

Memorandum of Settlement

Between

CANADIAN NATIONAL RAILWAY COMPANY

And

CANADIAN COUNCIL OF RAILWAY OPERATING UNIONS
(CCROU)

RE:

Application of Wage Increases
and other changes covering the
years 2001, 2002 and 2003

Rates of Pay affected as indicated

Rules and Benefits effective the first of the month following
ratification or as otherwise indicated

May 13, 2001

Wages & Benefits Section

1. Term of Contract

Collective agreements covering employees represented by the Canadian Council of Railway Operating Unions (Agreements 1.1, 1.2, 2.3, 4.2, 4.3 and 4.16) will be renewed for a period of 3 years commencing January 1, 2001.

2. Wages

(a) Effective January 1, 2001, a wage increase of 2% on all basic hourly, daily, weekly, mileage and flat rates of pay in effect on 31 December 2000.

(b) Effective January 1, 2002, a wage increase of 2% on all basic hourly, daily, weekly, mileage and flat rates of pay in effect on 31 December 2001.

(c) Effective January 1, 2003, a wage increase of 2% on all basic hourly, daily, weekly, mileage and flat rates of pay in effect on 31 December 2002.

3. Employee Benefit Plan - Life Insurance and Sickness Benefits

The Employee Benefit Plan Supplemental Agreement dated July 25, 1986, as amended, in respect of employees governed by this Memorandum of Agreement, will be further amended effective the first day of the month following ratification, or as otherwise indicated, as follows:

(a) Term Life Insurance

The group life insurance coverage will be increased from \$30,000 to \$50,000 for employees who have compensated service with the Company on or subsequent to the first day of the month following ratification if otherwise qualified under the provisions of the Benefit Plan.

(b) Weekly Indemnity - Sickness Benefits

Weekly Base Pay	Sickness Benefit
Employees earning \$120.01 and over: Effective January 1, 2001	70% of base pay up to a maximum weekly benefit of \$540 or up to the Employment Insurance maximum weekly payment, whichever is greater.
Effective January 1, 2002	70% of base pay up to a maximum weekly benefit of \$550 or up to the Employment Insurance maximum weekly payment, whichever is greater.
Effective January 1, 2003	70% of base pay up to a maximum weekly benefit of \$560 or up to the Employment Insurance maximum weekly payment, whichever is greater.
Employees earning less than \$120.01:	\$80 or 75% of weekly base pay, whichever is less.

Claimants in receipt of Employment Insurance Sickness Benefits will have such benefits supplemented to equal to their Sickness Benefit entitlement.

NOTE: Supplemental payments pursuant to the above are subject to C.E.I.C. approval.

(c) Maternity Leave Benefits

i) Effective January 1, 2001, for claims which originate on or after the date an employee will have her Employment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum benefit of \$540 for those weeks during which she received Employment Insurance Maternity Benefits, i.e. for a maximum of 15 weeks.

ii) Effective January 1, 2002 for claims which originate on or after the date an employee will have her Employment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum benefit of \$550 for those weeks during which she received Employment Insurance Maternity Benefits, i.e. for a maximum of 15 weeks.

iii) Effective January 1, 2003 for claims which originate on or after the date an employee will have her Employment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum benefit of \$560 for those weeks during which she received Employment Insurance Maternity Benefits, i.e. for a maximum of 15 weeks.

NOTE: Supplemental payments pursuant to the above are subject to C.E.I.C. approval.

4. Dental Plan

The Dental Plan Agreement dated July 25, 1986, as amended, in respect of employees governed by this Memorandum of Agreement will be further amended as follows:

(a) Effective with treatment commencing on or after the first day of January 2001, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2001. The maximum annual benefit for the Dental Plan will be moved from \$1125 to \$1225 effective January 1, 2001.

(b) Effective with treatment commencing on or after January 1, 2002 covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2002.

(c) Effective with treatment commencing on or after January 1, 2003, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2003. The maximum annual benefit for the Dental Plan will be moved from \$1225 to \$1325 effective January 1, 2003 for treatment commencing on or after January 1, 2003.

5. Extended Health Care Plan

The Extended Health Care Plan dated July 25, 1986, as amended, for employees covered by this Memorandum of Agreement, will be further amended as follows:

Maximum Lifetime Benefits

(a) Effective the first day of January 2001, the Maximum Lifetime Benefit as set out in the Extended Health Care Plan is increased from \$40,000 to \$41,000 per person for eligible employees and dependents.

(b) Effective January 1, 2002, the Maximum Lifetime Benefit as set out in the Extended Health Care Plan is increased from \$41,000 to \$42,000 per person for eligible employees and dependents.

(c) Effective January 1, 2003, the Maximum Lifetime Benefit as set out in the Extended Health Care Plan is increased from \$42,000 to \$43,000 per person for eligible employees and dependents.

6. Life Insurance Upon Retirement

(a) An employee who retires from the service of the Company subsequent to the first day of the month following ratification, 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 \$6,000 life insurance policy, fully paid by the Company.

(b) An employee who retires from the service of the Company subsequent to January 1, 2003, 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 \$7,000 life insurance policy fully paid by the Company.

7. Passes

The Council's proposal concerning Passes is resolved on the basis of the letter attached hereto as Appendix A.

8. Shift Differential

The Council's proposal concerning shift differential is resolved by amending Article 36.3 of Agreement 1.2 and Article 76.1 of Agreement 4.3 as follows:

Employees in yard service who commence a shift between 1400 hours and 2159 hours (excluding arbitrary payments) shall receive a shift differential of 50 cents per hour, and employees in yard service who commence a shift between 2200 hours and 0559 hours (excluding arbitrary payments) shall receive a shift differential of 55 cents per hour. Overtime shall not be calculated on the shift differential nor shall the shift differential be paid for paid absence from duty such as vacation, general holidays, etc.

The Council's proposal concerning shift differential is resolved by amending Article 30.4 of Agreement 1.1, and Article 3.2 of Agreement 4.16 as follows:

Employees in Yard and/or Road Switcher service who commence a shift between 1400 hours and 2159 hours (excluding arbitrary payments) shall receive a shift differential of 50 cents per hour, and employees in Yard and/or Road Switcher service who commence a shift between 2200 hours and 0559 hours (excluding arbitrary payments) shall receive a shift differential of 55 cents per hour. Overtime shall not be calculated on the shift differential nor shall the shift differential be paid for paid absence from duty such as vacation, general holidays, etc.

The Council's proposal concerning shift differential is resolved by amending Article 1.2 of Agreement 4.2 as follows:

Traffic Coordinators and assistant Traffic Coordinators who commence a shift between the hours of 1400 and 2159 (excluding arbitrary payments) shall receive a shift differential of 50 cents per hour and between the hours of 2200 and 0559 (excluding arbitrary payments) shall receive a shift differential of 55 cents per hour. Overtime shall not be calculated on the shift differential, nor shall the shift differential be paid for paid absence from duty, such as vacation, general holiday, etc.

9. Starting Rates

The Council's demand concerning starting rates is resolved by removing the following articles and will be effective the first day of the month following ratification:

- Article 1.18 & 30.3 of Agreement 1.1,
- Article 83 of Agreement 1.2,
- Articles 1.3, 1.4, and 1.5 of Agreement 4.2,
- Article 133 of Agreement 4.3,
- Articles 5A.1, 5A.2, and 5A.3 of Agreement 4.16.

Eastern Canada Section

10. Flat Rate

The Company's proposal on flat rates of pay is resolved by addressing these rates in the implementation of the new System of Pay. Flat rates for payment will be developed for the following articles:

Agreement 1.1

- Article 69 - Payment for Examinations
- Article 70 - Held for Investigation
- Article 80 - Bereavement Leave
- Article 81 - Jury Duty

Agreement 4.2 – Eastern Canada

- Article 16.1 - Periodic Medical Examination
- Article 17.5 - Bereavement Leave
- Article 23 - Attend Court
- Article 24 - Jury Duty
- Article 29 - Held for Investigation or Company Business
- Addendum 4 - Attending Meetings Local Chairperson

Agreement 4.16

- Article 70 - Investigations in Connection with Company Business
- Article 71 - Payment for Examinations
- Article 76 - Bereavement Leave

11. Article 54.1 of Agreement 4.16

Effective January 1, 2002, Article 54.1 of Agreement 4.16 will be amended to include the following:

- 1 Unless there is insufficient work to sustain employment, at the terminal to which assigned, employees shall not be laid-off, cut-off or furloughed.
- 2 In the event a reduction in staff is necessitated as a result of insufficient terminal work the Company shall, prior to such reduction, provide to the Local Chairperson the manpower requirements of the affected terminal.

12. Article 66 of Agreement 4.16

Amend Article 66 of Agreement 4.16 to allow returning ESEs to claim any position that was advertised, including TV's, during the period they were set up.

Amend Article 66 of Agreement 4.16 to reflect that ESEs are not required to make trips or tours of duty on their days off or outside their established time blocks.

13. Eastern Canada- Road Switchers and CSAs

13(a) Definition of Road Switcher

Add the following to the Definitions Section of Agreement 4.16:

T Road Switchers

An assignment which may be operated both within an assigned terminal and/or in turnaround service from an assigned terminal within a radius of fifty (50) miles from the point required to report for duty.

13(b) Rates of Pay

Amend Article 2.1 (e) of Agreement 4.16 to reflect the following:

2.1 (e) Road Switcher Service	EFFECTIVE		
	Jan 1/01 Per Day	Jan 1/02 Per Day	Jan 1/03 Per Day
	\$	\$	\$
Conductors	205.60	209.71	213.91
Assistant Conductors	189.27	193.06	196.92

Amend Article 30.1 of Agreement 1.1 to reflect the following:

30.1 Rates of pay for day of eight (8) hours shall be:

30.1 Classifications:	Rate Per Hour		
	Rate Per Day \$	Straight Time \$	Time and One-Half \$
Effective Jan. 1/01			
Locomotive Engineers (Yard)	206.97	25.87	38.81
Effective Jan. 1/02			
Locomotive Engineers (Yard)	211.11	26.39	39.58
Effective Jan. 1/03			
Locomotive Engineers (Yard)	215.33	26.92	40.37

Amend the table in Article 3.1 of Agreement 4.16 to reflect the following:

3.1 Classifications:	Rate Per Hour		
	Rate Per Day \$	Straight Time \$	Time and One-Half \$
Effective Jan. 1/01			
Yard Operations Employee	205.60	25.70	38.55
Conductors (Yard)	199.86	24.98	37.47
Engine Hostlers	187.12	23.39	35.08
Belt Pack Foreman	205.60	25.70	38.55
Belt Pack Helper	189.27	23.66	35.49
Yard Helpers	183.55	22.94	34.42
Effective Jan. 1/02			
Yard Operations Employee	209.71	26.21	39.32
Conductors (Yard)	203.86	25.48	38.22
Engine Hostlers	190.86	23.86	35.79
Belt Pack Foreman	209.71	26.21	39.32
Belt Pack Helper	193.06	24.13	36.20
Yard Helpers	187.22	23.40	35.10
Effective Jan. 1/03			
Yard Operations Employee	213.91	26.74	40.11
Conductors (Yard)	207.93	25.99	38.99
Engine Hostlers	194.68	24.33	36.50
Belt Pack Foreman	213.91	26.74	40.11
Belt Pack Helper	196.92	24.61	36.92
Yard Helpers	190.96	23.87	35.81

* Switchtender will be paid the Yard Conductor rates.

Amend Article 1.10 of Agreement 1.1 to reflect the following:

- 1.10 Locomotive engineers in assigned or unassigned road switcher type service within a radius of fifty (50) miles from the point required to report

for duty at the initial terminal will be compensated at a rate per day as follows:

	EFFECTIVE		
	Jan 1/01	Jan 1/02	Jan 1/03
	Per Day	Per Day	Per Day
	\$	\$	\$
	212.71	216.96	221.30

13(c) Road Switcher Service – U.T.U.

Replace Article 12 of Agreement 4.16 to reflect the following:

- 12.1 Employees operating in Road Switcher Service will be paid in accordance with Article 2.2 of Agreement 4.16 and will be governed in accordance with the provisions as contained herein.
- 12.2 Employees operating in Road Switcher Service shall not be tied-up en-route by the Company.
- 12.3 Employees operating in Road Switcher Service shall not run into other terminals or do work on territory under jurisdictional control of another terminal.

Note: However, it is understood that there may be rare and extenuating circumstances where it may be required to operate in another terminal to meet immediate customer requirements.
- 12.4 Employees operating in Road Switcher Service shall not exceed a radius of fifty (50) miles from the point required to report for duty.
- 12.5 Employees may be run in and out and through their regularly assigned initial terminal without regard for rules defining completion of trips. Time is to be computed continuously from the time employees are required to report for duty until time released at completion of the day's work.
- 12.6 Employees in Road Switcher Service may be required to perform switching, transfer work and industrial work wholly within the recognized switching limits.
- 12.7 Eight hours or less shall constitute a basic day and time in excess of 8 hours will be paid for on the minute basis at overtime rates. Articles 35.6, 35.7 and 35.8 of Agreement 4.16 will apply to conductors/ brakemen in road switcher service.

- 12.8 Overtime shall be computed in Road Switcher service, in accordance with Article 8.4, from the time employees commence a trip or tour of duty, until the time they are released from duty at the completion of a trip or tour of duty.
- 12.9 The term "work week" for regularly assigned Road Switcher employees shall mean a week beginning at the start time on the first day on which the assignment is bulletined. A work week of 40 hours shall consist of 5 consecutive 8 hour days with 2 consecutive days off in each 7 calendar day period. Assignments may, as locally agreed between the Local Chairperson and appropriate Company Officer, be set up to operate 6 consecutive 8 hour days with 1 day off in each 7 day period.
- 12.10 Subject to Article 36, employees regularly assigned to Road Switcher Service will be paid not less than 40 hours per week, exclusive of overtime, at Road Switcher rates for an assignment bulletined to operate 5 days per week and 48 hours per week, exclusive of overtime, at Road Switcher rates for an assignment bulletined to operate 6 days per week. Employees who work or are available for duty only a portion of the month on any run which is regularly assigned or regularly set up will be paid their full proportion of the monthly guarantee provided for such run.
- NOTE: Except as provided by Article 49, earnings made by an employee when used off his/her regular assignment due to a shortage of employees, will not be used to make up such an employee's guarantee.
- 12.11 Regularly assigned Road Switcher shall have a fixed starting time. Such starting time may be changed by no more than 2 hours from the original start time, provided 24 hours notice of such change is given to the assigned crew.
- 12.12 In the application of Article 51.11(a), employees regularly assigned to Road Switcher service shall have the right upon going off duty to book a minimum of 2 hours rest and a maximum of 12 hours rest, excluding call time. Article 51.1 of agreement 4.16 is still applicable.
- 12.13 Except as provided in Article 12.11, regular assigned Road Switcher employees assigned to regular shifts who are required to commence work on a second tour of duty within 24 hours of the starting time of a preceding shift paid for at straight-time rates will be paid for the second tour of duty at one and one-half times the straight-time rate.
- 12.14 Spare employees required to commence a tour of duty in Road Switcher or Yard Service within an interval of less than 8 hours from

the completion of work of a previous Road Switcher or Yard shift will be paid for the time worked for such second tour of duty at one and one-half times the straight-time rate.

12.15 Except as otherwise provided in Article 12 of Agreement 4.16, Service under Collective Agreements 1.1, 4.2, 4.16 with respect to Road Switcher Service and Yard Service will be restricted to 5 days in a work week when qualified relief employees who have not worked 5 days in the work week are available at straight-time rates.

12.16 Except as otherwise provided in Article 12 of Agreement 4.16, employees in Road Switcher Service or Yard Service, who work more than 5 straight-time shifts in any classification, under either Agreements 1.1, 4.2 or 4.16, in a work week shall be paid one and one-half times the straight-time rate for such shifts. The term "work week" for regularly assigned employees shall mean a week beginning at the starting time on the first day on which the assignment is bulletined to work and for spare employees, shall mean a period of 7 consecutive days starting at 0001 on Monday.

Replace Article 34.5 of Agreement 4.16 and Article 7.9 of the 4.2 Agreement to reflect Articles 12.15 and 12.16 of the above.

12.17 When service is required by the Company on the rest days of regular assigned Road Switcher Crews or Yard Crews, such may be performed by other regular Road Switcher or Yard Assignments, by regular Relief Assignments, by a combination of Regular Road Switcher, Yard and Regular Relief Assignments or by spare employees. When not protecting in the foregoing manner, Regular Relief Assignments will be governed as follows:

(a) Except as otherwise provided in this Article, where regular relief assignments are established they:

(1) May have 5 consecutive days work on the same shift: or

(2) May have 5 consecutive days work on different shifts; and/or

(3) May have different starting times on different days provided such starting times are those of the employees relieved.

(b) The following combinations may be bulletined to provide relief where necessitated by Company operations:

(1) Road Switcher Assignments/Yard Assignments

NOTE: The Road Provisions shall be used where the relief assignment is predominately Road Switcher Service in make-up and from the Yard Provisions where the relief assignment is predominately Yard Service.

Delete Addendum No. 106A paragraph 4 of Agreement 4.16.

Replace Article 33.5 of Agreement 4.16 to reflect Article 12.17 (above) of Agreement 4.16.

13(d) CSA – Customer Service Assignments (Atlantic Canada Only) – U.T.U.

Continue Article 12 of Agreement 4.16 above to reflect the following:

- 12.18 Customer Service Assignments (CSAs) are assignments which perform service within CSA limits as defined in Paragraph 12.21 herein. CSA service is a single class of service which amends Yard and Road Switcher Service at Moncton, Halifax, Saint John, Edmundston and Joffre (east).
- 12.19 The Yard and Road Switcher provisions of the 4.16 Agreement shall apply unless specifically modified herein.
- 12.20 Time keeping profiles will be standard for all CSA assignments and will automatically compensate eligible employees. Such automatically generated compensation will include, if applicable, payments for preparatory and inspection/final time, overtime, unit allowance and shift differential.
- 12.21 CSA limits are defined as those limits encompassed within a terminal and, in addition, within a 50 mile radius of the point required to report for duty. Employees ordered to perform service of any type exclusively within these limits will be compensated and governed by the rules applicable to CSA service as contained herein.
- 12.22 Employees operating in CSA Service shall not be tied-up enroute by the Company.
- 12.23 Employees operating in CSA Service shall not run into other terminals or do work on territory under jurisdictional control of another terminal.

Note: However, it is understood that there may be rare and extenuating circumstances where it may be required to operate in another terminal to meet immediate customer requirements.

- 12.24 Employees operating in CSA Service shall not exceed a radius of fifty (50) miles from the point required to report for duty.
- 12.25 CSA limits are not to be confused with existing Switching Limits. Switching limits are not intended to prevent employees in road service from performing switching required solely in connection with their own train or yarding their train in accordance with schedule rules.
- 12.26 The mileages of both CSA limits and switching limits for each terminal will be posted at all locations where CSA assignments report for duty.
- 12.27 Employees will be allowed meals in the following manner:
- (i) Employees in service which is designed to perform work which is predominately outside established switching limits will be entitled to a meal period consistent with former road switcher rules as contained herein.
 - (ii) Employees in service which is designed to perform work which is predominately inside established switching limits will be entitled to a meal period consistent with yard rules as contained herein.
- 12.28 Basic weekly pay, where applicable for maintenance of earnings, will be calculated in the following manner:
- (i) Employees in service which is designed to perform work which is predominately outside established switching limits will have their basic weekly pay established with the rules applicable to road switcher service as contained herein.
 - (ii) Employees in service which is designed to perform work which is predominately inside established switching limits will have their basic weekly pay established consistent with the rules applicable to yard service as contained herein.
- 12.29 Employees in CSA service will be entitled to rest in the following manner:
- (i) Employees in service which is designed to perform work which is predominately outside established switching limits will be entitled to rest consistent with the rules applicable to road switcher service as contained herein.
 - (ii) Employees in service which is designed to perform work which is predominately inside the established switching limits will be entitled

to rest consistent with the rules applicable to yard service as contained herein.

12.30 Unassigned employees cancelled after reporting for duty will retain their relative position on the Spareboard and will be entitled to book up to 8 hours rest. Employees who book more than 8 hours rest will be placed to the bottom of the Spareboard.

13(e) Overtime – B.L.E.

Amend Article 9.7 of Agreement 1.1 to reflect the following:

9.7 On runs of 100 miles or less, overtime will begin at the expiration of 8 hours; on runs of over 100 miles, overtime will begin when the time on duty exceeds the miles run divided by 12-1/2. Overtime shall be paid for on the minute basis, at a rate per hour of 3/16ths of the daily rate.

Delete Articles 9.8, 9.9, 9.10 and 9.11 of Agreement 1.1.

13(f) Road Switcher Service – B.L.E.

Replace Article 14 of Agreement 1.1 to reflect the following:

14.1 Locomotive Engineers operating in Road Switcher Service will be paid in accordance with Article 1.10 of Agreement 1.1 and will be governed in accordance with the provisions as contained herein.

14.2 Locomotive Engineers operating in Road Switcher Service shall not be tied-up enroute by the Company.

14.3 Locomotive Engineers operating in Road Switcher Service shall not run into other terminals or do work on territory under jurisdictional control of another terminal.

Note: However, it is understood that there may be rare and extenuating circumstances where it may be required to operate in another terminal to meet immediate customer requirements.

14.4 Locomotive Engineers operating in Road Switcher Service shall not exceed a radius of fifty (50) miles from the point required to report for duty.

14.5 Locomotive Engineers may be run in and out and through their regularly assigned initial terminal without regard for rules defining completion of trips. Time is to be computed continuously from the time

Locomotive Engineers are required to report for duty until time released at completion of the day's work.

- 14.6 Locomotive Engineers in Road Switcher Service may be required to perform switching, transfer work and industrial work wholly within the recognized switching limits.
- 14.7 Eight hours or less shall constitute a basic day and time in excess of 8 hours will be paid for on the minute basis at overtime rates. Articles 4.3 and 7.3 of Agreement 1.1 will be applicable.
- 14.8 Overtime shall be computed in Road Switcher service, in accordance with Article 9.7, from the time Locomotive Engineers commence a trip or tour of duty, until the time they are released from duty at the completion of a trip or tour of duty.
- 14.9 Subject to Article 31, Locomotive Engineers regularly assigned to Road Switcher Service will be paid not less than 40 hours per week, exclusive of overtime, at Road Switcher rates for an assignment bulletined to operate 5 days per week and 48 hours per week, exclusive of overtime, at Road Switcher rates for an assignment bulletined to operate 6 days per week. Locomotive Engineers who work or are available for duty only a portion of the month on any run which is regularly assigned or regularly set up will be paid their full proportion of the monthly guarantee provided for such run.

NOTE: Except when manning temporary vacancies and/ or temporary assignments as provided in Articles 47, 48 and 49, earnings made by a locomotive engineer when used off his/her regular assignment due to a shortage of employees, will not be used to make up such an employee's guarantee.

- 14.10 The term "work week" for regularly assigned Road Switcher Locomotive Engineers shall mean a week beginning at the start time on the first day on which the assignment is bulletined. A work week of 40 hours shall consist of 5 consecutive 8 hour days with 2 consecutive days off in each 7 calendar day period. Assignments may, as locally agreed between the Local Chairperson and the appropriate Company Officer, be set up to operate 6 consecutive 8 hour days with 1 day off in each 7 day period.
- 14.11 Regularly assigned Road Switchers shall have a fixed starting time. Such starting time may be changed by no more than 2 hours from the original start time, provided 24 hours notice of such change is given to the assigned crew.

- 14.12 In the application of Article 29.1, Locomotive Engineers regularly assigned to Road Switcher service shall have the right upon going off duty to book a minimum of 2 hours rest and a maximum of 12 hours rest, excluding call time. Article 23.7 of the 1.1 agreement is still applicable.
- 14.13 Except as provided in Article 14.11, regular assigned Road Switcher Locomotive Engineers assigned to regular shifts who are required to commence work on a second tour of duty within 24 hours of the starting time of a preceding shift paid for at straight-time rates will be paid for the second tour of duty at one and one-half times the straight-time rate.
- 14.14 Spare Locomotive Engineers required to commence a tour of duty in Road Switcher or Yard Service within an interval of less than 8 hours from the completion of work of a previous Road Switcher or Yard shift will be paid for the time worked, for such second tour of duty at one and one-half times the straight-time rate.
- 14.15 Except as otherwise provided in Article 14 of Agreement 1.1, Service under Collective Agreements 1.1, 4.2, 4.16 with respect to Road Switcher Service and Yard Service will be restricted to 5 days in a work week when qualified relief Locomotive Engineers who have not worked 5 days in the work week are available at straight-time rates.
- 14.16 Except as otherwise provided in Article 14 of Agreement 1.1, Locomotive Engineers in Road Switcher Service or Yard Service, who work more than 5 straight-time shifts in any classification, under either Agreements 1.1, 4.2 or 4.16, in a work week shall be paid one and one-half times the straight-time rate for such shifts. The term "work week" for regularly assigned Locomotive Engineers shall mean a week beginning at the starting time on the first day on which the assignment is bulletined to work and for spare Locomotive Engineers, shall mean a period of 7 consecutive days starting at 0001 on Monday.
- 14.17 When service is required by the Company on the rest days of regular assigned Road Switcher Crews or Yard Crews, such may be performed by other regular Road Switcher or Yard Assignments, by regular Relief Assignments by a combination of Regular Road Switcher, Yard and Regular Relief Assignments or by spare Locomotive Engineers. When not protecting in the foregoing manner, Regular Relief Assignments will be governed as follows:
- (a) Except as otherwise provided in this Article, where regular relief assignments are established they:

- (1) May have 5 consecutive days work on the same shift: or
- (2) May have 5 consecutive days work on different shifts; and/or
- (3) May have different starting times on different days provided such starting times are those of the Locomotive Engineers relieved;

(b) The following combinations may be bulletined to provide relief where necessitated by Company operations:

- (1) Road Switcher Assignments/Yard Assignments

NOTE: The Road Provisions shall be used where the relief assignment is predominately Road Switcher Service in make-up and from the Yard Provisions where the relief assignment is predominately Yard Service.

Delete Addendum No. 80 paragraph 4) of Agreement 1.1.

Replace Article 36.5 of Agreement 1.1 to reflect Article 14.17 (above) of Agreement 1.1.

CSA – Customer Service Assignments (Atlantic Canada Only) – B.L.E.

14.18 Customer Service Assignments (CSAs) are assignments which perform service within CSA limits as defined in Paragraph 14.21 herein. CSA service is a single class of service which amends Yard and Road Switcher Service at Moncton, Halifax, Saint John, Edmundston and Joffre (east).

14.19 The Yard and Road Switcher provisions of the 1.1 Agreement shall apply unless specifically modified herein.

14.20 Time keeping profiles will be standard for all CSA assignments and will automatically compensate eligible Locomotive Engineers. Such automatically generated compensation will include, if applicable, payments for preparatory and inspection/final time, overtime, unit allowance and shift differential.

14.21 CSA limits are defined as those limits encompassed within a terminal and, in addition, within a 50 mile radius of the point required to report for duty. Locomotive Engineers ordered to perform service of any type

exclusively within these limits will be compensated and governed by the rules applicable to CSA service as contained herein:

14.22 Locomotive Engineers operating in CSA Service shall not be tied-up enroute by the Company.

14.23 Locomotive Engineers operating in CSA Service shall not run into other terminals or do work on territory under jurisdictional control of another terminal.

Note: However, it is understood that there may be rare and extenuating circumstances where it may be required to operate in another terminal to meet immediate customer requirements.

14.24 Locomotive Engineers operating in CSA Service shall not exceed a radius of fifty (50) miles from the point required to report for duty.

14.25 CSA limits are not to be confused with existing Switching Limits. Switching limits are not intended to prevent Locomotive Engineers in road service from performing switching required solely in connection with their own train or yarding their train in accordance with schedule rules.

14.26 The mileages of both CSA limits and switching limits for each terminal will be posted at all locations where CSA assignments report for duty.

14.27 Locomotive Engineers will be allowed meals in the following manner:

(i) Locomotive Engineers in service which is designed to perform work which is predominately outside established switching limits will be entitled to a meal period consistent with former road switcher rules as contained herein.

(ii) Locomotive Engineers in service which is designed to perform work which is predominately inside established switching limits will be entitled to a meal period consistent with yard rules as contained herein.

14.28 Basic weekly pay, where applicable for maintenance of earnings, will be calculated in the following manner:

(i) Locomotive Engineers in service which is designed to perform work which is predominately outside established switching limits will have their basic weekly pay established with the rules applicable to road switcher service as contained herein.

- (ii) Locomotive Engineers in service which is designed to perform work which is predominately inside established switching limits will have their basic weekly pay established consistent with the rules applicable to yard service as contained herein.

14.29 Locomotive Engineers in CSA service will be entitled to rest in the following manner:

- (i) Locomotive Engineers in service which is designed to perform work which is predominately outside established switching limits will be entitled to rest consistent with the rules applicable to road switcher service as contained herein.
- (ii) Locomotive Engineers in service which is designed to perform work which is predominately inside the established switching limits will be entitled to rest consistent with the rules applicable to yard service as contained herein.

14.30 Unassigned Locomotive Engineers cancelled after reporting for duty will retain their relative position on the Spareboard and will be entitled to book up to 8 hours rest. Locomotive Engineers who book more than 8 hours rest will be placed to the bottom of the Spareboard.

13(g) Starting Times

Replace Article 35.3 of Agreement 4.16 to reflect the following:

35.3 The starting time of yard assignments shall be between 0600 and 2400.

NOTE: Exceptions to the above may be made to cover local requirements where mutually agreed to between the appropriate officer of the Company and the General Chairperson.

Delete Addendum 46, 47 and 48 of Agreement 4.16.

13(h) (left blank)

13(i) Operation of Yard Assignments

Replace Article 37 of Agreement 1.1 to reflect the following:

37.1 Regular assignments in yard service will have a fixed starting time. The starting time will not be changed without at least 48 hours advance notice. So far as practicable assignments shall be restricted to 8 hours work.

37.2 The starting time of yard assignments shall be between 0600 and 2400.

NOTE: Exceptions to the above may be made to cover local requirements where mutually agreed to between the appropriate officer of the Company and the General Chairman.

37.3 Time for which an assignment is ordered will be used to establish the day on which service is performed. Preparatory duties such as inspection time will not be considered when determining the day on which service is performed.

Points for Going On and Off Duty

37.4 Locomotive engineers shall have a designated point for going on duty and a designated point for going off duty. The practice of locomotive engineers changing off at shop tracks and other points as now in effect will continue unless more convenient points are mutually agreed upon between the Union and the Company. The points for going on and off duty will be governed by local conditions.

Training Programs

37.5 Employees in yard service required to take Company training programs such as safety seminars, dangerous commodities, careful car handling, etc., prior to the regular starting time of their assignment will be compensated at one and one-half times the basic straight time rate for actual time so occupied during the training period. Time so occupied will not result in the payment of overtime for a second tour of duty commencing within a 24-hour period.

37.6 The Company will make every effort not to keep employees beyond the completion of their tour of duty solely for the purpose of training. In any case, such training will not exceed a period of one hour.

NOTE: Exception to the above may be made to cover local requirements in isolated cases where mutually agreed to.

13(j) Lunch Time

Delete Article 35.12 and 35.12 Note of Agreement 4.16.

Delete Article 38.2 and 38.2 Note of Agreement 1.1.

13(k) Regularly Assigned Yard Service Employees

Delete Article 36.5 of Agreement 4.16.

13(l) Yard Service Employees' Work Defined

Replace Article 41 of Agreement 4.16 to reflect the following:

- 41.1 Except as provided in Article 12 of Agreement 4.16, the following will apply: switching, transfer and industrial work, wholly within the recognized switching limits, will at points where yard service employees are employed, be considered as service to which yard service employees are entitled, but this is not intended to prevent employees in road service from performing switching required in connection with their own train and putting their own train away (including caboose) on a minimum number of tracks. Upon arrival at the objective terminal, road crews may be required to set off 2 blocks of cars into 2 designated tracks.
- 41.2 At points where yard service employees are employed and a spare list of yard service employees or a joint spare list from which yard service employees are drawn is maintained, yard service employees if available, will handle work, wreck, construction, snow plow and flanging service other than that performed continuous with a road trip in such service, and be paid at yard rates and under yard conditions.
(Refer to Addendum No. 37)

13(m) Assignment to Other Than Regular Duties

Delete Article 42.2 of Agreement 4.16.

13(n) Car Retarder Operators Employed in Hump Yards

Archive Article 44 of Agreement 4.16.

13(o) Switchtenders

Archive Article 45 of Agreement 4.16.

13(p) Booking Rest – Yard Service

Amend Article 51.12 of Agreement 4.16 to reflect the following changes:

- 51.12 Employees will not be required to report for duty until they have had 8 hours rest if desired. Such rest must be booked on completion of a shift or tour of duty. For regularly assigned employees, in no case shall this rest be less than 2 hours nor more than 12 hours excluding the call time. For unassigned employees, in no case shall this rest be less than 2 hours nor more than 14 hours excluding the call time. The

period of rest booked shall be in even hours and once booked may not be changed or cancelled.

Amend Article 51.13 of Agreement 4.16 to reflect the following changes:

51.13 Employees may book rest after 9 hours on duty and must give two hours notice of their desire to book rest to the designated officer or his delegate.

Amend Article 39.1 of Agreement 1.1 to reflect the following changes:

39.1 Locomotive Engineers may book rest after 9 hours on duty and must give two hours notice of their desire to book rest to the designated officer or his delegate.

14(a).Utility Position

The demand concerning the Utility Person is resolved by agreeing to define in the closed period and accordingly amend the yard provisions of Agreement 4.16.

14(b).Rover Position

The demand concerning a Rover Position is resolved by amending the yard provisions of Agreement 1.1 to include the following:

Rover positions may be established based on operational requirements. Rover positions will be assigned duties, which will facilitate train and yard operations. Such positions and duties will be governed by applicable yard rates and conditions.

15. Bereavement Leave

Revise Article 80 of Agreement 1.1, Article 17 of Agreement 4.2, and Article 76 of Agreement 4.16 to reflect the following:

- Employees will be entitled to 5 consecutive calendar days' bereavement leave due to the death of the employee's spouse, child, stepchild or parent.
- Employees who are on vacation and qualify for bereavement leave will have their vacation suspended for the required number of days and will commence vacation again once the bereavement period has expired.

- The payment for bereavement leave will be in accordance with the Company's proposal on flat rate except when bereavement occurs during an employee's vacation and then they will be compensated in accordance with their vacation rate.

16. left blank

17. General Holiday

The Council's demand concerning General Holiday is resolved as follows:

Replace Article 76.11 (b) of Agreement 1.1 to read as follows:

76.11(b) Unassigned employees shall be available for duty on such general holiday.

18. Train Length Allowance

The Council's demand concerning train length allowance is resolved as follows:

Effective the 1st day of the 2nd month following ratification, Article 1.8 of Agreement 1.1 and Article 2.4 of Agreement 4.16 will be amended to include:

6,001 to 7,000 feet	-	\$ 18.00
7,001 to 8,000 feet	-	\$ 26.00
8,001 to 9,000 feet	-	\$ 36.00
9,001 to 10,000 feet	-	\$ 49.00
10,001 to 11,000 feet	-	\$ 63.00
11,001 and over	-	\$ 87.00

Western Canada Section

19a. Conductor Only Restrictions/ Yard Rates of Pay

Amend Article 15.2(b)(v) of Agreement 4.3 to reflect 3 stops enroute.

Amend Articles 1.7 and 36.1 of Agreement 1.2 and Articles 13.6 and 75.1 of Agreement 4.3 to increase by \$0.50 per hour to road switcher service rates of pay and yard rates of pay for the positions listed below. This increase will be added prior to the 2% wage increase provided in Item 2(a) of this memorandum.

- Locomotive Engineer (Road Switcher Service)
- Locomotive Engineer (Yard)
- Conductor (Road Switcher Service)
- Assistant Conductor (Road Switcher Service)
- Conductors (Yard)

- Assistant Conductor (Yard)
- Yard Operations Employee
- Belt Pack Foreman
- Belt Pack Helper
- Switchtenders

19b. Work-Week

Revise the work-week for regular assigned and spare board employees by deleting the note to Article 79.2 of Agreement 4.3 to read as follows:

79.2 The term “work week” for regularly assigned employees shall mean a period of seven consecutive days starting with the assignments first scheduled shift. The term work week for spare employees shall mean a period of seven consecutive days starting at 0001 on Monday.

19c. Utility Position

The Council’s demand concerning the Utility Person is resolved by amending the yard provisions of Agreement 4.3 to include the following:

Utility positions may be established based on operational requirements. Utility positions will be assigned duties, which will facilitate train and yard operations. Such positions and duties will be governed by applicable yard rates and conditions.

19d. Rover Position

The demand concerning a Rover Position is resolved by amending the yard provisions of Agreement 1.2 to include the following:

Rover positions may be established based on operational requirements. Rover positions will be assigned duties, which will facilitate train and yard operations. Such positions and duties will be governed by applicable yard rates and conditions.

20. Train Length Allowance

The Council’s demand concerning train length allowance is resolved as follows:

Effective the 1st day of the 2nd month following ratification, Article 1.5(a) of Agreement 1.2 and Article 13.4 of Agreement 4.3 will be amended to include:

6,001 to 7,000 feet	-	\$ 18.00
7,001 to 8,000 feet	-	\$ 26.00
8,001 to 9,000 feet	-	\$ 36.00

9,001 to 10,000 feet	-	\$ 49.00
10,001 to 11,000 feet	-	\$ 63.00
11,001 and over	-	\$ 87.00

21. Employees - Exercise of Seniority

The Council's demand concerning employees exercising seniority is resolved by revising Article 107 of Agreement 4.3 to reflect the following:

Employees may exercise their seniority on a permanent basis at each change of card from locations where a surplus of employees exists to locations where a shortage of employees exists provided that, in doing so, it will not result in a shortage of employees in other operating crafts. The date of release of employees is conditional upon the return to active duty of replacement employees.

22. Doubling

The Council's demand concerning doubling is resolved by deleting Article 28.2 of Agreement 4.3 and the following from Article 28.1 of Agreement 4.3:

"This paragraph will apply in all cases where Train service employees are required to double on account of inability of engine to handle the train."

23. Road Spare Board

The Council's demand concerning road spare board is resolved by deleting Article 41.6 of Agreement 4.3

24. Joint Spare Board

The Council's proposal concerning ESE's working the joint spare board is resolved by adding the following to Article 107 of Agreement 4.3:

107.56(a) ESE's working the joint spare board called to work as a locomotive engineer in yard service will hold their turn on the spare board and will have a yard marked against their name.

25. Employees Returning from Miles or Vacation

The Company and Council's mutual concern regarding employees returning from miles or vacation is resolved by adding the following note to paragraphs 1 and 2 in Addendum 62 of Agreement 1.2:

Note: Employees returning from Miles or Vacation will be available to accept any call with an Order Time of 0600. This paragraph will not apply to employees covered by article 63.14(a).

The Council's demand concerning returning from miles or vacation is resolved by adding the following to "Returning from Vacation/Ex-Miles" in Article 107 of Agreement 4.3:

1. In the application of Article 44.1 of Agreement 4.3 an employee's working month will commence and end at 0600 hours on the date set for that purpose.
2. In the application of Article 127 of Agreement 4.3, an employee's annual vacation will commence and end at 0600 hours on the dates set for that purpose.

Note: Employees returning from Miles or Vacation will be available to accept any call with an Order Time of 0600. This paragraph will not apply to employees covered by article 107.34 or 107.35.

And by replacing "on duty time" with "order time" in Article 106.6 of Agreement 4.3.

26. Meal Allowance

The Council's demand concerning meal allowance is resolved by amending Article 59.18 of Agreement 1.2 and Article 119.1 of Agreement 4.3 to reflect a payment of \$18.00 per day where accommodations with cooking facilities are provided and \$28.00 per day where accommodations without cooking facilities are provided. This will be effective the first day of the month following ratification.

27. Attrition Bulletins

The Council's demand concerning attrition bulletins is resolved by amending Article 58.6(a) of Agreement 1.2 to reflect the following:

Attrition bulletins will not be issued in cases of dismissal until the provisions of the grievance procedure have been exhausted.

28. Shortage of Locomotive Engineers

The Council's demand regarding the shortage of locomotive engineers is resolved by amending Article 59.8 of Agreement 1.2 to reflect the following:

Employees working on a temporary clearance at a shortage location will be permitted to change it to a permanent clearance at a change of card.

29. Called and Cancelled

The Council's demand concerning called and cancelled is resolved by:

- Changing the word 'permitted' to 'right' in Article 66.3 of Agreement 1.2.
- Changing the word 'privilege' to 'right' in Article 32.2 of Agreement 4.3.

And by

- Revising Article 66.2 of Agreement 1.2 and adding Article 32.2(c) of Agreement 4.3 to include departing in crew van or taxi.

30. Through Freight Service Away From Home Terminal

The Council's demand concerning Through Freight Service Away From Home Terminal is resolved by deleting "necessary to meet the requirements of service, such as a train on which" in Article 43B.1(a) of Agreement 4.3.

31. Bereavement Leave

Revise Article 78 of Agreement 1.2, Article 17 of Agreement 4.2 and Article 129 of Agreement 4.3 to reflect the following:

- Employees will be entitled to 5 consecutive calendar days' bereavement leave due to the death of the employee's spouse, child, step-child or parent.
- Employees who are on vacation and qualify for bereavement leave will have their vacation suspended for the required number of days and will commence vacation again once the bereavement period has expired.
- When bereavement occurs during an employee's vacation the employee will take their bereavement leave entitlement and be compensated for the applicable days in accordance with their vacation rate.

32. left blank

33. General Holiday

The Council's demand concerning General Holiday is resolved as follows:

Change the Note to 128.2(c) Of Agreement 4.3 to the following: 'Assigned employees who are notified by bulletin that their assignment is to be cancelled on a general holiday, but who are later required on the holiday, will be notified prior to the completion of their last shift or tour of duty immediately preceding the holiday that their services will be required on the holiday. If not so advised and their assignment operates on the holiday, they will not be disqualified from general holiday pay as a result thereof, and their assignment will be filled from the spare board. No grievances or time claims will be entertained as a result of such use of spare board employees.'

34. Familiarization

The Councils demand concerning payment for familiarization is resolved by amending all articles in Agreement 1.2 referring to locomotive engineers transferring to terminals and requiring familiarization.

When Locomotive Engineers transfer to another terminal they are not familiar with, they will make a trip with another Locomotive Engineer to learn the road. Payment for this familiarization will be compensated at a flat rate per tour of duty of \$185.00 for single sub and turnaround service, and \$250.00 for extended run subs.

35. Held for Investigation or Company Business

The Council's demand concerning Held for Investigation or Company Business is resolved by revising Article 75.3 of Agreement 1.2 to reflect employees in unassigned service will receive lost work when held for investigation or company business. Article 75.3 will read as follows:

75.3 Locomotive Engineers in unassigned service or on the spare board will be allowed pay hour for hour for the first 8 hours in each 24 hours so held (computed from time required to report or to deadhead) on the basis of 1/8th of the daily rate applicable to the service in which usually engaged, and if they lose their turn pay will be allowed for a full day of 8 hours or actual time lost when such time can be clearly determined. Locomotive Engineers who lose their turn will take their standing on the board as from the time they are released.

When held under these provisions, employees may, as locally arranged, hold their turn on the working board. Employees will be afforded the opportunity to book up to eight (8) hours rest upon completion.

And Article 75.5 will be modified by removing "and no responsibility is attached to them in connection with the matter under investigation (i.e. not subject to discipline)". Article 75.5 of Agreement 1.2 to read as follows:

75.5 Locomotive engineers who are taken out of service en route or at the away-from-home terminal pending a Company investigation will be compensated for deadheading to the home terminal. The provisions of this paragraph shall not result in duplicate payment.

36. Road - Rest

The Council's demand concerning booking rest is resolved by revising Article 28.4 of Agreement 1.2 as follows:

28.4 Locomotive engineers will not be permitted to book more than 24 hours rest at the home terminal. Spare locomotive engineers who book up to 24 hours rest will maintain their position on the spare board. When a pool locomotive engineer books more than 16 hours rest and being required before his rest is up, a spare locomotive engineer will be used in his place and the man booking rest will be placed at bottom of pool board when his rest is up.

Note: Upon written request from the Local Chairman of the Brotherhood to the appropriate officer of the Company, the last sentence of paragraph 28.4 will be waived at a particular terminal and arrangements will be made to provide that locomotive engineers assigned to pool service who book rest in excess of 23 hours will not have their turn placed on the working board until the expiration of their rest, at which time their turn will be placed at the bottom of the working board. In the application of this Note, locomotive engineers will not be permitted to book more than 24 hours rest.

37. Setting Out and Picking Up Entire Trains

The Council's demand concerning picking up and setting out entire trains is resolved by adding Wayfreights to Article 13.3 of Agreement 1.2 and Article 13.17 of Agreement 4.3.

38. Collective Agreement Corrections

In order to correct typographical errors discovered after the printing of the collective agreement the following changes have been agreed:

Agreements 1.2 and 4.3

- Include in Appendices, letters pertaining to the Application of Hours of Service Regulations (run-by).
- Include Regional Agreement dated May 15, 2000 providing for equal intervals between Changes of Card will revise Article 33.1 of Agreement 1.2 and Article 107.3 of Agreement 4.3 to reflect that changes of card will be, unless mutually agreed, a 13-week duration occurring on the Friday closest to:

March 15,
June 15,
September 15,
December 15,

Note 1: The above dates may be changed as mutually agreed.

Note 2: In order to remain with the above dates, approximately every four years an adjustment to one change of card to provide for a 14-week duration will be necessary.

Agreement 1.2

- In Article 79.1: change Dominion Day to Canada Day.
- In Article 1.9: change rates shown in paragraph 1.4(b) to paragraph 1.4(a).
- In Addendum 72: change Jan 1/ 2000 rates for locomotive engineer and second engineer to \$185.59.
- In Article 20.2 the heading “Through Freight Service”, will be added which was modified in the May 5, 1995 Memorandum.

Agreement 4.3

- Include revision from May 5, 1995 Memorandum regarding combined service and deadheading into Article 33 of Agreement 4.3, which will read as follows:

33.19 When combined service and deadheading involves a turnaround point, the provisions of Article 31 will not apply, but the time at the turnaround point will be paid for under Article 24. Such time will be excluded when computing overtime.
- In Article 128.1 of Agreement 4.3, remove Dominion Day and add Victoria Day, and change the ‘day after new years’ to January 2nd
- In Article 129.1 of Agreement 4.3, replace “upon the death of” with “due to the death of”.
- Remove heading “extended runs” above paragraph 128.12. Delete the paragraph following Article 128.2(g) of Agreement 4.3 account it is already contained in Article 128.12.
- To reflect changes in Agreement 4.2, in Addendum 62 item 7 of Agreement 4.3 replace “27.2 of Article 27 of Agreement 4.2” with “paragraph 16.2 of Article 16 of Agreement 4.2”.
- Append Memorandum of Agreement dated March 27, 1997 regarding Method of Pay.

- In Article 47.2 the heading “Through Freight Service”, will be added which was modified in the May 5, 1995 Memorandum.
- Move Article 80.1 into Article 79.2 and replace Article 80.1 with the previous version account language inadvertently removed in error.

Eastern and Western Canada

39. Traffic Coordinator - Rest

The Council's demand concerning personal rest for Regularly Assigned Traffic Coordinators is resolved by revising Article 8.5 of Agreement 4.2 to reflect the following:

Regularly Assigned Traffic Coordinators will be allowed to book between 3 and 12 hours rest upon completion of their regular tour of duty, providing the rest booked will not interfere with them filling their assignment.

And by revising Articles 7 and 8 of Agreement 4.2 to reflect the following:

Regularly Assigned Traffic Coordinators subject to a call for overtime will be called when such call will not interfere with the filling of their regular assignment.

Regularly Assigned Traffic Coordinators, who as a result of booking rest upon completion of a tour of duty miss their next assignment, will not be entitled to wages for such missed assignment and any guarantee/incumbency will be reduced accordingly on a prorated basis.

40. Final Settlement

(a) The foregoing changes are in full settlement of all requests served by and upon the Company and the Council referred to on the cover page of this Memorandum of Settlement before, on, or subsequent to September 1, 2000, without stoppage of work during the continuance hereof.

(b) This Memorandum of Settlement supercedes all previous agreements, rulings or interpretations which are in conflict therewith and shall remain in full force and effect until December 31, 2003, and thereafter, subject to 120 days notice in writing by either party to this agreement of its desire to revise, amend or terminate it. Such notice may be served any time subsequent to August 31, 2003.

(c) Employees who are in service on the date of ratification and have performed service subsequent to December 31, 2000 shall be entitled to any amount of compensation that may be due them as a result of the signing of this Memorandum of Agreement.

(d) This Memorandum of Settlement is subject to ratification.

Signed at Toronto, Ontario this 13th day of May 2001.

FOR THE CANADIAN NATIONAL
RAILWAY COMPANY

FOR THE CANADIAN COUNCIL OF
RAILWAY OPERATING UNIONS

R.J. Dixon
Vice-President Labour Relations
and Employment Legislation

G. Halle
CCROU Chairperson

KL Heller
Senior Vice-President

W.G. Scarrow
CCROU Vice-Chairperson

D.E. Edison
Vice-President

B.J. Henry
General Chairperson

J.T. Torchia
Director Labour Relations

D. Shewchuk
General Chairman

P. Edwards
HR Business Partner

R. Long
General Chairperson

M.A. Moroz
System Manager Crew Management

R. LeBel
General Chairperson

B. Hogan
Manager Workforce Strategies

R. Beatty
General Chairperson

J. Alonso
Asst. Manager Workforce Strategies

R. Leclerc
General Chairman

D. Laurendeau
LR Associate

R. Dyon
General Chairman

F. O'Neill
LR Associate

B.R. Boechler
Vice-General Chairperson

J. Dixon
Manager LR

D. Brummund
Senior Vice-General Chairman

P. Vickers
Vice-General Chairman

B. Willows
Vice-General Chairman

G. Broda
General Secretary Treasurer

C. Smith
Vice-General Chairman

F. Price
Vice-General Chairperson

G. Anderson
Vice-General Chairperson

R. Caldwell
First Alternate Vice-General Chairman

Appendix A - Pass Transportation



Human Resources

Canadian National
Box 8100
Montreal, Quebec
H3C 3N4

Ressources Humaines

Canadien National
C.P. 8100
Montréal, Québec
H3C 3N4

Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU
B. Henry General Chairperson CCROU
D. Shewchuk General Chairman CCROU

Gentlemen:

This has reference to the matter of pass transportation benefits presently applicable to employees of Canadian National Railway Company (CN) represented by your organization, and the status of this benefit as to its future application on trains operated now and in the future by VIA Rail Canada Inc.

This will confirm that the matter of pass transportation benefits has been resolved on the basis that, subject to the demands of the traveling public, the present pass policies on CN will be maintained for employees represented by you who were in the service of CN on or prior to March 13, 1979, until the time notices are served on or subsequent to August 31, 2003, and thereafter until the provisions of Section 89 of part I of the Canada Labour Code have been complied with or until some other mutually satisfactory resolution of this matter is agreed.

Employees are required to return unused VIA Rail tickets to avoid unnecessary costs to CN. Employees, who do not return unused tickets, will be notified their transportation privileges will be subject to suspension pending the return of unused tickets to the Company, within 30 days.

Where timely notification is not received by CN, individual transportation privileges will be suspended and the General Chairperson/Chairman concerned notified.

For the purpose of this letter, the word "employees" includes pensioners.

Yours truly,

Vice-President Labour Relations
and Employment Legislation

Appendix B - Material Change



Human Resources
Canadian National
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H3C 3N4

Ressources Humaines

Canadien National
C.P. 8100
Montréal, Québec
H3C 3N4

Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU

Gentlemen:

During this round of negotiations, the issue of Material Change was discussed. The Parties have agreed to meet within 120 days of ratification during the closed period of the collective agreements to consider appropriate rules regarding this matter.

Yours truly,

Vice-President Labour Relations
and Employment Legislation

Appendix C - Investigation/Discipline



Human Resources

Ressources Humaines

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Montréal, Québec
H3C 3N4

Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU

Gentlemen:

The Company and Council exchanged a number of concerns during this round of negotiations concerning the investigation/discipline process.

As such, it was agreed that we would examine new ideas with a view to developing a process that establishes the facts in a timely manner, defines the role of the parties, resolves present procedural disputes, and provides a mechanism where the appropriate corrective action, if applicable, is determined in a fair and consistent manner taking into account the circumstances of each individual case.

To this end, the parties agree to meet during the closed period, within 120 days following ratification to discuss the discipline and investigation process.

Yours truly,

Vice-President Labour Relations
and Employment Legislation

Appendix D - Shortages



Human Resources

Ressources Humaines

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Canadien National
C.P. 8100
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H3C 3N4

Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU

Gentlemen:

During this round of negotiations, the issue of shortages was discussed. The Parties have agreed to meet within 120 days of ratification during the closed period of the collective agreements to develop appropriate rules for the filling of shortages and to clarify away from home expenses.

Yours Truly,

Senior Vice President

Appendix E - Customer Service Assignments East of Joffre



Human Resources

Ressources Humaines

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Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU

Gentlemen:

During this round of negotiations the Council raised several issues surrounding how Customer Service Assignments (CSAs) East of Joffre would be handled given the new rates of pay for Road Switcher Assignments West of Joffre. The Company has agreed that wage increases made to Road Switchers/Yard Assignments will be applicable to CSAs.

Yours Truly,

Senior Vice President

Appendix F - System of Pay



Human Resources

Ressources Humaines

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Canadien National
C.P. 8100
Montréal, Québec
H3C 3N4

Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU

Gentlemen:

During negotiations an agreement was reached to continue with the implementation and ongoing monitoring of the new system of pay as referred to in Appendix C of the Memorandum of Agreement between the parties dated February 13, 1998.

It was further agreed that the following modifications to the above noted Appendix C will apply:

Implementation Committee

Consisting of:

During implementation, the affected General Chairman/ Chairperson(s) or their delegate(s).

Appropriate number of Senior Company Officers or their delegate(s).

Frequency:

For the Union – Full time during the period that the system of pay is being implemented which affects the jurisdictional authority of the affected General Chairman/ Chairperson(s).

For the Company – As appropriate.

Mandate:

Develop and implement the new system of pay and related workplace changes.

Resolve issues arising pursuant to such implementation.

The parties agree that employees will not be adversely affected as a result of the introduction of the new Pay System. However, the Implementation Committee will have the mandate to determine adverse affects in the unlikely event that there is an impact on employees. If it is determined that adverse affects have occurred the Implementation Committee will have the mandate to address the matter and determine remedial action, including any benefits covered by the Material Change provisions of the Collective Agreements. Application of the Collective Agreements, such as mileage regulations, will not constitute an adverse affect.

Implementation will be jointly co-ordinated between the Company and the affected General Chairman/ Chairperson(s).

For the purpose of payment, committee work for the designate of the affected General Chairman/ Chairperson(s) will be considered Company initiated meetings.

Dispute Procedure for the Implementation of the Eastern Canada System of Pay:

1. This dispute procedure shall be limited to the resolution of disputes arising from the implemented workplace changes resulting from the implementation of the New System of Pay.
2. The Implementation Committee will, with 30 days of receipt of a dispute confer regarding resolution. If unable to resolve the dispute, such dispute may be progressed by any member of the Implementation Committee to a Mediator/Arbitrator for final and binding resolution.
3. Such disputes will be referred to the Mediator/Arbitrator within 30 days from the date of the Implementation Committee meeting, wherein the dispute was not resolved.
4. It is agreed the costs and expenses of the Mediator/Arbitrator will be equally shared by the Company and the CCROU (BLE & UTU).
5. Unless otherwise mutually agreed to between the parties, the Mediator/Arbitrator will be the same who is appointed by the parties to handle all disputes at the Canadian Railway Office of Arbitration.

6. Time limits as provided herein may be extended by mutual agreement between the Company and the affected General Chairman/ Chairperson.

Yours Truly,

Vice-President Labour Relations
and Employment Legislation

Appendix G - Disputes Procedure



Human Resources

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Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU

Gentlemen:

During negotiations an agreement was reached with regards to developing a new Disputes Procedure. The Company and C.C.R.O.U. have agreed to implement the following on a trial basis with the understanding that modifications and deletions may be required until both parties mutually agree to a final process.

DISPUTE PROCEDURE

Disputes concerning the interpretation of the principles contained in the applicable Collective Agreements, shall be processed in a manner as provided herein:

Phase I

- a) When submitting a claim, the employee or Local Chairman will properly, and completely identify what the employee believes to be their entitlement under the principles of their respective Collective Agreements.
- b) Should the Company deem that the interpretation is incorrect, they will issue the employee a notice, within 28 days, that properly and completely identifies the reason(s) for their decision.
- c) Within fifteen (15) days from the date of the cause of the dispute, the employee, in advancing such dispute, will provide their Local Chairman/ Chairperson, a complete description of the dispute.
- d) Should the claim be determined to be valid in the opinion of the Local Chairman/ Chairperson, the claim will be processed, in writing, to the Local Company Officer within thirty (30) days from the date of the dispute.

- e) Should the matter remain unresolved, the Local Chairman/ Chairperson may, within fifteen (15) days of receipt of the Company's decision at Phase I, progress the dispute to the General Chairman/ Chairperson.
- f) Any resolution of the dispute at Phase I shall not be considered as precedent, or prejudicial to either party.

Phase II

- a) The General Chairman/ Chairperson or their delegate will meet with the appropriate Company Officer every 30 days to review any issues progressed to Phase II of the dispute procedure. Prior to the meeting an agenda will be prepared of all issues to be discussed.
- b) Resolution at this Phase of the dispute procedure, will be final and binding on both parties.
- c) The decisions will be distributed to both parties by way of Rulings or Notices, so as to ensure accurate recording for both parties to refer to.
- d) Should no resolution be reached, the parties will progress the dispute to either Phase III or to Phase IV.

Phase III - Mediation (Optional)

- a) Should there be no resolution at Phase II of the dispute procedure, the parties may, should they mutually agree, place the issue in front of a mediator agreed to by the parties.
- b) The decision of the mediator is without prejudice or precedent to either party and or the System of Pay memorandum unless accepted by both parties.
- c) The position of the mediator, without agreement, cannot be utilized by either party, directly or indirectly.

Phase IV- Arbitration

- a) Should there be no resolution at Phase II or III of the dispute resolution process, either party may file to CROA for binding arbitration.

The Company recognizes that implementing this new procedure will incur significant cost to the membership of the Union in preparing for and participating in the abovementioned monthly meeting. Accordingly, the Company has agreed to compensate the recognized General Committees of Adjustments offset the Union's cost.

This letter of understanding is subject to cancellation on 30 days written notice by either party to the other.

Yours Truly,

Vice-President Labour Relations
and Employment Legislation

Appendix H - Lunch Time



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Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU

Gentlemen:

During the recent round of collective bargaining there was considerable discussion regarding appropriate meal and break periods. The Company recognizes the importance of appropriate breaks and that the conditions and circumstances that determine an appropriate period may depend on the local conditions.

The Company wishes to ensure the Union that reasonable and appropriate standards will be applied that are relevant to the location, the employee and the needs of the operation. If there are specific issues in the future, I would ask that the matter be raised with the appropriate local management and, if necessary, escalated to a higher level.

Trusting this is satisfactory.

Yours Truly,

Senior Vice-President

Appendix I - Protection



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Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
R. Leclerc General Chairman CCROU
R. Dyon General Chairman CCROU

Gentlemen:

During this round of collective bargaining, the Council raised concerns with respect to mitigation of adverse effects for employees affected as a direct result of the amendment of Road/Yard Distinction.

In resolution of the aforementioned, it is agreed that adversely affected employees will be entitled to the following:

Weekly Layoff Benefits

Non-protected employees with more than two years cumulative compensated service, shall be entitled to the benefits defined herein:

- 1) Eligible employees unable to hold work on their respective seniority district as a direct result of the amendment of Road/Yard Distinction will be entitled to the benefits as provided herein.

Benefit Accumulation

- 2) For each year of cumulative compensated service (or major portion thereof) employees will be allowed a layoff benefit credit of five weeks. This will be calculated from the last date of entry into the Company's service as a new employee. Weekly layoff benefits specified in paragraph 3 of this article will cease when eligible employee has exhausted his benefit accumulation as specified in this letter.

Basic Weekly Pay is that as found in paragraph 79.13 of Agreement 4.16.

Claims Procedure

- 3) An eligible employee as defined in paragraph 5 of this letter may, at the expiration of the seven-day waiting period, make application to the designated company officer for a weekly layoff benefit as follows:
 - (a) A weekly layoff benefit for each complete week of seven calendar days laid off following the seven-day waiting period of an amount that, when added to Employment Insurance benefits and/or outside earnings in excess of those allowable under E.I. for such week, will result in the employee receiving 85 percent of the employees basic weekly pay at time of layoff.
 - (b) During any week following the seven-day waiting period that an eligible employee is not qualified for E.I. benefits account eligibility for such benefits having been exhausted or account such employee not being insured for E.I. benefits, or account E.I. waiting period, such employee may claim a weekly layoff benefit for each complete week of seven calendar days laid off to the maximum E.I. weekly benefit currently in force or such lesser amount that when added to the employee's outside earnings for such week will result in the employee receiving 85 per cent of the employee's basic weekly pay at the time of layoff.
 - (c) It shall be the responsibility of employees to report for each week for which they are claiming a weekly layoff benefit under this Agreement, any amounts received from Employment Insurance in respect of such week, as well as any wages earned during such week while employed outside the Company. In the event employees do not report all such outside earnings for any particular week, this will be interpreted as notice that their outside earnings for such week are the same as those for the previous week.
- 4) No weekly layoff benefit will be made for parts of a claim week as defined in paragraph 5 of this article except that:
 - (a) Recall not covered by paragraph 4 (b) of this article below:

An employee who has qualified for weekly layoff benefits in accordance with the eligibility provisions of this article 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 E.I. for such week,

will result in the employee receiving 85 percent of the employee's basic weekly pay at time of layoff.

(b) Temporary Recall for Less than 5 Working Days

An employee who has qualified for weekly layoff benefits in accordance with paragraph 5 of this article will not have their weekly benefit payment reduced for any claim week during which less than five tours of duty in yard service or two tours of duty were completed.

Eligibility for Benefits

- 5) (a) Employees 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 all of the following requirements are fulfilled:
- (i) At the beginning of the period of continuous layoff the employee has two years or more of cumulative compensated service;
 - (ii) A waiting period of seven continuous days in the period of layoff has expired;
 - (iii) Employees are not disqualified under paragraph 6 of this article.
- (b) 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 lay-off 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 lay-off benefits upon layoff within such ninety days.
- 6) Employees will not be regarded as laid off during any day or period in which their employment is interrupted by leave of absence for any reason, sickness, injury, disciplinary action, failure to exercise seniority, strike, lockout, Act of God, or retirement or if they decline or delay recall to work for any reason or are in receipt of other payments of any kind from the Company.

- 7) The aforementioned provisions in items 1 to 7 hereof shall apply to employees in lieu of and notwithstanding any provisions in Agreements 4.16 and/or 1.1 which may be in conflict with or at variance with the full application thereof.

Yours truly,

Vice-President Labour Relations
and Employment Legislation

Appendix J - Furlough Boards



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Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Beatty General Chairperson CCROU

Gentlemen:

During the recent round of negotiations discussions surrounded the establishment of furlough boards on the Champlain District as outlined in the provisions of Articles 91 and 92 of Agreement 4.16.

The Company has agreed to provide furlough board protection as outlined in the provisions of Articles 91 and 92 of Agreement 4.16 to the Champlain District and as described in definition R "Protected Freight Employees of the 4.16 Agreement.

The following amendments will also be made:

- Definition "S" is deleted.
- Definition "R" is renamed "Protect Freight Employees"
- Remove reference to 1st Seniority District from Article 91.
- Article 91.11 will now apply to the 20th Seniority District.

Yours Truly,

Vice-President Labour Relations
and Employment Legislation

Appendix K - Sabbatical Leave



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R. Long	General Chairperson CCROU
R. Beatty	General Chairperson CCROU
R. Leclerc	General Chairman CCROU
R. Dyon	General Chairman CCROU
D. Shewchuk	General Chairman CCROU

Gentlemen:

During this round of negotiations, the issue of sabbatical leave was discussed. The Parties have agreed to the introduction of Sabbatical leave of absence with deferred salary.

Preamble,

Sabbatical leave of absence is to permit permanent employees, represented by the CCROU, the opportunity to take a leave of absence, which they personally finance through a deferral of salary. The Sabbatical leave may be for a period of not less than 3 months and not exceeding 9 months and will be awarded on the basis of seniority. The deferral years will not exceed 5 years. It is understood that Sabbatical leave of absence will not apply in situations where such requests are to go work elsewhere.

Definitions:

Sabbatical Leave of Absence:

Agreement between the Company and employees allowing such employees to defer a percentage of their basic Weekly Rate of pay for a period not exceeding 5 years to permit them to finance a leave of absence not exceeding nine months.

Deferral Years:

The year(s) during which employees are deferring their salary. The Sabbatical will be taken after the deferral years.

Sabbatical Leave:

Period during which the employee is on leave of absence. This “Sabbatical” will be of not less than 3 months and cannot exceed 9 months and will be compensated at the percentage of the basic weekly rate of their permanent assignment.

Contract:

Signed document between the Company and the employees covering the period of time including the deferral years and the Sabbatical.

General Application

Sabbatical will be granted at the sole discretion of the Company. The Company decision will not be subject to appeal by the Employee nor by the Council. However, if the Sabbatical is refused, and upon request by the Council, the Company will supply a written confirmation of such refusal with an explanation of it’s decision.

It may be necessary in order to allot Sabbatical leave of absences that the normal manner in allotting vacations be modified to accommodate those wishing sabbatical leave. No Sabbatical leave will be taken between June 15 and September 15.

If the Sabbatical leave of absence is approved, it will be subject to the following conditions:

Any contract could not be for less than 1 year and cannot exceed 5 years and 9 months.

Example of contract:

If the deferral years are established at two years and the Sabbatical at 6 months, the contract will be for a period of 2 ½ years. During the two year deferral the applicants will be compensated at 80% of their basic weekly rate of pay. During their Sabbatical they will be compensated at 80%.

Hereunder, is a table explaining the various type of deferral years based on 9 months to 5 year periods and Sabbatical based on a Sabbatical of 3 to 9 months.

Deferral Period	Length of Sabbatical		
	3 Months	6 Months	9 Months
9 months	75%		
2 yrs	89%	80%	73%
3 yrs	92%	86%	80%
4 yrs		89%	84%
5 yrs		91%	87%

2. Except as provided below, employees under Contract will be afforded all work benefits normally afforded to other permanent employees including the accumulation of seniority and service.
3. Employees under Sabbatical will be paid through the Direct Deposit System.
4. General Holiday falling within the period of Sabbatical will be considered as making part of the Sabbatical and will not be reimbursed by the Company.
5. Employees on Sabbatical will count in the calculation of annual vacation for the following year and such time will count for Pension purposes.
6. Time spent on Sabbatical will count in the calculation of annual vacation for the following year and such time will count for Pension purposes.
7. At the completion of the Sabbatical, employees will be reinstated in accordance with terms and conditions of the Collective Agreement.
8. The concept of Sabbatical leave of absence should not be used as pre-retirement leave of absence nor should it be used as experience working for another employee.

Funding

9. Contributions retained by the Company, through payroll deduction will be held in trust in a Financial institution selected by the Company and any interest accumulated will be retained by the Company to offset any administrative fees or additional costs associated with payment of benefit premiums.

Withdrawal, Maternity Leave, Long Term Disability, Resignation, Dismissal, Jury Duty or Death:

Withdrawal

10. Employees who decide to withdraw from the Contract, during the deferral years, should advise the proper officer of the Company, in writing thirty (30) days prior to the effective date of their withdrawal.

11. Employees who decide to withdraw from the Contract, during the Sabbatical, should advise the proper officer of the Company at least ten (10) days prior to their return to work.

Maternity Leave

12. In cases of pregnancy where employees decide to request a maternity leave during the term of the Contract under this agreement, employees will have the following options:

- postpone their Sabbatical leave until after their maternity leave, or

- postpone their Sabbatical leave to another year. (This postponement can not exceed a period of five years and nine months from the date of signature of the Contract), or
- abrogate their Contract under this agreement.

Long Term Disability

13. Should employees become disabled during the term of a Contract under this agreement, the agreement may be modified to cover the change, In cases where the employees decide to postpone their Sabbatical leave to another year, such postponement will not exceed a period of five years and nine months from the date of the signature of the Contract.

Resignation

14. Employees who decide to resign from the Company during the term of a Contract under this agreement, the Contract will terminate on the effective date of the resignation and all contributions will be reimbursed.

Dismissal or Death

15. In cases of dismissal of employees or the death of employees during the term of a Contract, the terms and conditions of the Contract will cease on the date of the event and all contributions will be reimbursed.

16. In situations covered in items 10 to 15 inclusive, the Company will have thirty (30) days to reimburse all moneys (without interest) due to employees.

17. Except in cases covered by items 12, 13, 14 or 15, employees under Sabbatical leave will not be permitted to terminate their Sabbatical leave.

18. It is understood that the terms of the Sabbatical leave program will not form part of the Collective Agreement.

19. The provisions of this agreement will override any other provisions in Agreements 1.1, 1.2, 4.2 (Eastern Canada) and 4.16 to the contrary.

Yours Truly,

Vice-President Labour Relations
and Employment Legislation

Appendix L - Traffic Coordinators



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Toronto, Ontario, May 13, 2001

R. LeBel General Chairperson CCROU
R. Long General Chairperson CCROU
R. Beatty General Chairperson CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations a new pay structure for Traffic Coordinators was discussed.

The Parties have agreed to meet to discuss the application of the criteria upon which a tiered structure will be based.

Yours Truly,

Senior Vice-President

Vice-President

Appendix M - Leave of Absence



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R. Leclerc	General Chairman CCROU
R. Dyon	General Chairman CCROU
D. Shewchuk	General Chairman CCROU
R. LeBel	General Chairperson CCROU
R. Long	General Chairperson CCROU
R. Beatty	General Chairperson CCROU
B. Henry	General Chairperson CCROU

Gentlemen

The following will replace Addendum No. 69 of Agreement 1.1 and Addendum No. 74 of Agreement 1.2 and will be added to Agreements 4.2, 4.3 and 4.16.

Yours Truly,

Vice-President Labour Relations
and Employment Legislation

Leave of Absence for Urgent Personal Affairs

Memorandum of Agreement – March 28, 2000

The parties agree to reactive this program effective immediately as outlined below:

1. A maximum period of leave of three (3) months duration
2. Payment in the form of a repayable loan to the employee of the equivalent of 5 basic days at yard rates for each week of personal leave.
3. Re-payment of loan at 10% of gross earnings over a period of no longer than two (2) years.

4. A guarantee that such loan will be repaid in the event of the employee's death, dismissal or resignation. (An employee must sign an appropriate document outlining these terms).
5. A ceiling on the number employees on personal leave at any one time. (This will be determined by the Company) .
6. Applications for such personal leave to be made through the Canadian Director of the Brotherhood of Locomotive Engineers or the National Vice President United Transportation Union, Ottawa office.
7. Such personal leave to be subject to approval by the Vice-President, Labour relations and Employment Legislation.
8. Approval of such personal leave to be at the discretion of the Company.

It is understood that the personal leave program will be designed for the purpose of granting employees time off to manage urgent personal affairs, such as immediate family problems in exceptional circumstances, and will not apply to employee illness, injury, etc., nor will it apply when an employee has unused annual vacation entitlement. The personal leave program will not, therefore, replace existing benefits, programs or government programs.

I Concur:

(signed by) Richard Dixon
Vice-President,
Labour Relations and Employment Legislation

(signed by) Gilles Halle
Canadian Director BLE

W.G. Scarrow
CCROU Vice-Chairperson
Signed May 13, 2001

Appendix N – Left Blank

Appendix O - Rules / Medical Cards



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council requested that CCROU employees be advised in advance of the expiration of their Rules or Medical cards.

The Company reaffirmed its position that employees are ultimately responsible to ensure that their Medical and Rules cards have not expired. The Company will provide notification 30 days in advance, however it was discussed and agreed that clear guidelines are required. Therefore employees who have not renewed their medical or rules card, will not be called when it can be reasonably expected that the employee cannot return prior to their card expiration. Such employee will be removed from service. Medical and Rules cards expire at 0001 on the date indicated.

In instances where CMC records indicate the employees rules/medical card has or is about to expire, and the employee has recently renewed their qualification, such employee will advise the CMC that they have a current card and may accept a call. Upon arrival at work and prior to going on duty the employee must fax the card to the CMC as proof of updated qualification.

Employees removed from service, due to the above, will not be entitled to compensation for lost tours as a result.

Yours truly,

Vice-President

Appendix P - Recovery



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council expressed concern with the manner of recovering money determined by the Company to be incorrectly paid pursuant to the collective agreement.

In recognition of this concern it was agreed the following guidelines would apply in the recovery of overpayments:

1. In instances where money is to be recovered from an employee and the amount exceeds $1/3^{\text{rd}}$ of their gross pay for the period, the Company will contact the employee and establish a repayment schedule.

When establishing the repayment schedule, recovery will not exceed 33% of the employee's gross wages during any one-pay period, unless otherwise arranged with the affected employee.

2. In instances where entitlement to pay is not as a result of being incorrectly paid pursuant to the collective agreement, such as input errors, etc, the Company will recover the full amount forthwith.

Yours truly,

Vice-President

Appendix Q - Accommodations



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council raised several issues with the Company with respect to issues surrounding Company owned/supplied accommodations. Specifically, the Council requested an expedited mechanism for resolution of issues surrounding crew facilities.

The parties agreed that the quickest method of resolution was an escalation process with defined time limits for resolving issues. Accordingly, the following process has been agreed to for resolution of issues related to Company supplied rest facilities:

1. Local Chairman/ Chairperson or his delegate to advise in writing the appropriate Company officer of the issue. Company officer to respond in writing within 14 days.
2. If response not received as outlined in the aforementioned item within 14 days, issue to be elevated to the Divisional Superintendent for resolution and response.
3. If response not received within 14 days of escalation to the Superintendent, the matter to be elevated to the General Chairman/ Chairperson and Divisional General Manager for resolution.

It is understood that crew facility issues of an urgent nature such as those that affect safety will take priority and will be addressed without delay.

Yours Truly,

Vice-President

Appendix R - Lockers



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council raised several issues with the Company with respect to issues surrounding the removal of personal effects of employees from lockers. Specifically, the Council was concerned in instances where changes are made with respect to rest facilities, that employees were not afforded sufficient time to be able to clean out their lockers.

The Company assured the Council that it would provide 60 days notice, by means of a General Notice issued to the terminals affected, advising employees of the requirement for them to remove their personal effects from lockers at Company supplied rest facilities.

It was recognized that there might be instances such as unplanned renovation or repair to these facilities, where it is impractical to provide this notice. However, the Company is committed to providing as much advance notice as practical to employees in such instances

Yours Truly,

Vice-President

Appendix S - Regulation of Working Boards



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU

Dear Mr. Shewchuk

One of the issues raised by the Council during this round of negotiations was the regulation of working boards in non-extended run territories. This will confirm that the provisions of Article 64.25 of Agreement 1.2 will not apply to such boards.

It is also understood that it is not the intent to disrupt the local practices that exist in the regulation of the aforementioned working boards.

Yours Truly,

Vice-President

Appendix T - Deadheading



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council requested clarification of Company commitments flowing from the implementation of extended runs in Western Canada and subsequent labour/ management meetings regarding guidelines for deadheading.

During these meetings the Company reaffirmed the commitment made during the implementation of extended runs to deadhead extended run crews by other than freight unless warranted by legitimate circumstance such as inclement weather, road accessibility, transportation availability, etc, in which case crews may be deadheaded by freight.

Notwithstanding the foregoing it was recognized that locally it may be mutually agreed upon to use freight service as the preference mode of deadheading.

It was further discussed that appropriate guidelines would be set at the local Divisional level regarding the quickest mode of transportation to be used (the example cited by the CCROU was the use of Express buses in preference to those that make frequent stops), and appropriate standards for delay at away from home terminals when pursuing opportunities to deadhead crews by bus or passenger train or multiple crews in a single vehicle, when it is known they will be deadheaded.

Yours Truly,

Vice-President

Appendix U - Printing of Agreement



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Toronto, Ontario, May 13, 2001

B. Henry General Chairperson CCROU

Dear Mr. Henry

During this round of negotiations the issue of printing collective agreements in a timely manner was discussed. Unless mutually agreed the Collective Agreements will be reproduced under the following timeframes.

- The General Chairperson will meet with the Company within 60 days following ratification for the purposes of rewriting Agreement 4.3.
- The Company will print the agreements within 60 days following finalization of collective agreement language.

Yours truly,

Vice-President Labour Relations and
Employment Legislation

Appendix V - Transferring



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Toronto, Ontario, May 13, 2001

B. Henry General Chairperson CCROU

Dear Mr. Henry

During this round of negotiations a concern was raised regarding the ability to transfer under Article 107 at change of timetable. The concern specifically centered on the fact that employees may be prevented from transferring if a strict interpretation of the article was applied. In other words, an employee may be prevented from transferring as a result of a shortage or surplus at the recognized transfer periods and such conditions may not necessarily reflect the normal workforce requirements.

Therefore, it was agreed that when transfer requests are made, discussions with your office would be held prior to concluding decisions regarding such transfers.

Yours Truly,

Vice-President

Appendix W - Investigation/ Discipline



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU

Dear Mr. Shewchuk

The Company and Council exchanged a number of concerns during this round of negotiations concerning the investigation/discipline process.

As such, it was agreed that we would examine new ideas with a view to developing a process that establishes the facts in a timely manner, defines the role of the parties, resolves present procedural disputes, and provides a mechanism where the appropriate corrective action, if applicable, is determined in a fair and consistent manner taking into account the circumstances of each individual case.

To this end, the parties agree to meet within 120 days following ratification to discuss the discipline and investigation process.

Yours truly,

Vice-President Labour Relations and
Employment Legislation

Appendix X - Printing of Agreement



Human Resources

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Toronto, Ontario, May 13, 2001

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R. Dyon	General Chairman CCROU
D. Shewchuk	General Chairman CCROU
R. LeBel	General Chairperson CCROU
R. Long	General Chairperson CCROU
R. Beatty	General Chairperson CCROU

Gentlemen:

During this round of negotiations the issue of printing collective agreements in a timely manner was discussed. Unless mutually agreed the Collective Agreements will be reproduced under the following timeframes.

- The General Chairman will meet with the Company within 60 days following ratification to proof read collective agreement language.
- The Company will print the agreements within 60 days following finalization of collective agreement language.

Yours truly

Vice-President Labour Relations and
Employment Legislation

Appendix Y - Shortages



Human Resources

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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations, issues concerning shortages were discussed which included a definition of shortages/ surpluses and entitlement to shortage expenses. The Parties have agreed to meet to discuss issues such as:

- Clarify away from home expenses.
- Craft to craft shortages.
- Yard versus Road shortages.
- Temporary versus Permanent Shortages.
- Examine bulletining criteria to address terminal specifics and appropriate time frames.
- Permanent relocation of employees to terminals experiencing chronic shortages.
- Use of employees at adjacent terminals.

Yours Truly,

Vice-President Labour Relations and
Employment Legislation

Appendix Z - Commencing Vacation



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council raised the issue of vacations commencing on board adjustment and the concern that employees may require, from time to time, the ability to commence their vacation on other than board change.

The Company recognizes the Council's proposal and reaffirms its commitment to give special consideration to employees, on an individual basis, in cases where there is a legitimate need for them to alter the start of their vacation. This will be done with due consideration to manpower availability and impact to the operation.

In addition, employees have the option of accepting a call on the day their vacation is set to commence up to the time the board change occurs in accordance with Article 63.14(b) of Agreement 1.2 or Article 107.33 of Agreement 4.3. When this is done, the employee's vacation will commence on the day following the date of commencement of the return tour of duty.

Yours Truly,

Vice-President

Appendix AA - Rest



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the parties discussed the application of the rest articles as they apply to rest enroute. Specifically the CCROU raised the concern that in some instances employees booking rest enroute were not being relieved of duty until the time rest booked is due to commence.

During these discussions the Company reaffirmed that when employees provide notice of rest enroute in accordance with Article 28 of Agreement 1.2 and Article 35 of Agreement 4.3, the intent is to have employees either at the place where accommodations are provided enroute or at their objective terminal by the time rest booked is due to commence, excepting circumstances beyond Company control.

Further discussion confirmed the commitment by both Parties to establish an avenue to immediately address this issue. It was therefore agreed the Parties would establish a process to measure and communicate to the Vice-President's and General Chairmen's offices those occurrences when employees are not at their objective terminal by the time rest booked is due to commence. These occurrences will be addressed by the Vice-President's Office and a weekly report will be provided to the General Chairmen. In addition, the Divisional Vice-Presidents and General Chairmen will actively review these occurrences, the reasons why they occurred and the actions taken by the Company to address the matter. Any unresolved occurrences may be submitted at step three of the grievance procedure.

During our discussions the Union raised the issue of payment for these occurrences to act as a deterrent. The Company believes proper attention to this issue will improve the situation of itself and is equally concerned that payments intended to act as a deterrent, in practice actually have the opposite effect. Nevertheless, the Company is committed to reducing these occurrences and accordingly agrees to the following:

Agreed upon base-line measurements will be established for through freight service for each run segment identified by the Parties as problematic. Based on these measures target thresholds will be set for identified segments for each Change of Card interval.

Once established, if the number of occurrences have not been reduced to or below the threshold set for a segment over a complete Change of Card interval, the Company will institute payments for each such occurrence for the subsequent Change of Card interval(s) until such time as the threshold has again been met over a complete Change of Card period.

Payment will be triggered when a crew in through freight service arrives at the objective terminal after the time rest booked is due to commence, provided proper notice has been given in the prescribed manner. In such instances payment will be based on a rate of 12.5 miles per hour, paid on a minute basis (each 4.8 minutes to count as one mile) for the period of time from the time rest booked is due to commence until the time the crew is off duty, at the rate applicable to the service performed on the tour of duty for each crew member.

Note: Notwithstanding the basis for payment of the penalty the intent is to have crews complete their tour of duty by the time rest booked is due to commence.

Accrued payments will be paid quarterly, after completion of a Change of Card period, to the applicable Divisions or Locals on a proportional basis.

Should experience indicate that the foregoing payment is not in practice providing the intended deterrent effect the parties will revisit the process to provide a more effective means for managing these occurrences.

Yours Truly,

Vice-President Labour Relations and
Employment Legislation

Appendix AB – CATS Trainers



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During the current round of negotiations the Council raised concerns regarding training in the CATS system.

As agreed at locations where a surplus of protected employees exists, a CATS Trainer Position will be bulletined. The successful applicant will be the training resource for the terminal and will be provided appropriate training to enable them to act as a resource to fellow employees. The Company will establish this position as required and it will be compensated at the applicable furlough board rate of pay.

Yours Truly,

Vice-President

Appendix AC – Video Monitoring Systems



Human Resources

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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council expressed concerns regarding the appropriate use of video monitoring systems that are being utilized in various yards across the system.

It was agreed that a meeting will be set up with the VP, Pacific Division and the Western CCROU General Chairmen, to observe the actual capability of this equipment and its current use. Once the parties fully understand the details of the set up of these cameras, the parties will meet and review appropriate guidelines for their use. These guidelines will respect privacy legislation.

This meeting will be held within 90 days of the ratification of this collective agreement. The guidelines will also be established within 60 days of this meeting.

Yours Truly,

Vice-President

Appendix AD – Work Trains



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Council raised a concern regarding employees other than CCROU-BLE operating locomotives. The Company also raised a concern that employees from different crafts working on/with a work train and governed by different rest/ eating provisions hamper the effectiveness of the work train.

To address the concerns of both Parties the following was agreed for Work Train Service:

- All locomotives operating in Work Train Service will include a Locomotive Engineer and a Train Crew, one of which must be CLO qualified.
- Collective agreement provisions regarding booking rest will be amended to provide for booking rest after 12 hours on duty.
- Collective agreement provisions will be amended to provide that meals will be coordinated with other groups to accomplish the work at hand.
- Local arrangements by mutual agreement will be put in place to fill unassigned work trains.

Yours truly

Vice-President

Appendix AE – Guarantees and Incumbencies



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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

During this round of negotiations the Company and Council exchanged a number of concerns regarding guarantees and incumbencies.

It was recognized there were issues of mutual concern regarding this matter and the Parties have agreed to meet to address those concerns.

Yours Truly,

Vice-President Labour Relations and
Employment Legislation

Appendix AF – Layovers



Human Resources

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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU

Dear Mr. Shewchuk:

During this round of negotiations the CCROU submitted demands regarding their concerns over the duration of layovers at away-from-home terminals.

The Parties agreed that the issues will be dealt with by the Alertness Assurance Implementation Committee by reviewing present crewing practices and their impact on layovers with a view to ensuring they are kept within acceptable levels.

Should the forgoing process not result in mutually acceptable standards the matter will be referred to the Divisional Vice Presidents and General Chairmen to provide a more effective means for managing these occurrences.

Yours Truly,

Vice-President

Appendix AG – Cab Forward



Human Resources

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Toronto, Ontario, May 13, 2001

R. Leclerc	General Chairman CCROU
R. Dyon	General Chairman CCROU
D. Shewchuk	General Chairman CCROU
R. LeBel	General Chairperson CCROU
R. Long	General Chairperson CCROU
R. Beatty	General Chairperson CCROU
B. Henry	General Chairperson CCROU

Gentlemen

During this round of negotiations the Parties discussed the operation of single unit trains and the CCROU's concern that such necessitated the operation of units with the long nose leading from time to time.

The Company recognized the CCROU's concern and will dispatch trains with the cab in the forward position. When locomotives are on line and required to operate with the cab in reverse, all efforts will be made to turn the locomotive enroute.

Yours truly

Vice-President

Appendix AH - QSOC



Human Resources

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Toronto, Ontario, May 13, 2001

R. Leclerc	General Chairman CCROU
R. Dyon	General Chairman CCROU
D. Shewchuk	General Chairman CCROU
R. LeBel	General Chairperson CCROU
R. Long	General Chairperson CCROU
R. Beatty	General Chairperson CCROU
B. Henry	General Chairperson CCROU

Gentlemen:

During this round of negotiations the issue of payment for attending QSOC was discussed. The Parties agreed to adopt for Agreements 1.1, 1.2, 4.2, 4.3 and 4.16 the letter dated April 24, 2001 regarding QSOC in Eastern Canada (letter attached at end).

Yours truly

Vice-President Labour Relations and
Employment Legislation

Appendix A1 - Seniority



Human Resources

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Toronto, Ontario, May 13, 2001

D. Shewchuk General Chairman CCROU
B. Henry General Chairperson CCROU

Gentlemen:

The Council's demand concerning seniority is resolved by amending Article 77.6 of Agreement 1.2, Article 9.3 of Agreement 4.2 Western Canada and Article 132.1 of Agreement 4.3 to reflect the following:

An employee, who is appointed to a permanent first level management position, shall continue to accumulate seniority for a period of one year. At the end of one year, such employee shall no longer accumulate seniority but shall retain the seniority rights already accumulated up to the date their seniority was frozen.

Note: For employees already filling a permanent first level management position prior to the ratification of this memorandum, the one year shall commence on the first day of the month following ratification.

Employees presently filling a permanent second level management position shall be removed from the seniority list one year from date of ratification of this memorandum. Thereafter employees will be removed from the seniority list upon promotion to a permanent second level management position.

The Council also raised a concern on the use of Temporary Supervisors. The Company agreed to meet within 90 days of ratification to develop guidelines to ensure the use of temporary supervisors will not circumvent the provisions of this letter and to review the list of first and second level positions.

Yours truly

Vice-President Labour Relations and
Employment Legislation

Appendix AJ – Use of Management



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R. Leclerc	General Chairman CCROU
R. Dyon	General Chairman CCROU
D. Shewchuk	General Chairman CCROU
R. LeBel	General Chairperson CCROU
R. Long	General Chairperson CCROU
R. Beatty	General Chairperson CCROU
B. Henry	General Chairperson CCROU

Gentlemen:

One of the Council's concerns during this round of negotiations was the utilization of management personnel when qualified CCROU employees are available for the service required to be performed at the time.

This will confirm the Company recognizes that the main function of management is to direct the work force and not engage in work currently or traditionally performed by employees in the bargaining unit when qualified CCROU employees are available. It is recognized management employees will accompany crews from time to time when required to perform refresher training.

Yours truly,

Senior Vice-President

Appendix AK – Turnaround / Rescue



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Toronto, Ontario, May 13, 2001

B.J. Henry General Chairperson C.C.R.O.U.
D. Shewchuk General Chairman C.C.R.O.U.

Gentlemen:

During this round of negotiations the CCROU expressed concerns regarding the operation of turnaround service at the away from home terminal and the crewing of rescues as it relates to running crews off their assigned territory.

With respect to turn around service the CCROU expressed a concern that available crews were being 'scooped' at the away from home terminal by crews called in turnaround service. With respect to the second issue, the CCROU had a concern that other crews could be utilized in these situations.

The Company expressed its concerns regarding customer service commitments and the timely movement of traffic.

The Parties discussed that there was mutual ground on these issues and accordingly have agreed to meet and resolve outstanding grievances related to these matters within 90 days of ratification.

Yours truly,

Senior Vice-President

Appendix AL – Edmonton Taxi Agreement



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Toronto, Ontario, May 13, 2001

B.J. Henry General Chairperson C.C.R.O.U.
D. Shewchuk General Chairman C.C.R.O.U.

Gentlemen:

One of the Council's concerns during this round of negotiations was the cancellation of the Edmonton Taxi agreement.

This will confirm the letter cancelling the Edmonton taxi agreement has been rescinded.

Yours truly,

Senior Vice-President