall be given an advance notice of four calendar days, except for unforeseen exigencies of the service, in which case he will be notified not later than the completion of his shift or tour of duty immediately preceding such holiday that his services will be required;
- (c) must be entitled to wages for at least 12 shifts or tours of duty during the 30 calendar days immediately preceding the general holiday.

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

- (d) When S & C gangs, otherwise continuously employed, are closed down for Christmas and New Year's holidays to allow employees to return to their homes, and where employees so affected are, by mutual arrangement and as a consequence of such close-down, required by the 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 (c). Where such close-down 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 close-down will be credited in the application of Clause (c).

17.4 A qualified employee whose vacation period coincides with any of the general holidays specified in Article 17.1 shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

17.5

- (a) An assigned employee qualified under Article 17.3 and who is not required to work on a general holiday shall be paid eight hours' pay at the straight time rate of his regular assignment.

(b) An unassigned or spare employee qualified under Article 17.3 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 last tour of duty prior to the general holiday.

NOTE: In the application of this Article 17.5 for weekly-rated employees "eight hours' pay at the straight time rate" shall be deemed to be a day's pay as calculated according to Article 17.5.

17.6 An employee who is required to work on a general holiday shall be paid, in addition to the pay provided in Article 17.5(a), at a rate equal to one and one-half times his regular rate of wages for the actual hours worked by him on that holiday with a minimum of three hours for which three hours of 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.

17.7 Shifts or tours of duty commencing between 2400 hours on the eve of the general holiday and 2359 hours on the night of the general holiday, both times inclusive, shall be considered as work on that holiday.

ARTICLE 18

Bereavement Leave

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

Definition of Eligible Spouse

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

ARTICLE 19

Attending Court or Investigation

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

ARTICLE 20

Jury Duty

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

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

ARTICLE 21

Life Insurance Upon Retirement

21.1 An employee who retires from the service of the Company subsequent to March 1, 1988 will, provided he is fifty-five years of age or over and has not less than ten years cumulative compensated service, be entitled, upon retirement, to a \$5,000 life insurance policy, fully paid by the Company.

ARTICLE 22

Employee Benefit Plan Life Insurance and Sickness Benefits

22.1 Health and Welfare Benefits will be provided in accordance with Employee Benefit Plan Supplemental Agreement dated July 25, 1986, as revised, amended or superseded by any agreement to which the parties of this Collective Agreement are signatories.

ARTICLE 23

Medical and Rule Examinations

23.1 When an employee is required by the Company to take a periodic medical examination during his off duty hours, he will receive two hours' pay at the punitive rate for the time involved.

23.2 When an employee is required by the Company to take rule examinations during his off duty hours, he will receive two hours' pay at the punitive rate for the time involved.

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

ARTICLE 24

Dental and Extended Health Care Plan

24.1 The Dental Plan shall be that Plan established by the Dental Plan Agreement dated July 25, 1986, as revised, amended or superseded by any Agreement to which the parties to this Collective Agreement are signatories.

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

ARTICLE 25

Injured on Duty

25.1 An employee prevented from completing a shift due to a bona fide injury sustained while on duty will be paid for his full shift at straight time rates of pay, unless the employee receives Worker's Compensation benefits for the day of the injury in

which case the employee will be paid the difference between such compensation payment for their full shift.

ARTICLE 26

Paid Maternity Leave Plan

26.1 The provisions of the Paid Maternity Leave Plan dated June 18, 1985, as revised, amended or superseded by any agreement to which the parties to this Collective Agreement are signatories, will apply to employees covered by this agreement.

ARTICLE 27

Employment Security and Income Maintenance Plan

27.1 The provisions of the Employment Security and Income Maintenance Plan, dated April 21, 1989, as revised, amended or superseded by any Agreement to which the parties to this Collective Agreement are signatories, will apply to employees in positions covered by this Agreement.

ARTICLE 28

Transfer of Work

28.1 When through an unusual development it becomes necessary to transfer work from a seniority terminal, Division or Region, to another seniority terminal, Division or Region, not more than a sufficient number of employees to perform such work shall, in seniority order be given the opportunity to transfer, carrying their seniority rights with them. The proper officer of the Railway and the System General Chairman shall cooperate to determine the number of employees who shall transfer.

Employees who transfer under this provision shall after 90 calendar days lose their seniority at the seniority terminal they left.

ARTICLE 29

Contracting Out

29.1 Work presently and normally performed by employees who are subject to the provisions of this collective agreement 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 at the time and place required (a) from Railway-owned property, or (b) which may be bona fide leased from other sources at a reasonable cost without the operator; or
- (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 manufactures or suppliers nor to the performance of warranty work.

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.

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 not 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 System General Chairman, 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 National President, 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 the Union contends that the Company has contracted out work contrary to the provisions of this Article, the Union may progress a grievance commencing at the Regional Vice-President level (or equivalent). The Union officer shall submit the facts

on which the Union relies to support its contention. Any such grievance must be submitted within 30 days from the alleged non-compliance.

ARTICLE 30

Printing of Collective Agreement

30.1 The Company undertakes the responsibility for the printing of this Collective 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.

ARTICLE 31

Duration of Agreement

31.1 This Agreement covering rates, rules and benefits shall remain in full force and effect until December 31, 1997 and thereafter subject to 90 days' advance notice in writing from either party to the Agreement, of its desire to revise, amend or terminate it. Such notice may be served at any time subsequent to September 30, 1997.

ARTICLE 32

Negotiations During the Term of Agreement

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

ARTICLE 33

Coverage

33.1 Employees who were in the service of the Company on July 1, 1995, shall be entitled to any amount of compensation that may be due them for time worked subsequent to December 31, 1993.

Signed at Toronto, Ontario, this 3rd day of May 1995.

For the Canadian National Railway
Company:

(Sgd) M.M. Boyle
for: Assistant Vice-President
Labour Relations

For the International Brotherhood of
Electrical Workers System Council No. 11:

(Sgd) A.G. Cunningham
System General Chairman (Senior)

(Sgd) M.M. Boyle
Director Labour Relations

(Sgd) N. Dionne
Manager Labour Relations

(Sgd) J. Little
Coordinator Engineering

(Sgd) J. Senenko
System General Chairman

(Sgd) K. Guiney
Regional Representative

APPENDICES

APPENDIX A

Union Dues Agreement Deduction of Dues

Effective April 1, 1953, the Railways shall deduct on the payroll for the pay period which contains the 24th day of each month from wages due and payable to each employee coming within the scope of each collective agreement an amount equivalent to the uniform monthly union dues of the appropriate Organization, subject to the conditions and exceptions set forth 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 the applicable agreement excepting to conform with a change in the amount of 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.

Deduction of dues will be made in accordance with the provisions of item # 1 of this Appendix A, unless the employee has been permanently promoted to a non-schedule official or excepted position, in which case such employee shall be exempted from dues deduction.

3. Membership in any of the Organizations signatory hereto shall be available to any employees 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 day of the month.
5. If the wages of an employee payable on the payroll which contains the 24th day of the month are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Railways in such month. The Railway shall not, because the employee did not have sufficient wages payable to him 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 in which 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, deduction 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 forty 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 for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages, the 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 amounts 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 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 Organizations or any of them counsel fees are incurred these 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 and each of them from any losses, damages, costs, liability or expenses suffered or sustained by them or any of them as a result of any such deduction or deductions from payrolls.

APPENDIX B

26 January 1962

Mr. H.A. Stockdale
General Chairman
Brotherhood of Railroad Signalmen
3895 Maplewood Avenue, Apt. 3
Montreal 26, Quebec

Dear Mr. Stockdale:

In your letter of August 9, 1961, you asked that signal helpers paid on the basis of an eight-hour day be allowed expenses for noontime lunch when working with employees paid on the basis of stand-by allowance covered by Article 4 who are entitled to such expenses.

We reviewed this matter with our regional officers and the Engineering Department and have concluded that your request has merit. While we recognize the employees are not entitled to this allowance under the wage agreement, nevertheless we are asking our regional officers to grant such expenses to helpers for noontime lunch effective February 16, 1962.

Yours very truly,

(Sgd) Thomas A. Johnstone
Assistant Vice-President
Labour Relations

APPENDIX C

April 28, 1978

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

Dear Mr. Peer:

The following letter will be sent to 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 are unable to report at all.

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 Parlor Car employees, who arrive late for their assignment, 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 snow storm.

The nature of work in which the Running Trades and Sleeping, Dining and Parlor 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

Assistant Vice-President
Labour Relations
Canadian National Railways

(Sgd) R. Colosimo

Assistant Vice-President
Industrial Relations
Canadian Pacific Limited

APPENDIX D

February 11, 1981

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

Dear Mr. Platt:

This has reference to numerous discussions we have had concerning the application of Article 6.2 of Wage Agreement 11.1.

It is understood that in the application of Article 6.2, the following will apply:

- (1) An employee called on the telephone in case of an emergency or a temporary urgency outside of his regular assigned hours, after having been relieved, who accepts such call and is required to provide, by telephone, technical assistance in case of signal failures, etc., and does provide such assistance, will be paid three (3) hours at punitive rate.
- (2) An employee who is called, and accepted the call, but is cancelled prior to his leaving home, will be paid one (1) hour at punitive rate.
- (3) An employee will only be entitled to one three (3) hour guarantee payment for any period of three consecutive hours commencing with the first call, even though he may receive other calls during such 3-hour period.
- (4) It is hoped that the above will clarify the previous misunderstandings in the application of this clause.
- (5) Would you be kind enough to indicate your concurrence to this understanding in the space provided below.

Yours truly,

FOR THE COMPANY

(Sgd) D.C. Fraleigh

For S.T. Cooke
Vice-President
Labour Relations

I CONCUR:

(Sgd) John E. Platt

Vice-President
Brotherhood of Railroad Signalmen

APPENDIX E

MEMORANDUM OF AGREEMENT between Canadian National Railway Company and the Brotherhood of Railroad Signalmen concerning the establishment of a supplemental seniority list and the application of Article 9.20 of Agreement 11.1.

IT IS AGREED that effective January 1, 1981:

1. A supplemental seniority list shall be established on each Region for employees promoted on or after January 1, 1979 to a permanent non-schedule, official or excluded position with the Company, or its subsidiaries.
2. As provided in Article 9.20 of Agreement 11.1:
 - (a) An employee's name will not be removed from the existing seniority list and placed on the supplemental seniority list until the employee stops accumulating seniority.
 - (b) Employees promoted to a permanent non-schedule, official or excluded position with the Company, or its subsidiaries after January 1, 1979 shall, after a period of 2 consecutive years from the date which promoted have their names placed on the supplemental seniority list in seniority order with accumulated seniority up to the date of promotion.
 - (c) Employees covered by the provisions of Item 2(b) above who are released or who voluntarily revert from excepted employment will have their name deleted from the supplemental seniority list and their name will be placed on the Regional seniority list in accordance with their seniority which they accumulated up to the date of promotion.

Signed at Montreal, Quebec this 6th day of March 1981.

FOR THE COMPANY

(Sgd) D.C. Fraleigh
Director, Labour Relations

FOR THE BROTHERHOOD

(Sgd) John E. Platt
Vice-President

APPENDIX F
CANADIAN NATIONAL RAILWAY COMPANY
CP RAIL

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 the 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 year.

This letter will supersede previous letters on this subject.

Yours truly,

(Sgd) W.H. Morin
Vice-President
Labour Relations
Canadian National Railway Company

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

APPENDIX G

Montreal, Quebec
April 26, 1982

Mr. D.W. Blair, Vice-President, Atlantic Region, Moncton
Mr. Y.H. Masse, Vice-President, Lawrence Region, Montreal
Mr. G.A. Van de Water, Vice-President, Lakes Region, Toronto
Mr. R.J. Hansen, Vice-President, Prairie Region, Winnipeg
Mr. R.A. Walker, Vice-President, Mountain Region, Edmonton
Mr. J.L. Cann, Vice-President, Operations, Montreal
Mr. J.L. Ball, Comptroller CN Rail, Montreal
Mr. R.J. Tingley, President and General Manager, CN Marine, Moncton
Mr. P.A. Clarke, President and General Manager, TerraTransport, St. John's

One of the proposals made by the Associated Non-Operating Unions in the recent negotiations was that when, in the application of the applicable grievance procedure, a decision was not rendered by the designated officer of the Company the claim will be paid or in the case of a grievance not involving a time claim the grievance would be allowed.

During negotiations the Union representatives explained that the major problem was that some designated officers were not complying with the intent of the grievance procedures. They specifically mentioned that cases not involving monetary claims were not dealt with within the specified time limits; also very brief replies were being given by the Supervisors without dealing with the points raised by the Union Representative in his letter.

We undertook to remind you of the importance of dealing with all grievances within the prescribed time limits. It is appreciated that there may be an unusual case that cannot be handled within the time limits. In such instances, you should request an extension of time limits from the appropriate Union Representative. In addition we expect that the appropriate Supervisor will state his reasons for declination in relation to the statement of grievance submitted by the Union Representative.

Would you please see that this matter is brought to the attention of all Supervisors and that grievances directed to them are handled in accordance with the provisions of the applicable Wage Agreement.

(Sgd) W.H. Morin
Vice-President
Labour Relations
Canadian National Railway Company

cc: Mr. J.D. Hunter
Mr. J.E. Platt
Mr. R.C. Smith
Mr. A. Passaretti

APPENDIX H

April 26, 1982

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

Dear Sir:

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

This letter will confirm our understanding that, in such circumstances, the proper officer of the Company and the General Chairman of the 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 qualifications and ability allow him to perform, notwithstanding that it may be necessary to displace an able bodied employee in the bargaining unit so as to provide suitable employment. The permanently assigned employee so displaced will be allowed to exercise seniority onto a position within the bargaining unit that he is qualified for and has the ability to perform.

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

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

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

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

Yours truly,

(Sgd) W.H. Morin

Vice-President

Labour Relations

Canadian National Railway Company

I CONCUR:

(Sgd) John E. Platt

Vice-President

Brotherhood of Railroad Signalmen

APPENDIX I

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the International Brotherhood of Electrical Workers, giving effect to certain seniority provisions of Agreement 11.1, and Maintenance of Basic Rate provisions of the Employment Security Income Maintenance Agreement.

IT IS AGREED that effective February 9, 1996:

- 1 Notwithstanding the provisions of Article 9.13 of Agreement 11.1, employees will not forfeit seniority in the exercise of displacement rights provided they have exhausted all seniority rights at their location or at a location within a radius of 25 miles as defined in Article 6.2c of the ESIMA.
- 2 Employees who protect their seniority rights, as stipulated above, in order to avoid relocation, will, be eligible for maintenance of basic rate protection under Article 8.9 of the ESIMA.
- 3 Employees on Regional Installation Gangs and Regional Inspection positions, will protect their seniority in accordance with Agreement 11.1, except as may be otherwise mutually agreed on each Region between the Company and the Union.
- 4 The provisions of Article 9.14, 9.15 and 10.8 of Agreement 11.1 will apply on the entire seniority territory where there are no qualified applicants for unfilled vacancies.
- 5 The Memorandum of Agreement dated May 28, 1992 is canceled.

Signed in Montréal, Québec this 9th day of February 1996.

FOR THE COMPANY:

(Sgd) M.M. Boyle
for: Assistant Vice-President
Labour Relations

FOR THE BROTHERHOOD:

(Sgd) A.G. Cunningham
System General Chairman (Senior)

(Sgd) J. Senenko
System General Chairman

APPENDIX J

CANADIAN NATIONAL RAILWAY COMPANY

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the Canadian Signal and Communications Union revising Agreement 11.1

Where employees covered by Agreement 11.1 are laid-off from occupations covered by other Collective Agreements with the Company and are therefore subject to recall, it is agreed that the provisions of Article 10 (Training) of Agreement 11.1 are suspended for such employees until such time as they are no longer subject to recall under other Collective Agreements.

Signed at Montreal, Quebec this 9th day of September 1983.

FOR THE COMPANY:

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

FOR THE UNION:

(Sgd) A. Cunningham
National Vice-President
Canadian Signal and Communications
Union

(Sgd) R.E. McCaughan
National Vice-President
Canadian Signal and
Communications Union

(Sgd) J.E. Platt
National President
Canadian Signal and
Communications Union

APPENDIX K

CANADIAN NATIONAL RAILWAY COMPANY

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the Canadian Signal and Communications Union with respect to the hours of service for signal employee working in conjunction with certain gangs.

1. Employees covered by Agreement 11.1 working with the gangs referred to in Item 3 hereof shall operate on a work cycle of 15 consecutive work days followed by six consecutive rest days. The regular hours for each work day shall be eight. Agreement 11.1 shall govern payment for service performed.
2. The foregoing work cycle shall replace the work week provided in Agreement 11.1 for the period of time that employees are governed by such cycle.
3. The type of gangs referred to in Item 1 of this Agreement are:
 - (a) The System Concrete Tie Gang working with the P-811 Machine operating on the Mountain, Prairie and Great Lakes Regions.
 - (b) The Eastern Rail Changeout Gang working with a Rail Changeout Machine and operating predominantly on the Eastern Regions.
 - (c) The Western Rail Changeout Gang working with a Rail Changeout Machine and operating predominantly on the Western Regions.
 - (d) The regional support gangs accompanying a gang listed in (a), (b) or (c) above.
4. An employee covered by this Agreement will receive in addition to his regular rate of pay, an allowance equivalent to 20 hours at the applicable straight time hourly rate of pay for each 15-day cycle worked. For any day on which an employee is unavailable for work, his allowance will reduced by 2 hours.
5.
 - (a) When a general holiday specified in Article 17 of Agreement 11.1 falls on a day which does not coincide with an employee's rest days, it may be moved and granted in conjunction with the employee's rest days.
 - (b) When such substitution takes place the employees will be compensated at the straight time rate for work performed on the day originally designated as the general holiday. When employees are required to work on the day to which the general holiday was moved, they shall be compensated in accordance with Article 17.6 of Agreement 11.1.
6. In the application of this Memorandum of Agreement it is understood that existing Regional practices in the assigning of employees will be continued.

7. Except as otherwise provided herein, Agreement 11.1 shall apply.
8. This Memorandum of Agreement shall become effective on the date of signing and shall remain in effect thereafter from year to year subject to cancellation on sixty days' notice in writing from either party to the other. Such cancellation notice may only be served during the period October 15 to November 15 in any year.
9. The terms of this Memorandum of Agreement shall be subject to the parties obtaining an appropriate permit from the Minister of Labour under the terms of subsection 29.1(1) of the Canada Labour Code Part III.

Signed at Montreal, Quebec, this 23rd day of November, 1983.

FOR THE COMPANY:

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

FOR THE UNION:

(Sgd) J.E. Platt
National President
Canadian Signal and Communications
Union

APPENDIX L

July 17, 1984

Mr. J.E. Platt
National President
Canadian Signal and
Communications Union
Suite 220
130 Slater Street
Ottawa, Ontario
K1P 6E2

Dear Mr. Platt:

This refers to our recent phone discussion and your letter of 3 July 1984 concerning the seniority status of employees covered by Agreement 11.1 who are appointed to bulletined Technician positions on other than their home region of CN Rail.

It is recognized that under the terms of Article 9.24 (d) of Agreement 11.1, an employee awarded a Technician position is required to demonstrate his ability to perform the work and that if he fails to meet the requirements of the position, he must return to his former position.

This will confirm that, notwithstanding the provisions of Agreement 11.1, we have agreed to consider an employee who is appointed to a bulletined Technician position on other than his home region, as being on loan for up to a maximum of 180 calendar days. Such employee will forfeit his seniority (on his home region) if he fails to return to his home region within 30 days following the expiry of the 180 calendar day probationary period. Should the employee be required to return to his former region, he will resume duty on the position that he occupied prior to being awarded the Technician position.

In the event that the employee's former position has been abolished, he will be required to exercise his seniority on his former region in accordance with the terms of the Agreement.

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

Yours truly,
FOR THE COMPANY:

(Sgd) J.R. Gilman
For: Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) J.E. Platt
National President
Canadian Signal and Communications
Union

APPENDIX M

CANADIAN NATIONAL RAILWAY COMPANY

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the Canadian Signal and Communications Union providing for certain amendments to Agreement 11.1 with respect to a new Discipline Trial Project which is to apply across the system.

1. Coverage

This Memorandum of Agreement applies to all Signals and Communications employees who are covered by Agreement 11.1.

2. Duration

This Memorandum of Agreement shall be effective 1 January 1986 and shall remain in effect and cover those employees outlined in Item (1). It may, however, be terminated on any particular territory by agreement between the parties or it may be terminated on thirty days' written notice from either party to the other.

3. Suspension of Existing Provisions

On territories where this Memorandum of Agreement is in effect, Articles 11.1 to 11.6 inclusive, of Agreement 11.1 shall be suspended.

4. Informal Investigation

- (a) Subject to the provisions of Item (a) (ii) of Section 5 hereof, minor incidents will be handled without the necessity of a formal investigation.
- (b) Such incidents will be investigated as quickly as possible by a proper officer(s) of the Company and subsequently reviewed with the employee(s) concerned.
- (c) 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 was reviewed with the employee except as otherwise mutually agreed. A copy of the Incident Report and a copy of the Form 780 issued will be sent to the National Vice-President or National President as the case may be.
- (d) 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, advise the proper officer of the Company in writing within 20 calendar days of receipt of such notification:

- (i) that he is not in accord with the conclusions reached by the Company and requests a formal investigation under the procedures set forth in Section 5 hereof; or
- (ii) that he accepts the conclusions reached by the Company but he is not in accord with the discipline assessed and may initiate an appeal of the discipline in accordance with the grievance procedure of the respective collective agreement; or
- (iii) that he is in accord with the conclusions reached by the Company and the discipline assessed.

5. Formal Investigation

(a) A formal investigation will be held:

- (i) in the case of an employee committing an alleged dismissible offence;
- (ii) when an employee is alleged to have committed a minor offence where the seriousness of such offence might warrant discipline to the extent that when added to his 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 24 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 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.

*The following Union Officers will be considered accredited representatives:

National President
National Vice-President
Local Representative
Designated Employee Representative (holding "employee status")

- (d) Where an employee so wishes, an accredited representative may appear with him at the hearing. Prior to the commencement of the hearing, the employee will be provided with a copy of all of the written evidence as well as any oral evidence which has been recorded and which has a bearing on his involvement. The employee and his 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 involvement. The questions and answers will be recorded and the employee and his 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) Employee will not be held out of service pending investigation unless:
 - (i) the circumstances of the incident are such that there is reason to believe that the employee's continued performance on the job could constitute a hazard to himself, other persons or the operations;
 - (ii) the offence is considered sufficiently serious to warrant such action;
 - (iii) it is essential to carrying out the investigation.
- (g) Except as otherwise mutually agreed, the investigating 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.

General

- 6. An employee who is held out of service while under investigation, except in cases where the offence with which charged is of a nature which may result in suspension or dismissal, will be paid at schedule rates for each working day lost up to a maximum of one day for each twenty-four (24) hours, less any amount earned in other employment. 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.

7. An appeal against discipline imposed may be made in accordance with the grievance procedure. Should discipline after appeal be found to be unjust, resulting in cancellation of such discipline, the employee will be paid at schedule rates for each day lost up to a maximum of one day for each twenty-four (24) hours, less any amount earned in other employment. He will also be reimbursed for any reasonable expenses incurred if required to be away from home in connection with the investigation.

This Memorandum of Agreement supersedes all regional agreements with respect to the establishment of a Discipline Trial Project.

SIGNED AT Montreal, Quebec this 5th day of December, 1985.

FOR THE COMPANY:

(Sgd) D.C. Fraleigh

For: Assistant Vice-President
Labour Relations

FOR THE UNION:

(Sgd) J.E. Platt

National President
Canadian Signal and Communications
Union

APPENDIX N

November 5, 1985

Mr. J.E. Platt
National President
Canadian Signal and
Communications Union
Suite 220 - 130 Slater St.
Ottawa, Ont.
K1P 6E2

Dear Mr. Platt:

For some time now the Unions and many people in management have expressed varying degrees of dissatisfaction with the current discipline system.

The Union and the Company have recognized that much of the problem with the current system, i.e. the apparent friction, emanated from the system itself. The parties where interested in exploring ways of lessening the formal aspects of the investigation procedure, and undertook to develop a system that would:

- better define the role of the fellow employee or accredited representative appearing with an employee at an investigation;
- allow the Company to assess a level of discipline without the need for a formal investigation; and
- be introduced on a trial basis on certain regions.

While continuing to adhere to the concept of a formal system for employees involved in major situations, the new system contains a procedure that will, under certain circumstances, permit the Company to assess discipline to a maximum level of fifteen demerit marks without the necessity of a formal investigation. It has built-in safeguards which enable an employee to request a formal investigation in the event he is not satisfied with the results of the informal investigation. Any discipline assessed may, as usual, be appealed through the grievance procedure.

Therefore, during the trial period, we will have two separate and distinct procedures. One procedure (Informal) will apply in the majority of cases involving incidents which are considered minor in nature. Minor incidents involving employee infractions are defined as those which would warrant fifteen or less demerit marks in the event the employee is found responsible. The second procedure (Formal) will apply in more serious situations, i.e. those falling into what might be termed the major category.

The informal procedure is designed to be simple and easily understood. It does away with the need for any formal statement taking and the traditional question and answer format. It is hoped and indeed expected that this new approach will tend to eliminate or at least substantially reduce the apparent friction caused by the formal method.

In response to Union requests the formal procedure contains changes which have been made on an experimental basis. Our belief, however, is that the informal process will prove to be more advantageous for all concerned and that the need for formal statement taking in future will diminish as the success of the informal process becomes evident.

One of the changes to the formal procedure requested by the Union dealt with the role of the "fellow employee" appearing at investigations. The Union wanted this role redefined with the view to expanding his responsibilities at a formal hearing. In fact, the role of the fellow employee has evolved through changes brought about by discussion between the parties and various decisions of Arbitrators throughout the past several years. It is clear that the presence of the fellow employees is not that of a mere observer and that certain rights have now been accepted by the parties. It was agreed, that for the duration of the trial project, the term accredited representative will be used and the term fellow employee will be dropped. The parties have acknowledged that the additional rights provided the accredited representative will in no way undermine the current procedure which is designed to bring out the facts of the case and to provide for a fair and impartial hearing. It is in the light of this understanding that the Company is prepared to define the role of the accredited representative appearing at a formal investigation as follows:

The employee under investigation may discuss with his accredited representative any questions directly related to and having a bearing on the alleged irregularity under review. However, this practice is not to be abused so as to impede investigation through the employee holding such discussions prior to answering routine questions, such as name, occupation, work location, hours of work, etc. Also, the accredited representative will be permitted to raise questions through the officer conducting the investigation during the course of the investigation. It will be the responsibility of the investigating officer to rule on whether or not such questions are relevant. Whether considered relevant or irrelevant, the question and answer will be recorded. It is to be emphasized that any advice given by the accredited representative to the effect that the employee under investigation should not answer a relevant question will not be accepted by the officer conducting the investigation. The investigation will be conducted in a proper and dignified manner and at all times under the control of the person conducting the investigation. The role of the accredited representative as well as the officer conducting the formal investigation will be monitored by the Union/Management Regional Monitoring Committee.

The progress of the trial project is to be monitored at the Regional/District and System levels. The monitoring teams will be comprised as follows:

Regions - National Vice-President or National President as the case may be, the Regional Chief Engineer and the Regional Manager Labour Relations.

District - National Vice-President or National President as the case may be, the District Manager and the Regional Manager, Labour Relations.

The System steering committee comprising the current negotiating groups will continue to meet periodically to monitor the results of each project, to ensure consistency in application and to adjudicate, if necessary, on matters dealing with the overall intent and objectives of the program.

Throughout these discussions, some fear was expressed by both sides that some of the proposed changes would encourage the parties to take advantage of certain situations. The Union expressed the fear that any loosening of the formal structure where traditional safeguards were removed, as in the proposed informal process, would invite certain supervisors to take advantage of employees who were now stripped of the protection provided by the formal system. Assurances were given that this aspect would be carefully monitored to ensure proper application in line with the principles involved.

On the other hand, some members of management are apprehensive that certain people might misconstrue the introduction of this change as signalling a new laissez-faire approach to discipline and are concerned that performance factors, i.e. accidents, personal injuries, etc., might suffer as a consequence.

In fact, neither of these perceptions is correct. Both the Company and the Union agree that there must be some form of discipline system. It is, therefore, not a question of whether some action will be taken, but rather a question of the mode or process that will be employed to bring about the desired result in keeping with the philosophy of the Company's discipline policy. The success of these trial projects will depend to a large extent on the good faith and genuine commitment of those involved. To aid in this endeavour, the Company will provide appropriate training for both Company and Union (Local) officers directly involved. Union officers will be paid for such training. In addition, those employees affected by the changes will be apprised of the program jointly by Union and Management officers and informed of the discipline provisions that will apply to them during the program.

Finally, on the assumption that the pilot project will prove successful, the parties have agreed to review the results of the agreed upon changes, sixty days prior to the expiration of the first year on any territory where they are in effect, with a view to considering further modifications.

This letter of Understanding supersedes all Regional Letters of Understanding that were previously agreed to with respect to the new discipline system.

Would you please indicate your concurrence with the foregoing by signing this letter in the space provided below.

Yours truly,

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) J.E. Platt
National President
Canadian Signal and
Communications Union

APPENDIX O

December 10, 1985

Our Files: 8311-1, 8311-1-10

Mr. J.E. Platt
National President
Canadian Signal and
Communications Union
Suite 220
130 Slater St.
Ottawa, Ont.
K1P 6E2

Dear Mr. Platt:

This has reference to the Memorandum of Agreement which was signed on 19 September 1985 revising the Training Program in Agreement 11.1 and the Memorandum of Agreement signed on 2 October 1985 amending certain provisions in Agreements 11.1 and 11.8 so as to preclude conflict with the revised Training Agreement.

Following negotiations with respect to the above mentioned matters you expressed a concern that the separation of the S & C Helper/Apprentice classification into two separate classifications has created some uncertainty as to the manner by which these two positions would be filled by the Company. The following will clarify our understandings on these issues.

On maintenance, vacancies or new positions in a class below S & C Maintainer will be bulletined as S & C Apprentice and will be awarded in accordance with the provisions of Article 9. This does not preclude the Company, under certain circumstances, from filling such positions by other classifications depending of course on the particular work being performed and the duration of the position. When there are no applicants for a S & C Apprentice position on maintenance from employees working in the Apprentice classification, the position will be filled by the junior S & C Apprentice who is working on construction.

On construction, vacancies or new positions in a class below S & C Mechanic will be filled by S & C Apprentices and/or S & C Helpers, in line with the Company's requirements. On permanent construction gangs, S & C Apprentice positions will be bulletined as outlined in Article 9.10.

On temporary construction gangs, S & C Apprentice positions will be bulletined without gang numbers or assigned territory. Successful applicants will be considered as unassigned and may be required to work anywhere on their Region.

When there is no applicant for an Apprentice position on a construction gang, it will be filled by the appointment of the senior S & C Helper in accordance with Article 10.6 of Agreement 11.1.

Also of a concern, were those employees who were hired prior to 1 January 1985 and as a result held dual seniority as S & C Helper/ Apprentice but were not as yet enrolled in the Training Program. We agreed that if such employee was able to successfully pass the Company selection process for the position of an S & C Apprentice he would continue to be paid pursuant to Article 9.29 of Agreement 11.1. In the event that the employee is unable to pass the Company selection process, he will forfeit his S & C Apprentice seniority and his Apprentice step rate will be frozen until such time as the wage adjustments through national negotiations bring the S & C Helper rate equal to or above the frozen rate, at which time the employee will revert to the S & C Helper rate.

A laid off employee who was hired prior to 1 January 1985 and as a result held dual seniority as S & C Helper/Apprentice but is not as yet enrolled in the Training Program, will have the Company's selection process administered prior to recall to service. If the employee is able to pass the Company selection process he will, upon return to work, receive the appropriate S & C Apprentice rate pursuant to Article 9.29. If he is unable to pass the Company selection process he will forfeit his S & C Apprentice seniority and will only be subject to recall as an S & C Helper at the S & C Helper rate.

An employee hired as an S & C Helper after 1 January 1985 who is unable to pass the Company selection process will be removed from the service of the Company. Every reasonable effort will be made to administer the Company selection process to such employee prior to the expiration of his probationary period.

Would you please indicate your concurrence with the foregoing by signing this letter in the space provided below.

Yours truly,

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) John E. Platt
National President
Canadian Signal and
Communications Union

APPENDIX P

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the Canadian Signal and Communications Union with respect to the recognized seasonal working period for employees covered by Agreement 11.1 who hold only S & C Helper seniority.

1. IT IS AGREED THAT effective 1 January 1987 employees who hold only S & C Helper seniority will be considered Seasonal Employees under Article 10 of the Employment Security and Income Maintenance Plan. The recognized seasonal working period for these employees shall be:

April 15 to November 30 on the Atlantic, Great Lakes and Mountain Regions.

and

May 1 to September 30 on the St. Lawrence and Prairie Regions.

2. The S & C Helpers on the protected rate, who are covered by the Memorandum of Agreement dated 7 December 1984, are excluded from the application of this Agreement.

SIGNED AT MONTREAL, Quebec, this 27th day of February 1987.

FOR THE COMPANY:

(Sgd) T.D. Ferens
for: Assistant
Vice-President
Labour Relations

FOR THE UNION:

(Sgd) J.E. Platt
National President

(Sgd) R.E. McCaughan
National Vice-President

(Sgd) A. Cunningham
National Vice-President

APPENDIX Q

(See Appendix W)

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the Canadian Signal and Communications Union with respect to training Technician Trainees in Rail Traffic Control (R.T.C.) Centres, Hump Yards, Radio Shops or other Signals and Communications (S&C) centres.

It is agreed that:

1. A notice will be posted advising employees when Technician Trainees are to be trained for R.T.C. Centres, Hump Yards, Radio Shops or other S & C centres. The notice will be posted, in a format that has been approved by the Steering Committee.
2. A Technician Trainee's permanent position will be filled temporarily during the training period. In the event that such permanent position is abolished or claimed by a senior employee in the exercise of displacement rights; the Technician Trainee will be required to declare displacement rights onto another permanent position.
3. In the eventuality that there are no qualified applicants for an S & C Technician position in an R.T.C. Centre, Hump Yard, Radio Shop or other S & C centre; the Technician Trainee who first commenced training at the particular location, will be awarded the position provided that such Trainee is considered sufficiently qualified to perform S & C Technician duties.
4. A Technician Trainee will not be restricted from bidding other permanent positions during the training period, but will not be released to fill such position until completion of training. Except as provided in Items 5 and 6, a Technician Trainee will be compensated at the basic rate of the permanent position held.
5. An S & C Foreman or S & C Testman who is selected as a Technician Trainee will be compensated at the basic rate of an S & C Technician during the training period.
6. A Technician Trainee who is awarded a permanent S & C Foreman or S & C Testman position during the training period will be compensated at the basic rate of an S & C Technician while in training.
7. During the training period, a Technician Trainee is not subject to being displaced.
8. It is understood that the purpose of establishing Technician Trainees is to ensure that a future source of qualified S & C Technicians is maintained.
9. Except as otherwise provided herein, the terms of Agreement 11.1 are applicable.

10. This Memorandum of Agreement shall be effective on the date of signing and shall remain in effect thereafter subject to cancellation on sixty days notice in writing from either party to the other subsequent to 31 August 1989.
11. The Memorandum of Agreement dated 24 October 1988 covering Technician Trainees in the Rail Traffic Control (R.T.C.) Centre at 277 Front Street West, Toronto, Ontario is hereby cancelled.

Signed at Montreal, Quebec this 16th day of November, 1988.

FOR THE COMPANY:

(Sgd) D.C. Fraleigh
For: Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) J.E. Platt
National President
Canadian Signal and Communications
Union

APPENDIX R

15 December 1988

Mr. R.E. McCaughan
National Vice-President
Canadian Signal and Communications
Union
3081 Ness Avenue
Suite 307
Winnipeg, Manitoba
R2Y 2G3

Mr. A. Cunningham
National Vice-President
Canadian Signal and
Communications Union
1255 University Street
Suite 912
Montreal, Quebec
H3B 3W9

Mr. J.E. Platt
National President
Canadian Signal and Communications
Union
130 Slater Street
Suite 220
Ottawa, Ontario
K1P 6E2

Gentlemen:

This refers to the travel assistance which is to be provided to employees represented by your organization for getting to their home location on weekends or rest days. The parties have recognized that such arrangements must be fair and practical, must not be permitted to interfere with the performance of the work and must not place an unreasonable economic burden upon the Company.

They have also recognized the need for suitable restrictions on the frequency of trips and the establishment of minimum and maximum distances.

The parties have concluded that a variety of means must be employed to assist the employees with weekend travel and that the determination of the means to be applied in any given situation must rest with the appropriate Company officers.

Qualification:

In order to qualify for weekend travel assistance an employee must be required to work away from his home location on a regular basis (a minimum of 5 consecutive days prior to the weekend). If such work is on a permanent position, which has an established Headquarters location, there must be an acceptable reason for the employee not

relocating his home to the Headquarters location, such as remoteness of the location or limited housing at the location.

Travel Assistance

As mentioned above the means to be used to assist employees with weekend travel will vary and the determination of which will apply in each case will rest with the appropriate Company Officers. The means that may be employed are:

- (a)** Train service; or
- (b)** Company vehicles; or
- (c)** A fixed expense allowance to be determined as follows: An amount equal to the average of the mileage rate for the eastern and western Regions multiplied by 175 miles and rounded to the nearest five cents; or
- (d)** A mileage allowance which is to be determined separately for the eastern and western Regions. Such allowance will be based on actual bus fares in effect on August 1st of each year on sample bus routes. The sample bus routes to be used are attached as Exhibit A. The fares will be converted into an average mileage rate and rounded to the nearest cent. For example, if a round trip is 104 miles and costs \$10.00, the cost per mile is therefore $\$10.00 \div 104 = 9.62$ cents. Sample bus fares, once converted, are then averaged to determine the applicable mileage rate; or
- (e)** Any other means which meets the criteria mentioned in the first paragraph of this letter; or
- (f)** Any combination of a, b, d, and e above.

The adequacy of train service where it is considered as a means for weekend travel is of course a very relative matter. Waiting time, travelling time, and the alternatives available must all be considered. The basic criteria are that the means used must be fair and practical, must not interfere with the performance of the work and must not place an unreasonable economic burden upon the Company. Where there is a difference of opinion between an employee and his Supervisor in this regard, the local Union representative or the National Vice-President and the Supervisor should confer in an effort to resolve the difference.

Where a work location is accessible by road the Company shall be under no obligation to provide assistance when the distance to be travelled is forty miles or less in one direction (eighty miles or less return).

The Company's obligation under this arrangement shall not exceed beyond the limits of the Region on which the employee is working.

For employees who are granted a mileage expense allowance, payment shall be limited to 2,700 miles in any one calendar month. However, under special circumstances, after discussions between the National Vice-President and the Assistant Vice-President, Labour Relations at System Headquarters, the latter has the flexibility to increase the maximum.

Administration:

Claims for payment under the terms of this arrangement must be made monthly in accordance with Company instructions.

The provisions contained in this letter are effective 1 January 1989 and all previous Weekend Travel Assistance letters, practices or understandings are hereby cancelled.

The mileage allowance calculation referred to in (d) above will be put into effect on 1 October in each year.

Yours truly,

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

I CONCUR

(Sgd) John E. Platt
National President
Canadian Signal and
Communications Union

EXHIBIT A

Sample Bus Routes

Prairie Region

	From/To	Return Mileage
Winnipeg	- Portage	104
Winnipeg	- Gladstone	188
Winnipeg	- Brandon	402
Winnipeg	- Saskatoon	1060
Winnipeg	- Regina	720
Winnipeg	- The Pas	904

Mountain Region

	From/To	Return Mileage
Edmonton	- Edson	260
Edmonton	- Wainwright	250
Edmonton	- Valemount	610
Edmonton	- Prince George	940
Vancouver	- Kamloops	610
Vancouver	- Jasper	1130

Atlantic Region

	From/To	Return Mileage
Moncton	- St. John	190
Moncton	- Truro	290
Halifax	- Truro	116
Truro	- Sydney	394
Campbellton	- Mt. Joli	220
Campbellton	- Gaspé	440

St. Lawrence Region

	From/To	Return Mileage
Montreal	- Drummondville	122.4
Rivière-du-Loup	- Montmagny	154.4
Montreal	- Quebec	307.8
Montreal	- Ottawa	252
Montreal	- Val D'Or	657.8
Quebec	- Rimouski	384

Great Lakes Region

	From/To	Return Mileage
Toronto	- Port Hope	126
Toronto	- Barrie	120
Toronto	- Parry Sound	300
Toronto	- London	250
Toronto	- Windsor	446
Toronto	- North Bay	456

APPENDIX S

28 May 1992

Mr. A. G. Cunningham
Senior System General Chairman
International Brotherhood of
Electrical Workers
1255 University Street
Suite 912
Montreal, Quebec
H3B 3W4

Dear Mr. Cunningham:

This has reference to discussions during the current contract negotiations with respect to the Note to Article 4.5 of the Agreement and the Brotherhood's request to have the application of this provision clarified.

The Note to Article 4.5 allows the Company to require employees on stand-by to protect calls on adjacent territories in instances of temporary absence of regular employees. The mechanism provided under the Note to Article 4.5 is not intended to have employees on stand-by protect calls on adjacent territories in instances of extended temporary absences, subtracting the Company from its obligation to fill temporary vacancies in accordance with Article 9 of the Agreement.

For purposes of clarification, it is understood that the temporary absences contemplated by this provision are, in the normal course, of relatively short duration, ranging from a few days to a few weeks and addresses instances where the regular employee cannot protect his or her assignment on account of bereavement leave, sickness, training, etc.

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

Yours truly,

FOR THE COMPANY:

(Sgd) J.P. Green
for: Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) A.G. Cunningham
System General Chairman (Senior)
International Brotherhood of
Electrical Workers

cc: Mr. R. E. McCaughan, Syst. Gen. Chairman, I.B.E.W.
Mr. J. E. Platt, International Rep., I.B.E.W.

APPENDIX T

MEMORANDUM OF AGREEMENT between Canadian National Railway Company and Council No. 11 of the International Brotherhood of Electrical Workers concerning the suspension of Article 8.2 of Agreement 11.1.

IT IS AGREED that:

Employees required to remain away from their headquarters or boarding cars overnight, or employees who have no headquarters and are required to be absent from their place of residence overnight, will be afforded one of the following:

- a) Company provided accommodation or,
- b) Reasonable expenses for meals and lodging which they necessarily incur or,
- c) All inclusive expense allowance

(Items a) and b) above are based on single room accommodation, if available).

The Company retains the right to determine which of the foregoing will apply and, where applicable, will indicate on the monthly bulletins prescribed in Article 9 which of the above options will be applicable. Once one of the options has been selected for a given situation, it will not be changed without prior advice to the appropriate System General Chairman, outlining the reasons for the change. Should the Brotherhood wish a meeting to discuss the change, such meeting will be held on a timely basis.

In the application of Option a) in instances where meals would not be provided by the Company, and of Option b), expenses of up to the following amount will be deemed as reasonable expenses:

Year	Breakfast	Lunch	Dinner	Total
1995	\$6.00	\$10.00	\$12.90	\$28.90
1996	\$6.11	\$10.18	\$13.13	\$29.42
1997	\$6.22	\$10.36	\$13.36	\$29.94

Employees afforded the all inclusive expense allowance will be paid each working day an allowance subject to the following conditions:

1. Upon finalization of this Agreement \$74.00. Effective January 1, 1996 this amount will be increased to \$76.00, and effective January 1, 1997 this amount will be increased to \$79.00.

2. In instances of bona fide illness or job related injury, the all inclusive expense allowance will be maintained for up to 3 days.
3. Reimbursement of the all inclusive expense allowance will be made through the Direct Deposit System (D.D.S.) once per pay period by adding it to the employee's regular wages as a separate item.
4. The payment of the all inclusive expense allowance will supersede any form of living, meals and/or transportation expenses or allowance, including weekend travel assistance which are provided by the Company.

It is understood that, the assistance provided for under this Memorandum of Agreement is limited to those employees required to be absent from their headquarters or boarding cars; or for employees without a headquarters, from their place of residence, to work at a location which is more than 40 highway miles in one direction (more than 80 miles return) from their headquarters or boarding cars; or for employees without a headquarters, from their place of residence, by the most direct route.

It is further understood that, effective July 1, 1995, the provisions of Article 8.2 of Agreement 11.1 will be suspended and the following will apply:

For S & C Installation, Options a), b) or c).

For other S & C employees, Options a) or b). However, Option c), the all inclusive expense allowance may be applied once Agreement has been reached by the parties as to conditions of implementation. To this effect, within six months following finalization of this Agreement, the parties will meet upon thirty (30) days' written notification and establish on a Region by Region basis mutually acceptable conditions of implementation.

S & C Coordinators may, upon so indicating in writing to the S. & C Supervisor, elect to be afforded expenses under Option b).

Signed at Toronto, Ontario this 3rd day of May 1995.

FOR THE COMPANY

(Sgd) M.M. Boyle
for: Assistant Vice-President
Labour Relations

FOR THE BROTHERHOOD

(Sgd) A.G Cunningham
System General Chairman (Senior)

(Sgd) J. Senenko
System General Chairman

APPENDIX U

28 May 1992

Mr. A. G. Cunningham
Senior System General Chairman
International Brotherhood of
Electrical Workers
1255 University Street
Suite 912
Montreal, Que.
H3B 3W4

Dear Mr. Cunningham:

This has reference to discussions during the current contract negotiations which lead to the parties concluding the Memorandum of Agreement between the Company and the Brotherhood concerning the suspension of Article 8.2 of Agreement 11.1.

As part of these discussions, the matter of the bulletining of positions on Regional S & C Installation Gangs on the St. Lawrence Region showing the Region as a headquarters was raised. The concern expressed was that the language used in the first paragraph of the Memorandum effectively deprived employees working on these positions from entitlement to any form of accommodation and/or expenses when required to be away from their residence overnight.

The Company indicated that the bulletining of positions on Regional S & C Installation gangs showing the Region as a headquarters would cease. In lieu, such positions would be bulletined either as positions without a headquarters or as positions with a location designated as a headquarters.

Yours truly,

(Sgd) A. Tom
for: Chief Engineer

cc: Mr. R.E. McCaughan, System General Chairman, I.B.E.W.
Mr. J. E. Platt, International Representative, I.B.E.W.

APPENDIX V

VOLUNTARY STAND-BY ALLOWANCE

DEFINITION OF THE VOLUNTARY STAND-BY ALLOWANCE

- 1) A voluntary system of rotational stand-by has been developed for two or more interested employees. Under this arrangement, employees will continue to work their regular hours. However, after regular hours, an employee will provide stand-by protection for more than one territory for a period of seven (7) days (or multiple thereof) on a rotation basis with one or more employees. Unless otherwise agreed between the employees, Local Representative and the Supervisor involved, the seven (7) day period will commence upon completion of regular hours on Friday and terminate on the next Friday at the commencement of regular hours of work. Hereunder, are the rules governing the voluntary stand-by.
- 2) The voluntary stand-by allowance will be based on a seven (7) calendar day period or multiple thereof unless otherwise agreed between the employees, Local Representative and the Supervisor involved. The seven (7) day period will commence upon completion of regular hours on Friday and terminate on the next Friday at the commencement of regular hours of work.
- 3) In view of the intermittent character of the work of certain S & C Coordinators, S & C Technicians, S & C Leading Maintainers, S & C Leading Mechanics, S & C Maintainers, S & C Mechanics, S & C Assistants, S & C Apprentices and S & C Helpers, they will be paid in addition to their regular earnings for time actually worked, a stand-by allowance of nine (9) straight time hours per week at the applicable hourly rate of the job they occupy. Employees will receive this allowance when protecting the agreed to territory(ies) as defined in item 5 below. Employees who elect the voluntary stand-by allowance, when not protecting the agreed to territory(ies) as defined in item 5 below, will be paid on the basis of forty (40) hours per week at schedule rates.
- 4) Employees will be paid in accordance with Article 6 for work performed outside of regular hours during the period of time they are covering the agreed to territory(ies) as defined in item 5 below.
- 5) Two or more employees, working on different territories, desiring to enter into a voluntary stand-by arrangement, will jointly approach their Supervisor and their Local Representative. The Supervisor will not unreasonably withhold approval of the arrangement. If, due to operational requirements, the arrangement cannot be approved, the Supervisor will provide an explanation to the Local Representative and to the employees involved.

- 6) Such arrangement will be for periods of six (6) months and will be renewed automatically unless canceled by a participating employee, the Local Representative or the Supervisor upon thirty (30) days' written notice to the other parties prior to the expiration of any six (6) month period.
- 7) During annual vacation and other leaves of absence, the provisions of the voluntary stand-by will not apply unless otherwise agreed to by the parties.

Appendix W

Memorandum of Agreement between the Canadian National Railway Company and the International Brotherhood of Electrical Workers (System Council No. 11) modifying certain provisions of the Technician Trainee training program in an effort to render it more productive.

It is agreed between the parties that the provisions of Articles 10.16 to 10.25 of Collective Agreement 11.1 effective June 1, 1992 and Appendix "Q" dated November 16, 1988 are suspended and replaced by the following:

10.16 When the Company requires Technician Trainees, a notice will be posted advising all employees. Candidates will be required to submit written applications stating their qualifications and seniority date. Employees will be evaluated to determine their potential for becoming a qualified S&C Technician. Any dispute concerning the selection of a Technician Trainee will be referred to the Steering Committee for final determination.

10.17

- (a)** Employees selected as Technician Trainees shall be paid the basic rate of pay of the classification from which assigned, pursuant to the provisions of Article 3 of Collective Agreement 11.1. During the training program employees will not be entitled to receive any stand-by allowance payments.
- (b)** A Technician Trainee who does not have Maintainer/Mechanic or Leading Maintainer/Mechanic seniority will be accorded the appropriate seniority date and rate of pay at the time a Helper or Apprentice who is junior in seniority to the Technician Trainee acquires such seniority.
- (c)** The employees identified in item 10.17 (A) above, will retain the right to return to their former permanent position for a period of 90 days coinciding with the commencement of their training period. Afterwards, their positions will be bulletined, permanently, if necessary, pursuant to the bulletining provisions of Collective Agreement 11.1.

10.18 In the event there is no successful applicant for a Technician Trainee position, the Company may hire a new employee. The System General Chairman shall be notified in such cases.

10.19 A new employee hired as a Technician Trainee will be paid the S&C Apprentice rate of pay in accordance with Article 3.1 (a) of Agreement 11.1.

10.20

- (a) The Technician Trainee Program will be in effect for a period of 12 to 24 months. During this period, the Trainees will be assigned a headquarters and will be required to fulfill training assignments in various locations in accordance with the training program. The provisions of Article 10.8 will not apply to the Trainees during the training period nor will they be required to protect positions in Maintenance pursuant to the provisions of Appendix "O".
- (b) While in training, employees will not be entitled to bid out for the duration of the training program. New employees hired as Technician Trainees will only establish seniority in accordance with the provisions of Collective Agreement 11.1.
- (c) Technician Trainees will be monitored throughout the training program to ensure that they are progressing in accordance with training standards. They will be kept informed of their progression by their immediate supervisor and properly notified when it is discovered that they are experiencing difficulties in certain aspects of the training program.
- (d) Newly-hired Technician Trainees who fail to demonstrate their potential to meet the necessary training requirements at any point in time during training will be dismissed from the service of the Company. In the case of employees having been assigned to such positions by bid, they will retain their rights to return to their former permanent positions for a period of 90 consecutive calendar days coinciding with the commencement of their training. Following this 90 day period, they will only be allowed to displace in a Installation gang until such time as they can exercise their seniority.
- (e) At the conclusion of the training program, Technician Trainees will be required to successfully pass the appropriate tests. Unsuccessful Trainees will be governed by the provisions of 10.20 (d) above. In certain exceptional circumstances, the steering committee may review a case and, if deemed appropriate, may allow an employee another opportunity to write the test.

10.21 The training period for Technician Trainees may be extended in cases where such candidates have demonstrated steady progression which was interrupted as a result of illness, workmen's compensation injuries, or extraordinary personal circumstance beyond their control. The steering committee will review such cases and have the discretion to extend the training period for the same amount of days that the Trainee lost in order to complete the training.

10.22 Upon successful completion of the Technician Trainee Program, including the provisions of Article 9.24 (a) of Collective Agreement 11.1, the employees will be issued a certificate stating they have successfully qualified as S&C Technicians. They will only establish seniority in the classification of S&C Technician upon being awarded a

permanent position as such. They will also be entitled to bid on all positions in line with their seniority.

10.23 When there are no qualified applicants for S&C Technician positions (temporary or permanent), the junior employees holding a Technician's certificate will be required to fill the positions. Failure to do so will result in the employee being dismissed from the service of the Company. Employees forced to fill Temporary Technician positions will be entitled to the benefits provided in Article 10.8 (b) of the Agreement.

10.24 When there are no qualified Technicians available, then Technician Trainees will be required to fill S&C Technician positions up to a maximum of 90 working days. Beyond that, a rotation will be implemented among the other Trainees for the same period of time. This will not constitute qualification as a Technician. Only successful completion of the Technician examination will constitute such qualification.

10.25 When the Company determines that Technician Trainees are required to enroll in classes conducted by any approved training agency or correspondence course, it will pay the required tuition costs and the costs of necessary text books and instructional literature.

This Memorandum of Agreement is retroactive to April 15, 1995 and shall remain in effect subject to cancellation on 30 days' notice in writing from either one of the parties to the other.

Signed in Montreal, Quebec on June 14, 1995

FOR THE COMPANY

(Sgd) M.M. Boyle

For: Assistant Vice-President
Labour Relations

(Sgd) R. Porath

Assistant Chief Engineer
Signals and Communications

FOR THE BROTHERHOOD:

(Sgd) A.G. Cunningham

Senior System General Chairman

(Sgd) J. Senenko

System General Chairman

Appendix X



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

May 3, 1995

LR8311-1

Mr. A .G . Cunningham
Senior System General Chairman
IBEW Council #11
Montreal, Quebec
1255 University Street, Suite 512
Montreal, Quebec
H3B 3V8

Dear Mr. Cunningham:

During the current round of National Negotiations, the issue of S & C Coordinator positions was agreed to.

During our discussions, the Brotherhood expressed some concern in relation to various issues, among which was the salary to be paid to employees presently working as Senior Technicians who may not qualify to fill the new positions of S & C Coordinator.

It has been agreed that:

- 1- In the aforementioned situations, the rate of pay of employees affected by the implementation of the S & C Coordinator would be maintained until subsequent general wage increases applied on the basic rate of the position held erase the differential.
- 2- The existing S & C Foreman seniority list will be re-named S & C Coordinator seniority list.
- 3- Employees currently holding S & C Foreman's seniority will have preferential rights for S & C Coordinator positions in S & C Installations.

- 4- Article 3 and all other applicable Articles of Agreement 11.1 will be modified to reflect that the title of S & C Foreman is changed to S & C Coordinator.
- 5- All references to the title of S&C Senior Technician contained in Agreement 11.1 will be deleted.

Yours truly,

(Sgd) M.M. Boyle

For: Assistant Vice-President
Labour Relations

Appendix Y



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

May 3, 1995

LR8311-1

Mr A .G . Cunningham
Senior System General Chairman
IBEW Council #11
Montreal, Quebec
1255 University Street, Suite 512
Montreal, Quebec
H3B 3V8

Dear Mr. Cunningham:

During the current round of National Negotiations, the issue of S&C Coordinator positions was agreed to.

It is agreed that the System General Chairman and the Company will jointly cooperate in the development of the tests required of the new positions of S & C Coordinator(s). However, the final determination of qualifications, the tests and the application of such tests will remain the responsibility of the Company without a right of appeal. It was also agreed that the Brotherhood would be advised when any subsequent modifications are made to the tests.

Yours truly,

(Sgd) M.M. Boyle
For: Assistant Vice-President
Labour Relations