

MEMORANDUM OF SETTLEMENT

Dated

TORONTO, ONTARIO, May 5, 1995

Between

CANADIAN NATIONAL RAILWAY COMPANY

And

CANADIAN COUNCIL OF RAILWAY

OPERATING UNIONS

(AGREEMENTS 4.16, 4.2 and 1.1)

Re

Application of Wage Increase and other changes covering

the years 1994, 1995, 1996 and 1997

Rates of Pay effective as indicated

1. Duration

The collective agreements will be renewed for a period of four years commencing January 1, 1994.

2. Wages

(a) Effective January 1, 1994, a lump sum payment of 2% based on 1993 earnings.

(b) Effective January 1, 1995, a wage increase of 2% will be applied to all basic hourly, daily and weekly and mileage rates of pay in effect on December 31, 1994.

(c) Effective January 1, 1996, a wage increase of 2% will be applied to all basic hourly, daily and weekly and mileage rates of pay in effect on December 31, 1995.

(d) Effective January 1, 1997, a wage increase of 2% will be applied to all basic hourly, daily and weekly and mileage rates of pay in effect on December 31, 1996.

3. Train and Engine Service Benefit Plan - Life Insurance

Effective the first of the month following the date of agreement, the group life insurance coverage will be increased from \$24,000 to \$25,000 for employees who have compensated service with the Company on or subsequent to that date if otherwise qualified under the provisions of the Train and Engine Service Benefit Plan.

4. Train and Engine Service Benefit Plan - Weekly Indemnity

(a) Effective the first of the month following the date of agreement, the sickness benefit payment for claims which originate on or after that date are as follows:

<u>Weekly Base Pay</u>	<u>Sickness Benefit</u>
\$120.01 and over	70% of base pay up to a maximum

Less than \$120.01	weekly benefit of \$480. \$80 or 75% of weekly base pay, whichever is less.
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A claimant in receipt of Unemployment Insurance Sickness benefits will have such benefits supplemented to equal his or her Sickness Benefit entitlement.

(b) Effective January 1, 1996, the sickness benefit payment for claims which originate on or after that date are as follows:

<u>Weekly Base Pay</u>	<u>Sickness Benefit</u>
\$120.01 and over	70% of base pay up to a maximum weekly benefit of \$490 or up to the Unemployment Insurance maximum weekly payment, whichever is the greater. \$80 or 75% of weekly base pay, whichever is less.
Less than \$120.01	

A claimant in receipt of Unemployment Insurance Sickness benefits will have such benefits supplemented to equal his or her Sickness Benefit entitlement.

(c) Effective January 1, 1997, the sickness benefit payment for claims which originate on or after that date are as follows:

<u>Weekly Base Pay</u>	<u>Sickness Benefit</u>
\$120.01 and over	70% of base pay up to a maximum weekly benefit of \$500 or up to the Unemployment Insurance maximum weekly payment, whichever is the greater. \$80 or 75% of weekly base pay, whichever is less.
Less than \$120.01	

Less than \$120.01

A claimant in receipt of Unemployment Insurance Sickness benefits will have such benefits supplemented to equal his or her Sickness Benefit entitlement.

Note: Supplemental payments pursuant to items (a), (b) and (c) above are subject to C.E.I.C. approval.

5. Maternity Leave Benefits

(a) Effective the first of the month following the date of agreement, for claims which originate on or after that date, an employee will have her Unemployment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum benefit of \$480 for those weeks during which she receives Unemployment Insurance Maternity Benefits, i.e., for a maximum of 15 weeks.

(b) Effective January 1, 1997, for claims which originate on or after that date, an employee will have her Unemployment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum benefit of \$490 or the Unemployment Insurance maximum weekly payment, which ever is greater, for those weeks during which she receives Unemployment Insurance Maternity Benefits, i.e., for a maximum of 15 weeks.

(c) Effective January 1, 1996, for claims which originate on or after that date, an employee will have her Unemployment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum benefit of \$500 or the Unemployment Insurance maximum weekly payment, which ever is greater, for those weeks during which she receives Unemployment Insurance Maternity Benefits, i.e., for a maximum of 15 weeks.

Note: Supplemental payments pursuant to items (a), (b) and (c) above are subject to C.E.I.C. approval.

6. Extended Health Care Plan

The Extended Health Care Plan dated July 25, 1986, as amended, will be further amended in respect of employees governed hereby to conform with the following:

(a) Maximum Lifetime Benefits

Effective the first of the month following the date of agreement, the Maximum Lifetime Benefit as set out in the Extended Health Care Plan is increased to \$ 37,000 per person for Eligible Employees and Dependents.

7. Dental Plan

The Dental Plan Agreement dated August 18, 1986, as amended, will, in respect of employees governed hereby, be further amended as follows:

(a) Effective with treatment which commenced on or after January 1, 1995, 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 1995.

(b) Effective with treatment which commenced on or after January 1, 1996, 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 1996.

(c) Effective with treatment which commenced on or after January 1, 1997, 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 1997.

8. Passes

The issue of passes will not form part of the collective agreement and is resolved on the basis of **Appendix 1**.

9. Extended Runs

Add a new article to Agreement 4.16 and 1.1 as follows:

1.1 Extended runs in through freight service will be established between the following home terminals in accordance with **Appendix 9**:

London - Belleville (certain trains)

Montreal - Toronto (certain trains)

Belleville - Hamilton

Halifax - Moncton

Moncton - Edmundston

Hornepayne - Armstrong

Sarnia - Oshawa

Battle Creek - London

London - Belleville

St. Antoine - Belleville

Montreal - Toronto (certain trains)

Belleville - Pt. Robinson

Buffalo - Sarnia

Detroit (Moterm) - Toronto (Intermodal)

Flint - Oshawa

Toronto - Capreol

Capreol - Hornepayne

Buffalo - Oshawa

Joffre - Mont Joli

Joffre - Campbellton

For the purposes of the document, Sarnia - Port Huron are the same, and Windsor - Detroit are the same, Buffalo - Niagara are the same, and the established travel allowances are applicable at these locations.

The following terminals will be used in order to balance crews:

Montreal - Belleville

Belleville - Toronto

Sarnia - Toronto

Windsor - London

London - Toronto

Buffalo - Toronto

Sarnia - Niagara

Montreal - Joffre

Montreal - Garneau

Flint - Sarnia

Battle Creek - Sarnia

Other extended runs will be implemented and terminals used for balancing crews in accordance with the criteria outlined in **Appendix 9**.

1.2 Booking Rest En Route In Extended Run Territory

Revise Agreements 1.1 and 4.16 to reflect the following:

The 10 hrs referred to in Articles 29.5 and 29.9 of Agreement 1.1, and 10 and 11 hours referred to in Articles 51.4 and 51.8 of Agreement 4.16 are modified for crews operating in extended run territory between the following terminals:

London to Belleville (certain trains) 11 hours

Montreal to Toronto (certain trains) 11

Belleville to Hamilton 11

Sarnia to Oshawa 11

Halifax - Moncton 11

Moncton - Edmundston 11

Hornepayne - Armstrong 11

Battle Creek to London 12 hours

London to Belleville 12

St. Antoine to Belleville 12

Montreal to Toronto (certain trains) 12

Belleville to Pt. Robinson 12

Buffalo to Sarnia 12

Detroit (Moterm) to Toronto (Intermodal) 12

Flint to Oshawa 12

Toronto to Capreol 12

Capreol to Hornepayne 12

Buffalo to Oshawa 12

Joffre to Mont Joli 12

Joffre to Campbellton 12

Meals

Road Service

Delete Articles 28.2 to 28.7 inclusive and Addendum 14 of Agreement 1.1 and Article 29.2 to 29.7 inclusive and Addendum 56 of Agreement 4.16 and replace with the following:

Trains will not be delayed nor train operations disrupted solely as a result of stopping train to eat. Employees will report for work suitably prepared for a tour of duty recognizing that the opportunity to take a meal will be governed by the practicality of train operations. Refer to **Appendix 3**

Other Road Service

Refer to **Appendix 11** for the provisions applicable to other road service.

Working Outside Switching Limits

Revise Article 37.3(a) of Agreement 4.16 to reflect the following:

In order to provide timely transportation service, yard crews may be used within a distance of 25 miles outside the established switching limits.

Rescue Service

Add a new paragraph to Article 37.3 of Agreement 4.16, and 41.5 of Agreement 1.1:

In the application of paragraph 41.3 of Agreement 1.1, and Article 37.1 of Agreement 4.16, yard crews may be used to bring trains into the terminal within a distance of 50 miles, provided this service is solely for rescuing trains that are disabled or cannot make the terminal prior to the expiration of hours of service.

Montreal Commuter Service

The parties agree that the Company's proposal on Montreal Commuter is resolved on the basis that the Montreal Commuter Service will have:

- Conductor Only Crew Consist

- An abbreviated training program for the conductor to qualify to operate the equipment
- In the event that the locomotive engineer cannot perform his duties, the conductor will operate the equipment including any duties necessary to expedite the movement, as required.
- This arrangement is non-precedential.
- Employees adversely affected will be provided the level of benefits as provided by the material change articles.

Payment For Examinations

Revise Article 69 of Agreement 1.1 and Article 71 of Agreement 4.16 and Article 27 of Agreement 4.2 as follows:

Employees required to take a periodic medical examination during off duty hours shall be allowed payment of six (6) hours on the basis of 1/8 the daily rate applicable to the service last performed.

Guarantees

Article 2.12 of Agreement 4.16 will be revised to reflect the guarantee to be paid for each 14 day period. The 28 day guarantee will be prorated to reflect this change. The provisions will be modified to provide that employees missing more than 2 calls in the 14 day period will not be entitled to any guarantee.

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12 Hour Held Away 17th / Central Seniority Districts

Revise paragraphs 18.5 and 18.6 of Agreement 4.16 and paragraphs 25.1(a). and 25.2 of Agreement 1.1 to delete reference to 12 hours and reflect the following:

Employees who are held at the away from home terminal shall be paid at the following hourly rates for all time so held:

After 12 hours 12 1/2 miles per hour after 9 hours

After 13 hours 12 1/2 miles per hour after 8 hours

After 14 hours 18 1/2 miles per hour

Employees will not be held at the away from home terminal for more than 14 hours.

In accordance with Appendix 9 the Regional Committee will decide any time beyond 14 hours at the away from home terminal.

Freight Boundaries / Sections

Revise Agreements 1.1 and 4.16 to remove all reference to equalization and trackage rights, preference rights, where required to allow for the efficient use of crews.

The Company agrees that employees will not suffer a loss of earnings because of the removal of these restrictions.

Consolidated Seniority

Proposals to consolidate the eastern Seniority Territories are contained in **Appendix 10**

Workload Allocation

The Regional Committee will allocate workload to various terminals with a mandate of minimizing relocations by moving the work to the employees.

When for any reason there is an insufficient number of employees to meet the service requirements at a terminal(s), adjacent terminal(s) may increase their compliment of employees to satisfy service requirements with due regard that the initial terminal shall not be subject to employee reductions at a later date. As far as practicable, work shall remain as originally established by the Regional Committee.

Road / Yard Restrictions

Revise Articles 7.9 and 41 of Agreement 4.16 and Article 13 of Agreement 1.1 to reflect the following:

Upon arrival at the objective terminal, road crews may be required to set off 2 blocks of cars into 2 designated tracks.

Trains specifically identified in accordance with **Appendix 9** will be required to perform additional duties in accordance with the process outlined in that Appendix.

Conductor Only Service

A Conductor only crew will perform all work as required en route, and the number of stops will be no more than three (3).

Overcoming a Temporary Shortage of Employees on a Voluntary Basis

When the advertising and bulletining provisions of the collective agreement have been exhausted, and it is determined that there is a need to increase the work force at a specific location, the following will apply:

Standardize Collective Agreements 1.1 and 4.16 to provide as follows:

At any time it is established that a shortage of employees will exist at a home terminal, or a shortage of employees develops, the Company may in advance of actual requirements

bulletin for 15 days to the District for employees who are prepared to proceed to the home terminal requiring additional employees on an if-and-when required basis.

- The bulletin will specify:

- The number of employees required at the shortage location

- The anticipated duration of the shortage not to exceed 6 months

- The reporting location(s) at the shortage terminal(s)

- Availability of public transportation at the shortage location, or other transportation arrangements

- A description of the work and territories involved

- The accommodations provided, as well as the accessibility / availability of eating facilities.

- The senior qualified applicant will be accepted when such will not create a shortage of employees at their home terminal. Such applicant will be considered temporarily transferred.

- A train and/or engine service employee on leave of absence or on vacation with pay during the period of bulletin referred to in paragraph 1 hereof, will be permitted to make application when he reports for duty.

- A successful applicant that is able to hold work in the classification for which bid at the point where the shortage exists, will be required to respond when advised and must report at the point where the shortage exists as soon as practicable not to exceed 7 days.

- Employees exercising seniority to a temporary shortage shall not be required to protect the shortage beyond 6 months from the date that the employee arrives at the shortage location.

- If released prior to the expiration of 6 months, such release will be in reverse order of seniority. Employees released prior to the expiration of 6 months will be subject to recall to the point from which released in seniority order to protect a position in either train and/or engine service.

- Employees protecting temporary shortages will be entitled to a meal allowance of \$16.00 per day where accommodations with cooking facilities are provided or \$26.00 per day where accommodations without cooking facilities are provided. At the employee's option, the employee may be offered an all inclusive allowance of \$72.00 per day be provided in lieu of any and all other expenses.

- Reasonable transportation expenses to the location.
 - Accommodations provided the location is not the employee's normal place of residence.
 - All time spent traveling to the point where the shortage exists on the basis of 12½ miles per hour at the minimum freight rates .
 - When deadheading on passenger trains, sleeping accommodations between the hours of 2200 and 0600 when such are available.
 - Reasonable transportation expenses when returning to the home location when off for miles or when released.
- Employees who are successful applicants shall be afforded a reasonable number of familiarization trips / tours of duty at the shortage location. The Local Chairperson and Company officer will establish the minimum number of familiarization trips required at each location, the minimum number of familiarization trips will be no less than three in each direction.

Permanent Shortage of Employees (Voluntary Relocation)

Where permanent shortages exist, they will be addressed in the following manner:

Bulletins will be issued at the Change of Card or otherwise when required to Eastern Canada for a period of 15 days, inviting applications from employees who are regularly assigned to a home terminal that is a surplus location in the district who wish to relocate to a shortage location.

If shortages still remain, the positions will be bulletined system wide on the same basis to all qualified employees .

Relocation opportunities will be awarded on a seniority basis. The successful applicants will be required to report to their new home terminal within 30 days of being notified that they have been awarded a position.

Employees who relocate pursuant to these provisions will be required to remain at the new location for a period of at least 3 calendar years from the date they commence working at the new location. In the event employees are unable to hold work at the new location they will be entitled to relocate temporarily to another location.

Protected employees who move from one seniority district to another will maintain the applicable furlough board guarantees on the new seniority district for a period of 3 calendar years from the date they make their first tour of duty at the new location.

Nothing in this paragraph will preclude employees from exercising seniority if unable to hold work at the shortage location. An employees first obligation will be to protect work at the shortage location, and must accept recall to that location, unless having completed the 3 calendar year period.

Employees governed by any CCROU collective agreement will be eligible to apply for either temporary or permanent shortage bulletin. Preference will be given to employees working in the classification which the Company requires at the shortage location. Employees seniority will be protected while protecting shortages under this article, and will not be subject to recall.

Relocation Allowances

As per Article 79 of Agreement 4.16 and Article 78 of Agreement 1.1

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Engine Service Training

Revise Article 66.10(b) of Agreement 4.16 to read:

When training, employees will not be considered as being in a road or yard service classification and will be entitled to the provisions governing issues such as: Vacations, Health and Welfare, Medicare Allowance and Bereavement Leave in this Agreement. Employees will also be subject to Union Dues Checkoff (Addendum No. 1). If used on a position, not covered by this article, they shall be governed by the wages and work rules applicable to the classifications in which used.

Paragraph 66.3 of Agreement 4.16 is revised as follows:

Bulletins for applications for selection as trainees will be issued to employees on the 20th seniority district. Such bulletin will indicate the locomotive engineer's seniority district, the former Eastern or Central, on which locomotive engineers will be trained, and indicate the location at which the employees will be trained. Employee's preference rights on former seniority territories will be used in determining the senior eligible employees. Refer to Appendix 13.

The following will be added to Agreement 1.1:

Employees who are at terminals other than those where locomotive engineer trainees are required, and are senior to applicants accepted for locomotive engineer training will have their seniority awarded pursuant to article 45.3 of Agreement 1.1 provided:

- (a) they apply for the first course advertised at the location.
- (b) they successfully qualify as locomotive engineer in the first course attended.

Delete paragraphs 66.4, 66.6, 66.7, 66.8, 66.12, and 66.13 of Agreement 4.16.

Replace the words "will be subject only" with the words "entitled to" in paragraph 66.10. Employees who are required to work a position other than that while being trained will be

entitled to the rates of pay and conditions of the position worked.

Revise paragraphs in Article 66 of Agreement 4.16 to reflect the following:

(a) Upon graduation from the Company's Locomotive Engineer training school, those graduates whose seniority will allow them to hold work as road conductors, will revert to those positions. They will perform the duties of the conductor, and when those duties permit, they will receive on the job training to become qualified as Locomotive Engineers.

(b) Those graduates whose seniority does not allow them to hold work as road conductors at their respective home terminals will be trained and qualified as yard Locomotive Engineers. To become fully qualified, such employees must at first opportunity when their seniority allows, or at Company option, complete the road portion of the training. Employees who cannot hold work as road conductors and who, at the Company's option complete the road portion of the training will train as an additional employee in the cab and will not be considered as part of the crew.

(c) Those graduates whose seniority does not allow them to hold work as road conductors at their respective home terminals and whose home terminals do not have yard assignments will train as an additional employee in the cab.

(d) Employees who cannot hold work as road conductors will, at the Company's option, complete the road portion of the training as an additional employee in the cab. They will be compensated at the rate of \$763.15 per calendar week and a \$6.00 per day meal allowance.

(e) Qualified Locomotive Engineers working as Conductors will be entitled to a special allowance of \$1.00 per hundred miles or portion thereof in addition to all other earnings for the tour of duty for assisting with the engine service duties.

Abbreviated Engine Service Training Program

(f) In addition to the regular locomotive engineer training program, a new abbreviated engine service training program will be made available to Conductors hired prior to June 30, 1990, who do not wish to become fully qualified Locomotive Engineers but must qualify to operate a locomotive when accompanied by a Locomotive Engineer.

(g) Working conductors who have completed the abbreviated engine service training program will be entitled to payment of \$1.00 per hundred miles or portion thereof, in addition to all other earnings for the tour of duty. This payment for assisting with the engine service duties.

(h) Qualified conductors occupying furlough boards or non-essential assistant conductor's positions, will at the Company's discretion, be required to undertake locomotive engineer training or the abbreviated engine service training program.

It is agreed that in the application of (f) and (h) above, the Regional Committee will be afforded the flexibility of altering and establishing training packages that meet the

implementation requirements. Refer to **Appendix 8**.

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Training Agreement

Revise Addendum 21.A of Agreement 1.1 to reflect the following:

A Locomotive Engineer who during a tour of duty is required to assist in the training of either a graduate student locomotive engineer or a graduate of the abbreviated engine service training program shall be paid the following amount in addition to other earnings for such tour of duty:

Locomotive Engineers in a yard/ Locomotive Engineers in

non-extended run operation extended run territory

\$25.85 \$35.00

(b) Amend Article 4.2 of Agreement 4.16 to read:

A Conductor who during a tour of duty is required to assist in the training of road/yard trainees, shall be paid the following amount in addition to other earnings for such tour of duty:

Conductors in a yard/non Conductors in extended

extended run operation run territory

\$25.85 \$35.00

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Conductor Training

Revise Articles 60 and 65 of Agreement 4.16 to reflect the following:

Employees will be considered qualified Conductors (road and yard) on the successful completion of the Company's training course. The training course duration will be a maximum of 12 months.

The parties have agreed to further discuss Conductor training during the closed period as outlined in **Appendix 7**.

Calling Procedures

The parties agree the Unions proposal on calling procedures will be established by the

Regional Steering Committee established to monitor and oversee extended runs.

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Work Train Service

Revise article 47.4 of Agreement 1.1 by deleting the last sentence of the article which reads:

"Applicants will only be received from locomotive engineers assigned to the spareboard."

Called and Cancelled

Revise Article 61.5 of Agreement 4.16 and 62.6 of Agreement 1.1 to reflect the following:

Employees who are cancelled after reporting for duty, will retain their relative position on the board and may book up to eight (8) hours rest at the home terminal or up to six (6) hours rest at other terminals.

Called and Cancelled Road Service

Amend Article 61.4 of Agreement 4.16 and Article 62.5 of Agreement 1.1 to include the following:

Employees in through freight service who are cancelled at the home terminal after reporting for duty or enroute will be paid the constructive road miles to the away from home terminal and return.

Held for Company Business

Add the following to Articles 70 of Agreement 4.16 and Articles 70 of Agreement 1.1:

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

Payment for all time lost with a minimum of a basic day, for an employee to attend an investigation regardless of responsibility. (The parties agree that this is an interim agreement pending closed period resolution.)

Leave of Absence

Delete the reference to "leave of absence filling an elective Brotherhood position" from Article 45.11 of Agreement 1.1.

Spareboards

Add the following phrase to Article 54.11 of Agreement 1.1:

"Subject to the provisions of paragraphs 29.1, 29,2 and 29.3 of Article 29, "

Union Dues

The Union's proposal on Union dues is resolved on the basis that the parties will implement the matter at a mutually agreeable time following the implementation of CATS.

Premiums

Revise Note 1 of Article 2.2 of Agreement 4.16, and Article 1.11 of Agreement 1.1 to reflect the following:

When operating in extended run territory in a conductor only operation, the following allowances will be paid per tour of duty, according to the length of the run, over and above all other earnings for the tour of duty:

Run Length Allowance

201 - 220 road miles \$30.00

221 - 240 road miles \$32.50

241 - 260 road miles \$35.00

261 - 280 road miles \$37.50

281 - 300 road miles \$40.00

301 and over \$42.50

Handling of Radios (deadheading)

Revise Article 63 of Agreement 1.1 to include the following:

When a Locomotive Engineer is ordered to deadhead and instructed to pick up and/or deliver a radio:

(a) A Locomotive Engineer will not be required to pick up and deliver more than one radio each;

(b) At the home terminal, a payment of ten minutes will be allowed to a Locomotive Engineer who either picks up or delivers a radio which has been or will be in the care of and for the use of such Locomotive Engineer during that tour of duty or an ensuing trip(s) or tour(s) of duty.

(c) In the application of sub-paragraph (b), Locomotive Engineers otherwise compensated before commencing or after completion of a deadhead tour of duty (such as combined service and deadheading, transportation allowance agreements, taxi arrangements and so on) will not receive such payments if it

results in duplicate payment.

Picking Up and Setting Out Diesel Units in Road Service

Add a new paragraph to Article 2 of Agreement 4.16 to reflect the following:

Effective with the implementation of this agreement, Conductors called for road service who assist the Locomotive Engineer to set out or pick up a diesel unit (or units) involving their locomotive consist will be paid an allowance of:

- (a) Picking up one or more than one unit already coupled or setting out one or more than one unit together - \$6.26.
- (b) Picking up or setting out more than one unit not already coupled or setting out more than one unit where units must be uncoupled - \$10.38.

The term "unit (or units)" refers to a unit which is coupled in the locomotive consist and is in charge of the Locomotive Engineer who is assisted by the Conductor making a claim under this article.

Payments claimed pursuant to this article will not be allowed on shop tracks and/or at other locations where shop staff are on duty and available to perform the work required.

In the application of this article, a Conductor who assists a Locomotive Engineer to pick up or set out a diesel unit(s) utilized in yard service, which cannot be multiplied with the road unit(s), and who is required to ensure that such unit(s) is prepared for dead haul or is properly secured when setting out, will be paid the allowance provided herein.

Traffic Coordinators

The parties proposals on Traffic Coordinators are resolved as follows:

Delete Article 7.2 of Agreement 4.2 and add the following:

The term "work week" for unassigned Traffic Coordinators who have regular assignments under Agreement 4.16 or 4.3, as the case may be, shall be the first day on which their assignment is bulletined to work. Spareboard employees shall use Monday as the first day of the work week.

Delete Article 5.9 of Agreement 4.2 and add the following:

In the calling of employees at overtime rates of pay, the senior regular assigned Traffic Coordinator shall be called. Thereafter the senior unassigned Traffic Coordinator governed by Agreement 4.16 or 4.3, as the case may be, shall be called. If the vacancy still is not filled, the senior employee governed by other Collective Agreements shall be called. Nothing in this article shall preclude the provisions of other Agreements, such as Spareboard agreements.

Traffic Coordinators - Non-allowance of Time Claimed

Revise Article 14 to reflect:

Where the reference to sixty calendar days is present, replace with thirty calendar days.

Traffic Coordinators/Classification of Yards

Revise Article 22.2 of Agreement 4.2 by adding the following locations from Second Class to First Class:

Saint John, N.B., Garneau, Que., Brockville, Ont., Capreol, Ont., Hornepayne, Ont., Sudbury, Ont., Regina Terminal, Melville, Sask., Kamloops Jct., B.C., Prince George, B.C.

Traffic Coordinators - Bulletining / Filling Positions

Union demand 63 and the Company's demand regarding Traffic Coordinators (stable work force) is resolved on the following basis:

1. Prior to the 1995 Fall Change of Timetable the parties shall meet to negotiate the necessary principles to permit yard coordinators the ability to exercise seniority to positions outside of Agreement 4.2, and on the other hand, assure that the quality and stability of the Traffic Coordinators work force is maintained and improved.
2. The parties agree that up to 25% of Traffic Coordinators as determined locally may be permitted to choose to perform other service provided there are qualified traffic coordinators available to fill the positions vacated. However, the aforementioned is conditional upon the operation being protected and will be jointly monitored by the parties.
2. In the interim the parties agree to accommodate special cases of Traffic Coordinators or Locomotive Engineers whose seniority may be jeopardized during the period that the parties deal with outstanding seniority issues.
3. Effective with the signing of this Memo of Agreement, it is agreed that employees working as either a Yardmaster or Locomotive Engineer shall continue to retain and accumulate seniority under Agreement 4.2 and 1.1, regardless of which classification in which they are employed. The provisions of Agreement 1.1 and 4.16 are accordingly revised:

Article 45.10 of Agreement 1.1 is revised to read:

Employees on authorized leave of absence, Traffic Coordinator's position, or filling excepted positions as Company Officers shall retain and accumulate seniority rights.

The first sentence of Article 19.7 of Agreement 4.2 is revised to read:

Employees on authorized leave of absence, or working as locomotive engineer, will retain and accumulate seniority rights.

Overtime- Agreements 1.1, 4.2, and 4.16

In Yard service, employees who work more than 5 straight-time shifts in any classification 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.

Application and Interpretation

The Union's proposal on application and interpretation is resolved on the basis of **Appendix 6**.

Material Change

Adverse Effects of Changes in Working Conditions

Notice and Negotiations

78.1/79.1 Prior to the introduction of run-throughs, changes or closures of home stations (including those brought about by the sale of a line), or the introduction of new technology initiated solely by the Company and having a significantly adverse effect on employees, the Company will:

(a) Give at least 180 days' advance notice to the Union of any such proposed change, with a full description thereof and details as to the anticipated changes in working conditions; and

(b) Negotiate with the Union measures to minimize any significantly adverse effects of the proposed change on employees but such measures shall not include changes in rates of pay.

(c) While not necessarily limited thereto, in the case of run-throughs and other changes described in this paragraph 78.1/79.1, the matters considered negotiable will include the following:

- (1) Appropriate timing
- (2) Appropriate phasing
- (3) Hours on duty
- (4) Equalization of miles
- (5) Work distribution

- (6) Appropriate accommodation
- (7) Bulletining
- (8) Seniority arrangements
- (9) Learning the road
- (10) Use of attrition
- (11) Deferred separation

NOTE: For the purposes of this Article 78/79, home station is defined as the terminal where the spare board is maintained and/or from which relief is supplied.

78.2/79.2 In all other cases of material changes in working conditions which are to be initiated solely by the Company and which would have significantly adverse effects on employees, the Company will:

(a) Give at least 120 days' advance notice to the Union of any such proposed change, with a full description thereof and details as to the anticipated changes in working conditions; and

(b) Negotiate with the Union measures to minimize any significantly adverse effects of the proposed change on employees but such measures shall not include changes in rates of pay or the level or applicability of the benefits set out in paragraphs 78.8 to 78.13/79.8 to 79.13, inclusive of this article.

(c) While not necessarily limited thereto, in the case of such other changes covered by this paragraph 78.2/79.2, the matters considered negotiable will include the following:

- (1) Appropriate timing
- (2) Appropriate phasing
- (3) Hours on duty
- (4) Equalization of miles
- (5) Work distribution
- (6) Appropriate accommodation
- (7) Bulletining
- (8) Seniority arrangements

(9) Learning the road

(10) Deferred separation

78.3/79.3.3

(a) The negotiations referred to in paragraph 78.1/79.1 or 78.2/79.2 shall commence within 20 days of the date of the notice specified in the applicable paragraph.

(b) If the negotiations do not result in mutual agreement within 60 calendar days of their commencement, the issue or issues remaining in dispute shall, within 20 days of the cessation of negotiations, be referred for mediation to a Board of Review composed of two senior officers from each party.

Board of Review and Arbitration

78.4/79.4

(a) The Board of Review established pursuant to paragraph 78.3 (b)/79.3 (b) shall, within 30 days, make its findings and recommendations. If the Board is unable to arrive at a decision or if its recommendations are not agreeable to either party, the issue or issues remaining in dispute may be referred by either party to a single arbitrator whose decision shall be final and binding upon both parties.

(b) The request for arbitration shall be made in writing by either party to the other within 7 days following the Board's findings. If the parties cannot agree on the selection of an arbitrator within 7 days of the request for arbitration, the Minister of Labour shall be requested by the parties or either of them to appoint an arbitrator.

(c) The parties will prepare a joint statement of the issue or issues remaining in dispute to be submitted to the arbitrator. The arbitrator shall hear the dispute within 30 days from date of appointment and shall render the decision together with reasons therefor in writing within 30 days of the completion of the hearing.

(d) In the event that the parties cannot agree upon a joint statement of the issue or issues remaining in dispute either party desiring arbitration may submit a separate statement and proceed to a hearing and the other party will be so informed.

(e) At the hearing before the arbitrator argument may be presented orally or in writing, and each party may call such witnesses as it deems necessary.

(f) Time limits specified in paragraphs 78.3/79.3 and 78.4/79.4 may be extended by mutual agreement.

(g) The decision of the arbitrator shall be confined to the issue or issues placed before him or her and shall also be limited to measures for minimizing the significantly adverse effects of the proposed change upon employees who are

affected thereby.

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

Implementation of Change

78.5/79.5

(a) The changes referred to in paragraph 78.1/79.1 may not be made until the procedures for negotiations and arbitration, if necessary, have been completed.

(b) The changes referred to in paragraph 78.2/79.2 will be implemented on the date specified but, in no case, less than 120 days from receipt of notice by the Union notwithstanding that the procedures for negotiations and arbitration, if necessary, have not been completed.

When Material Change Does Not Apply

78.6/79.6 The changes proposed by the Company which can be subject to negotiation and arbitration under this Article 78/79 do not include changes brought about by the normal application of the collective agreement, changes resulting from a decline in business activity, fluctuations in traffic, reassignment of work at home stations or other normal changes inherent in the nature of the work in which employees are engaged.

Disputes Re Application of This Article

78.7/79.7 The applicability of this Article 78/79 to run-throughs and changes in home stations is acknowledged. A grievance concerning the applicability of this Article 78/79 to other material changes in working conditions shall be progressed immediately to Step 3 of the grievance procedure, within 60 days from the date of the cause of the grievance.

Relocation Expenses

78.8/79.8 The benefits set forth in this paragraph 78.8/79.8 shall be allowed, where applicable, to an eligible employee. They shall apply to an eligible employee only once for each change.

(a) The eligibility of specific employees for relocation benefits specified below will be negotiated provided that in each case the following basic qualifications are fulfilled.

(b) An employee:

(1) must have 24 months cumulative compensated service (to establish one month of cumulative compensated service, an employee must, for the purposes of this article, in that month have worked and/or been available for service on:

30 days if in road service;

21 days if in yard service; and

25 days if in both road and yard service (or major portion thereof);

(2) must occupy unfurnished living accommodation to be eligible for benefits under sub-paragraphs (d), (h), (i) and (j) of this paragraph 78.8/79.8.8;

(3) must establish that it is impractical for him or her to commute daily to the new location.

(c) Payment of door-to-door moving expenses for the eligible employee's household goods and automobile, including packing and unpacking, insurance, and up to one month's storage; the mode of transportation to be determined by the Company.

(d) An allowance of up to \$750 for incidental expenses actually incurred as a result of relocation.

(e) Reasonable transportation expenses from his or her former location to the new location, by rail, or if authorized, by bus or employee-owned automobile, and up to \$190.00 for an employee without dependents, and an additional amount of \$80.00 will be paid for each dependent for meals and temporary living accommodation. Receipts will be required for rail or bus transportation. In the application of this sub-paragraph, a spouse will be considered as a dependent.

(f) Upon authorization, an employee may drive his or her automobile to the new location at an allowance of 28 cents per kilometer.

(g) In order to seek accommodation in the new location and/or to move to the new location, an employee will be allowed a continuous period of leave up to two weeks. Payment for such leave will be a basic day's pay for each such day, up to a maximum of 10 days, at the rate applicable to the service last performed.

(h) (1) Reimbursement for loss sustained on the sale of a relocating employee's private home which he or she occupied as a year-round residence, provided that the Company is given the right in priority to everyone else to purchase the home. Loss sustained is determined as the difference between the value determined in accordance with paragraph 78.9/79.9 plus any real estate agent and legal fees, and the amount established as the selling price in the deed of sale.

(2) The procedure to be followed in respect of determining the loss, if any, on the sale of a home shall be as described in paragraph 78.9/79.9.

(3) An eligible employee who desires to sell his or her house and receive any benefit to which he or she may be entitled under this sub-paragraph (h) must advise the Company officer concerned accordingly within 12 months of the date the initial change takes place. No employee shall be entitled to any claim

under this sub-paragraph (h) if the house is not listed for sale within 60 days of the date of the final determination of value and thereafter the house continues to be listed for sale. Any claim for reimbursement under this sub-paragraph (h) must be made within 12 months of the final determination of value.

(i) Payment of the cost of moving a wheeled mobile home which the employee occupies as a year-round residence. The selection of the mover and the cost of moving the mobile home shall require the prior approval of the Company and shall not, in any event, exceed a total cost of \$6,000.00. Receipts shall be required.

(j) If an employee who is eligible for moving expenses does not wish to move his or her household to the new location, such employee may opt for a monthly allowance of \$190.00 which will be payable, so long as he or she remains at the new location, for a maximum of 12 months from date of transfer to the new location. An employee claiming under this sub-paragraph (j) may elect within such 12-month period to move his or her household effects, in which case the amount paid out under this sub-paragraph (j) shall not be deducted from the relocation expenses allowable.

(k) Alternatively to sub-paragraph (h) of this paragraph 78.8, 79.8, the cost of terminating an unexpired lease and legal cost connected therewith up to a value of three months' rent, where the relocating employee was renting a dwelling which he or she occupied as a year-round residence, except that where such lease was entered into following the notice of the change without prior approval of the Company no benefit will be provided. Such prior approval will not be unreasonably withheld. Should the law require payment of more than three months' rent in order to terminate a lease, such additional amount will be paid providing the employee first secures the Company's approval to pay in excess of three months' rent.

Appraisal Procedure - Sale of House

78.9/79.9 When an affected employee desires to sell his or her home under the provisions of sub-paragraph 78.8 (h), 79.8 (h), the following procedure will apply:

(a) In advising the Company officer concerned of his or her desire to sell the house, the employee shall include pertinent particulars as outlined in sample form attached, including his or her opinion as to the fair market value of the house.

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

(c) Within 15 calendar days from date of receipt of employee's advice of his or her desire to make a claim, the Company officer shall advise the employee concerned whether the suggested fair market value is satisfactory and, if so, such price shall be the fair market value as contemplated by sub-paragraph 78.8(h)/79.8(h).

(d) If, however, the officer concerned is not satisfied that the price requested by the

employee is the fair market value, then an effort shall be made to resolve the matter through joint conference of the officer and employee concerned and the appropriate Union representative if so desired by the employee; such joint conference to be held within 7 days from date of advice to employee concerned as referred to in sub-paragraph 78.9 (c) / 79.9(c).

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

(f) The employee and Company officer concerned shall endeavour to mutually agree upon the independent appraiser referred to in sub-paragraph 78.9(e)/79.9(e). If they are unable to agree, then the Minister of Labour shall be requested to appoint such an independent appraiser.

(g) The residence shall not have been listed for sale with any appraiser appointed pursuant to the provisions of this paragraph 78.9/79.9, nor with such appraiser's employee, fellow employee or partner.

(h) The fees and expenses of any appraiser appointed in accordance with sub-paragraphs 78.9(e), 79.9(e) or 78.9(f), 79.9 shall be paid by the Company.

(i) PARTICULARS OF HOUSE TO BE SOLD

Name of Owner

Address

(No.) Street City-Town

Type of House (i.e., Cottage, Bungalow,

(Split Level)

Year Built

No. of Rooms Bathrooms

Type of Construction (i.e., Brick, Veneer, Stucco

.....

Finished Basement Yes No

Type of Heating (i.e., Oil, Coal, Gas,

Electricity)

Garage YesNo

Size of Lot

Fair Market Value \$

Other Comments

Date Signature

Cases of Staff Reduction

78.10/79.10

(a) Case(s) of staff reductions which lend themselves to offers of optional early retirement separation allowances to employees eligible, to retire under Company pension rules so as to prevent the otherwise unavoidable relocation and permanent separation of employees with two or more years' service. The separation allowance will provide for a monthly separation allowance until the age of 65 which, when added to the company pension, will give him an amount equal to a percentage of his earnings over his best five-year period, as defined under the pension rules, in accordance with the following formula:

Years of Service Percentage

at Time Employee Amount as

Elects Retirement Defined Above

35 & over 80

34 78

33 76

32 74

31 72

30 70

29 68

28 66

27 64

26 62

25 or less 60

(b) In the application of paragraph 79.10 (a), an eligible employee, who is not a member of the 1959 Pension Plan will receive the lump sum payment calculated on the assumption that such employee did belong to the 1959 Pension Plan throughout the employee's career. Such employee will receive the payment due him in accordance with paragraph 79.10 (a) minus any pension payments which would have been due to him had he been a member of the 1959 Pension Plan.

(c) A separation allowance shall cease upon the death of the employee who dies before reaching the age of 65.

(d) An employee entitled to the separation allowance as hereinabove set out may elect to receive in its stead a lump sum payment equal to the present value of his monthly separation payments calculated on the basis of a discount rate of ten (10) per cent per annum.

(e) An employee who receives the monthly separation allowance under Article 79.10 (a) above shall be entitled to have his group life insurance coverage continued for the duration of his allowance and paid for by the company concerned.

(f) An employee whose monthly separation allowance ceases at age 65 in accordance with Article 79.10 (a) above, shall be entitled to a life insurance policy, fully paid up by the Company, in an amount equal to that in effect in existing collective agreements.

(g) An employee aged 55 or over who receives an early retirement opportunity in accordance with this Article, shall be entitled to have their Extended Health Care and Dental Plan Benefits fully paid up by the Company until age 65.

Severance Payments

78.11/79.11

(a) An employee adversely affected pursuant to this article may, upon submission of a formal resignation from the Company's service, claim a severance payment as set forth below but such severance payment will not in any event exceed the value of one and one-half years' salary at the basic weekly rate of the position held at the time the employee elects to receive such severance payment under the provisions of sub-paragraphs (a) to (c) inclusive.

(b) An employee, eligible for a severance payment under the provisions of sub-paragraph (a) to (c) inclusive, will be entitled to the following severance payments for each year of cumulative compensated service or major portion thereof calculated from the last date of entry into the Company's service as a new employee;

(1) one week of basic weekly pay for each year of cumulative compensated service for employees with less than 8 years' cumulative compensated service; or

(2) two weeks' basic weekly pay for each year of cumulative compensated service for employees with 8 or more years' cumulative compensated service.

(c) Employees eligible for a severance payment who resign and who at a later date will become eligible for early retirement pension under the Company Pension Plan (s) Rules shall be entitled to receive the lesser of:

(1) their severance payment entitlement under this article; or

(2) a lump sum amount equal to the basic pay they would have earned had they worked until eligible for an early retirement pension. The basic pay is to be calculated at the employees' basic weekly pay in effect at the time of resignation.

(d) In cases of permanent staff reductions, an employee who has two years or more of continuous employment relationship at the beginning of the calendar year in which the permanent reduction occurs may, upon submission of formal resignation from the Company's service, claim a severance payment as set forth above but such severance payment will not in any event exceed the value of one and one-half years' salary at the basic weekly pay of the position held at the time of the abolishment or displacement (calendar year may be deemed to run from January 1 to December 31).

(e) An employee will have fourteen calendar days from the date of layoff to decide to claim a severance payment under this article.

(f) Notwithstanding any other provision, if upon the effective date of resignation from the Company's service, an employee is eligible for an early retirement pension, he or she will not be eligible for a severance payment under this article.

(g) An employee who elects to resign from the Company service and opt for severance payments under the provisions of this article, will not be entitled to any other benefits provided elsewhere in this article.

Optional Lump Sum Severance Payments

78.12/79.12

(a) In cases where the Company is facing a continuing liability for surplus running trades employees, the Company shall offer an optional lump sum severance payment, at the Company's option, to such employees using the following formula:

(1) 20 years or more cumulative compensated service: \$ 60,000;

(2) 12 to 19 years, inclusive, cumulative compensated service: \$ 55,000;

(3) 8 to 11 years, inclusive, cumulative compensated service: \$ 50,000.

(b) An additional lump sum severance payment of \$ 15,000 will be made to employees who voluntarily elect to terminate their employment within 90 days of the offer being announced.

(c) Employees with 20 years or more cumulative compensated service who are within 5 years of eligibility for early retirement at the time they accept this severance, will have their life insurance and extended health care benefits continued until they reach age 65.

(d) Employees with 8 years to 19 years, inclusive, cumulative compensated service will have their life insurance and extended health care benefits continued for a period of six months from the date of their severance.

(e) Employees may elect, at their option, to receive the severance payment in two instalments over a 13 month period.

Maintenance of Earnings

78.13/79.13

(a) In the application of this article, the term "basic weekly pay" is defined as follows:

1. For an employee assigned to a regular position in yard service or hostling service at the time of displacement or lay-off, 5 days' or 40 hours' straight time pay, including the shift differential when applicable, shall constitute his or her "basic weekly pay".

2. For an employee in road service, including employees on spareboards, the "basic weekly pay" shall be one-fifty second (1/52) of the total earnings of such employee during the twenty-six full pay periods preceding his or her displacement or lay-off.

NOTE 1: When computing "basic weekly pay" pursuant to sub-paragraph (2) above, any pay period during which an employee is absent for seven consecutive days or more because of bona fide injury, sickness in respect of which an employee is in receipt of weekly indemnity benefits, authorized leave of absence or laid off together with the earnings of an employee in that pay period, shall be subtracted from the twenty-six (26) pay periods and total earnings. In such circumstances "basic weekly pay" shall be calculated on a pro-rated basis by dividing the remaining earnings by the remaining number of pay periods.

NOTE 2: Notwithstanding the provisions of sub-paragraph 78.13(a)/79.13(a), the amount of basic weekly pay for an employee in road service will in no case exceed \$1,600.

(b) The basic weekly pay of employees whose positions are abolished or who are displaced shall be maintained by payment to such employees of the difference between their actual earnings in a four-week period and four times their basic weekly pay. Such difference shall be known as an employee's incumbency. In the event an employee's actual earnings in a four-week period exceeds four times his or her basic weekly pay, no incumbency shall be payable. An incumbency for the purpose of maintaining employees' earnings, shall be payable provided:

(1) in the exercise of seniority, they first accept the position with the highest earnings at their home terminal to which their seniority and qualifications entitle them. Employees who fail to accept the position with the highest earnings for which they are senior and qualified, will be considered as occupying such position and their incumbency shall be reduced correspondingly. In the event of dispute as to the position with the highest earnings to which they must exercise seniority, the Company will so identify;

(2) they are available for service during the entire four-week period. If not available for service during the entire four-week period, their incumbency for that period will be reduced by the amount of the earnings they would otherwise have earned; and

(3) all compensation paid an employee by the Company during each four-week period will be taken into account in computing the amount of an employee's incumbency.

NOTE: Employees will be allowed to book up to and including 12 hours rest (exclusive of calling time) without affecting their incumbency.

(c) Employees entitled to maintenance of earnings, who voluntarily exercise their seniority beyond their home terminal on their seniority territory rather than occupy a position at their home terminal, shall be entitled to maintenance of earnings. Such employees will be treated in the following manner: If the position they occupy at their new station has lower earnings than a position they could have occupied at either their original station or their new station, they shall be considered as occupying the position with the highest earnings, in either case, and their incumbency will be reduced correspondingly.

(d) In the calculation of an employee's incumbency, the basic weekly pay, exclusive of any shift differential included in respect of employees assigned to a regular position in yard service, shall be increased by the amounts of any general wage adjustments applicable during the three-year period immediately following his or her job abolishment or displacement and the amount of any shift differential previously paid and deducted will again be added. Following this three-year period, the basic weekly pay last established will continue to apply.

(e) The payment of an incumbency, calculated as above, will continue to be made:

(1) as long as the employee's earnings in a four-week period is less than four times his or her basic weekly pay;

(2) until the employee fails to exercise seniority to a position, including a known temporary vacancy of ninety days or more, with higher earnings than the earnings of the position which he or she is holding and for which he or she is senior and qualified at the station where he or she is employed; or

NOTE 1: In the application of sub-paragraph (e)(2), an employee who fails to exercise seniority to a position with higher earnings, for which he or she is senior and qualified, will be considered as occupying such position and his or her incumbency shall be reduced correspondingly. In the case of a known temporary vacancy of ninety days or more, his or her incumbency will be reduced only for the duration of that temporary vacancy.

NOTE 2: The words "position with higher earnings" do not include a position on which the earnings are higher than the earnings of the position from which displaced.

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

(Refer to Addendum No. 68 of Agreement 1.1)

Canada Labour Code

78.14/79.14

(a) This Article is intended to assist employees affected by any technological change to adjust to the effects of the technological change and Sections 52, 54 and 55, Part I of the Canada Labour Code do not apply.

(b) The provisions of this Article are intended as well, to minimize the impact of termination of employment on the employees represented by the Union and Sections 214 to 226 of Part III of the Canada Labour Code do not apply.

Passenger Service

Paragraph 18.3 of Agreement 4.16 to read:

Assigned Passenger Service

Except in cases of wrecks, snow blockades or washouts (between the location at which held and the home terminal), employees in unassigned passenger service who are held at other than their home terminal longer than 14 hours without being called for duty will be paid 1/8th the daily rate per hour (at the rate applicable to the service last performed) for all time held in excess of 14 hours.

The time held under this paragraph will be computed from the time the employee goes off duty

until the time required to report for duty prior to the departure of the train on which they resume duty. Payments accruing under this paragraph shall be paid separate and apart from pay for subsequent service or deadheading.

Any employees who perform service on Via Rail Canada passenger trains shall be considered as in unassigned service and covered by this paragraph.

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General Holidays

Revise Article 76 of Agreement 1.1 and Article 77 of Agreement 4.16 to provide for 10 tours of duty during the preceding 30 calendar days to qualify for payment. Delete the requirement in Article 76 of Agreement 1.1 to be available the day before and the day after the general holiday.

Employees assigned to extended runs will be entitled to book twenty-four (24) hours rest consecutive with their last tour of duty without affecting their entitlement to general holiday pay.

Consolidation of Collective Agreements

The parties agree to consolidate the collective agreements during the closed period as outlined in **Appendix 4**.

Discipline / Investigations

The parties agree to discuss the Discipline / Investigation issues during the closed period as outlined in **Appendix 5**.

ATLANTIC REGION ISSUES

All Atlantic Region issues are settled on the following basis except for those specifically mentioned in **Appendix 14**:

1) Composite Employee

The Company and the Union agree that Employees will be assigned any work for which they are familiar and qualified or can be trained to perform. Training programmes shall be offered by the Company and discussed with the Union prior to their implementation.

2) Crew Consist

All assignments will have two (2) employees; a locomotive engineer and a conductor. Additional employees will be assigned as may be required by the Company. This does not prevent employees from being cycled independently on certain assignments.

3) Material Changes in Working Conditions

Any proposed material change impacting employees east of Joffre will be implemented within 60 days of providing notice, to the representative C.C.R.O.U. General Chairpersons.

Maintenance of earnings ensuing from implementation of Material Change will be extended to the directly impacted employee only. There will be no domino maintenance of earnings to subsequently impacted employees. Any resultant maintenance of earnings would be subject to the provisions of Articles 79.13 to 79.16 of the Master Offer of Settlement.

4) Elimination of Road and Yard Distinction

Assignments will include all work required by the Company to provide complete service to meet our customer's requirements. Assignments working within a 30 mile radius of the switching limits will be paid at yard rates of pay.

5) Locomotive Engineer Monthly Spareboard Adjustment

Locomotive Engineer Monthly Spareboard adjustments will be effective the first of each month as follows:

(a) The minimum number of positions will be determined by the Company through examining the average number of employees on the spareboard over a period of time.

(b) The spareboard will be adjusted subsequent to the establishment of the minimum number of positions as outlined in (a), as required, provided the number does not fall below the original number established in (a).

(c) Individuals assigned to the Spareboard will be guaranteed 3800 miles each four weeks

(d) Payment every 14 days

(e) Employees standing first-out and second-out on the Spareboard rotation who make themselves unavailable or miss a call will have the guarantee reduced by the equivalent of a basic day and will be placed at the bottom of the Spareboard at time of calling. Such employees will not be penalized more than one time in each calendar day

(f) Employees penalized more than twice in a pay period will not be entitled to any guarantee

(g) The spareboard will have two days off in each seven day period. Such days need not be consecutive.

6) Furlough boards on the Atlantic Region are discontinued and substituted therefore with the following Supplemental Unemployment Benefit Plan for Employees in Atlantic Canada.

Weekly Layoff Benefits

Employees with more than two years cumulative compensated service shall be entitled to the benefits defined herein:

1) When unable to hold work on the Atlantic Region an eligible employee will be entitled to the benefits of this article.

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 for each such year. 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 article.

(a) The above layoff benefit credit shall apply until such time as the employee has completed twenty (20) years of cumulative compensated service, when the following maximum layoff benefit credits shall apply:

20 years and less than 25 years - 3 years

25 years and less than 30 years - 4 years

30 years and over - 5 years

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 article 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 Unemployment Insurance benefits and/or outside earnings in excess of those allowable under U.I. for such week, will result in the employee receiving 85 percent of the employees basic weekly pay at time of layoff.

(b) Employees with two but less than twenty years cumulative compensated service:

During any week following the seven-day waiting period that an eligible employee is not qualified for U.I. benefits account eligibility for such benefits having been exhausted or account such employee not being insured for U.I. benefits, or account U.I. waiting period, such employee may claim a weekly layoff benefit for each complete week of seven

calendar days laid off to the maximum U.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) Employees with twenty or more years of cumulative compensated service:

During any week following the seven-day waiting period that an eligible employee is not qualified for U.I. benefits account eligibility for such benefits have been exhausted or account such employee not being insured for U.I. benefits, or account U.I. waiting period, such employee may claim a weekly layoff benefit for each complete week of seven calendar days laid off of an amount that when added to outside earnings will result in the employee receiving 85 percent of the employee's basic weekly pay at the time of layoff.

(d) 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 Unemployment 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 U.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) For employees who have a seniority date subsequent to March 17, 1982, such employees have exercised full seniority rights on the Region and are unable to hold work;

(iii) A waiting period of seven continuous days in the period of layoff has expired;

(iv) 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 Atlantic Canada east of Joffre 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.

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GENERAL

(a) The foregoing changes are in full settlement of all requests served by and upon the Company and the Canadian Council of Railway Operating Unions on or subsequent to September 1, 1993.

(b) Collective Agreements 4.16, 4.2 and 1.1 will be amended in conformity with the changes.

(c) The collective agreements shall remain in effect for a period of four years and thereafter, subject to 90 days' notice in writing from either party to the Agreement, of its desire to revise, amend or terminate it. Such notices may be served at any time subsequent to September 30, 1997.

(d) Employees who perform service subsequent to December 31, 1993 shall be entitled to any amount of compensation that may be due them as a result of the signing of this Memorandum of Agreement

Signed at Toronto, Ontario, this day of, 1995.

This proposal is put forward under the auspices of Bill C-77.

FOR THE
COMPANY
FOR THE
EMPLOYEES

.....

.....

M. E. Healey
Director, Labour Relations

Mr. C. Hamilton
General Chairperson
Canadian Council of Railway
Operating Unions

.....

.....

T. Lineker
Asst. vice-president,
Labour Relations

Mr. B. Wood
General Chairperson
Canadian Council of Railway
Operating Unions

.....

K. Heller
Chief of Transportation

.....

Mr. R. LeBel
General Chairperson
Canadian Council of Railway
Operating Unions

.....

D. W. Coughlin
Manager, Labour Relations

.....

Mr. M. Gregotski
General Chairperson
Canadian Council of Railway
Operating Unions

.....

J. G. Gagnon
District Manager
Atlantic Region

.....

Mr. G. Scarrow
General Chairperson
Canadian Council of Railway
Operating Unions

.....

B. Hogan

Manager, Workforce Optimization

.....
P. Gall
Commissioner

.....
H. Caley
Commissioner

.....
A. Powers
Mediator

.....
The Honorable Justice G. Adams

Appendix 1

May 5, 1995

Mr. C. Hamilton

Mr. B. Wood

General Chairman

General Chairman

Canadian Council of Railway Operating
Unions

Canadian Council of Railway Operating
Unions

2855 Kingston Road

2 Dartmouth Road, Suite 210

Scarborough, Ontario

Bedford, Nova Scotia

M1M 1N3

B4A 2K7

Mr. R. LeBel

Mr. M. Gregotski

General Chairman

General Chairman

Canadian Council of Railway Operating
UnionsCanadian Council of Railway Operating
Unions

1026 St. Jean Street, Suite 200

Country Square

Quebec, Quebec

516 Garrison Road, Unit 5

G1R 1R7

Fort Erie, Ontario

L2A 1N2

Mr. W.G. Scarrow

General Chairman

Canadian Council of Railway Operating
Unions

486 N. Christina Street

Upper Level

Sarnia, Ontario

N7T 5W4

Gentlemen:

This has reference to the matter of pass transportation benefits presently applicable to employees of Canadian National Railway Company (CN) represented by your respective 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 September 30, 1997, 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 concerned notified.

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

Yours truly,

Assistant Vice-President

Labour Relations

Appendix 2



May 5, 1995

Mr. C. Hamilton

Mr. B. Wood

General Chairman

General Chairman

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Mr. W.G. Scarrow

General Chairman

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Sarnia, Ontario

N7T 5W4

Gentlemen

During negotiations which culminated in an agreement in Toronto in May 1995, in respect to the matter of familiarization of territory, it was agreed the provisions of Article 20 of Agreement 1.1 and Article 16 of Agreement 4.16 would be, for the purposes of extended runs, amended to reflect :

(a) To ensure employees are familiar with an extended run territory, implementation will be staggered so as to allow the conductor who is familiar with that portion of the run to serve as a pilot for the locomotive engineer who is unfamiliar with that portion of the run for three trips. This will be achieved by implementing the locomotive engineers' train runs one month prior to the implementation of the conductors' train runs. Upon completion of this phase, the locomotive engineer will serve as a pilot for the portion of the run that the conductor is unfamiliar with.

(b) Consideration will be given to training by the same classification on heavy grade subdivisions.

(c) The employee who performs the duties of the pilot shall be paid \$25.85 over and above all other wages earned for that tour of duty.

M. Healey

For Assistant Vice-President

Labour Relations

I Concur:

Mr. W.G. Scarrow C. Hamilton

Mr. R. LeBel Mr. B. Wood

Mr. M. Gregotski

Appendix 3

May 5, 1995

Mr. C. Hamilton

Mr. B. Wood

General Chairman

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Mr. W.G. Scarrow

General Chairman

Canadian Council of Railway Operating
Unions

486 N. Christina Street

Upper Level

Sarnia, Ontario

N7T 5W4

Gentlemen

During negotiations which culminated in an agreement in Toronto in May 1995, there was some discussion on the conditions of locomotive cabs.

During our discussions the Company indicated it is committed to the Baultar, or equivalent, seat retrofit program which is presently ongoing on the road fleet of locomotives. This program is currently underway and is scheduled to be completed by May 5, 1997

One of the Council's demands during the current round of negotiations concerned the provision of a microwave oven on all road locomotives. It is our intention to order all new road locomotives and equip the existing road fleet with microwave ovens. Except for some locomotives that will be phased out in the next several years, all road locomotives will be equipped with a microwave oven by May 5, 1997. In the interim, when a locomotive consist has a unit equipped with a microwave oven it will be dispatched in the lead position when practicable.

K.L. Heller

Chief of Transportation

I Concur:

Mr. W.G. Scarrow C. Hamilton

Mr. R. LeBel Mr. B. Wood

Mr. M. Gregotski

Appendix 4

May 5, 1995

Understanding on Consolidation of Collective Agreements

1. The parties recognize the need for collective agreement consolidation in the sense that all of the current collective agreements will be combined into one document.
2. Within 120 days of date of signing this agreement, a sub-committee will be formed consisting of representatives from both the CCROU and CN Rail. That sub-committee will commence to consolidate all predecessor collective agreements into one collective agreement.
3. Should the parties fail to conclude by September 1, 1995, agreement on the consolidation of collective agreements as outlined above, the matter will be referred to the Arbitrator used under the CROA for final and binding resolution. The Arbitrator will, unless otherwise mutually agreed, render a decision, including contract language, on or before December 31, 1995.
4. When Sub-Committee members appointed by the CCROU are not full time union officers, these members will be compensated by the Company in the same manner as other Union appointed Committee members on the extended run Committees.

Appendix 5

May 5, 1995

Understanding on Discipline and Investigations

1. CCROU and CN Rail agree that the issue of discipline and investigations will be set aside during the mediation phase of the current process in order that the remaining issues between the parties can be resolved.

2. Within 90 days of a mediated settlement, a sub-committee will be formed consisting of representatives from both the CCROU and CN Rail. That sub-committee will commence to discuss the issue of discipline and investigations.

3. If the sub-committee fails to conclude an agreement by August 31, 1995, the matter will be placed before an Arbitrator for final and binding resolution.

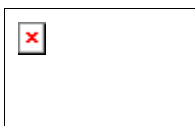
4. The Arbitrator shall employ Interest Arbitration. The Arbitrator will, unless mutually agreed, render a decision, on or before October 31, 1995 which will be placed into the consolidated collective agreement.

5. The sub-committee and Arbitrator will be guided by the principle that discipline and investigations should be:

- educational and corrective
- timely and streamlined
- no employee will be disciplined without an investigation

6. This agreement is conditional upon the parties reaching a mediated settlement of all issues on or before May 5, 1995, failing which the matter will remain an outstanding issue for resolution through arbitration.

Appendix 6



Transportation

Transport

Canadian National

Canadien National

Box 8100

C.P. 8100

Montreal,
Canada

Quebec,

Montréal
Canada

(Québec)

H3C 3N4

H3C 3N4

May 5, 1995

Mr. C. Hamilton

Mr. B. Wood

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General Chairman

Canadian Council of Railway Operating
Unions

Canadian Council of Railway Operating
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Mr. M. Gregotski

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General Chairman

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Mr. W.G. Scarrow

General Chairman

Canadian Council of Railway Operating
Unions

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Upper Level

Sarnia, Ontario

N7T 5W4

Gentlemen:

Applications and Interpretation of the Collective Agreement

During the last round of negotiations the Council expressed discontent with the manipulation and obvious abuse of the Collective Agreement provisions. Instances were cited of situations where the Company had directed employees to perform or complete work, which was either contrary or blatantly in violation of the Collective Agreement.

The Council submitted a demand that in our view would provide the necessary disincentive for line officers to ignore the Collective Agreement provisions. Basically, this demand provided for a penalty of 8 hours or 100 miles payment when employees were directed or instructed to either violate the Collective Agreement or perform duties when the Collective Agreement had specific work rules or protections that afforded employees specific rights. The Council expressed concern and disappointment with the effect this was having on employee morale.

The Company was reluctant to include such provision in the specific Articles, but advised that they were committed to eliminating the instances when the agreements was ignored or abused. Although there were assurances given, that there would be continuous monitoring of obvious problem areas, the Council was unconvinced that this would have a positive effect.

The Company regarded this matter as a serious problem which required its immediate attention. Accordingly, it agreed that the parties would begin to document those occurrences to determine the root cause of the incidents for a period of six months.

Upon completion of the six months, or at any earlier time, the General Chairmen deem it necessary a meeting will be arranged with the undersigned to review the matters with the view of an undertaking the necessary action to correct the matter. In the interim, I expect that you will keep the undersigned current with any violations which need my personal attention.

Yours truly

K.L. Heller

Chief of Transportation

Appendix 7

May 5, 1995

Understanding on Training New Conductors

1. CCROU and CN Rail agree that Articles 45 and 84 of Agreement 4.3 shall be amended to reflect :

- New employees will fall under the jurisdiction of the CCROU upon commencement of their training.
- A minimum of 6 months cumulative service will be required to become a qualified conductor.

All other issues relating to training new conductors will be set aside during the mediation phase of the current process in order that the remaining issues between the parties can be resolved.

2. Within 90 days of a mediated settlement, a sub-committee will be formed consisting of representatives from both the CCROU and CN Rail. That sub-committee will commence to discuss issues relating to training new conductors.

3. If the sub-committee fails to conclude an agreement by October 31, 1995, the matter will be placed before an Arbitrator for final and binding resolution.

4. The Arbitrator shall employ Interest Arbitration. The Arbitrator will, unless mutually agreed, render a decision, on or before December 31, 1995 which will be placed into the consolidated collective agreement.

5. The sub-committee and Arbitrator will be guided by the principle that issues relating to training new conductors are:

- minimum acceptable entry level standards
- course content
- jointly appointed on job trainers (OJT)

6. This agreement is conditional upon the parties reaching a mediated settlement of all issues on or before May 5, 1995, failing which the matter will remain an outstanding issue for resolution through arbitration.

Appendix 8

May 5, 1995

-

Mr. C. Hamilton	Mr. B. Wood
General Chairman	General Chairman
Canadian Council of Railway Operating Unions	Canadian Council of Railway Operating Unions
2855 Kingston Road	2 Dartmouth Road, Suite 210
Scarborough, Ontario	Bedford, Nova Scotia
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Mr. R. LeBel	Mr. M. Gregotski
General Chairman	General Chairman
Canadian Council of Railway Operating Unions	Canadian Council of Railway Operating Unions
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Quebec, Quebec	516 Garrison Road, Unit 5
G1R 1R7	Fort Erie, Ontario
	L2A 1N2
Mr. W.G. Scarrow	
General Chairman	
Canadian Council of Railway Operating Unions	
486 N. Christina Street	
Upper Level	
Sarnia, Ontario	
N7T 5W4	

Gentlemen

During negotiations which culminated in an agreement in Toronto in May 1995, in respect to the matter of the modified engine service training program for conductors, there was some discussion about the course structure and intent.

In this respect, the Company indicated that it is necessary in an extended run environment to have two employees who can operate the locomotive. The intent of the course is to provide the conductor the ability to operate the locomotive under the guidance of a qualified locomotive engineer. This will not affect their present duties as the conductor is still in charge of the train and the locomotive engineer is still responsible for the operation of the locomotive.

The structure of the modified engine service training course is as follows:

Technical & Rules Training - Gimli Manitoba 14 Days

- Basic Air Brake training Program
- Motive Power
- Simulator Training - 10 structured hours

On Job Training

- Joint Selection Process On Job Trainer
- Training with credible On Job Trainer - 2 weeks
- Review of runs with local officer, trainee and OJT, using downloads and evaluation sheets.

Upon successful completion of this program conductors will receive an Operator's Permit which will allow them to operate the locomotive when accompanied by a qualified locomotive engineer. While attending the training program the conductor will not suffer any loss of wages.

The Company and local chairperson will jointly examine cases where individuals do not reach qualification status within certain parameters. If a remedy is not found it will be elevated to the General Chairperson and District Manager for resolution.

K.L. Heller

Chief of Transportation

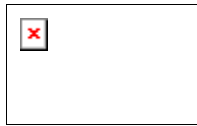
I Concur:

Mr. W.G. Scarrow C. Hamilton

Mr. R. LeBel Mr. B. Wood

Mr. M. Gregotski

Appendix 9



Transportation

Transport

Canadian National

Canadien National

Box 8100

C.P. 8100

Montreal,
Canada

Quebec,

Montréal
Canada

(Québec)

H3C 3N4

H3C 3N4

May 5, 1995

Mr. C. Hamilton

Mr. B. Wood

General Chairman

General Chairman

Canadian Council of Railway Operating
Unions

Canadian Council of Railway Operating
Unions

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Scarborough, Ontario	Bedford, Nova Scotia
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Mr. R. LeBel	Mr. M. Gregotski
General Chairman	General Chairman
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Mr. W.G. Scarrow	
General Chairman	
Canadian Council of Railway Operating Unions	
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Upper Level	
Sarnia, Ontario	
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Gentlemen:

During negotiations at Toronto in May 1995 which culminated in an agreement on implementation of extended runs/CSIP in Eastern Canada, we agreed to a process for implementation and ongoing monitoring.

It was decided in order to protect employees that a set of principles would be used to guide implementation and ongoing operation of extended runs. These principles are as follows:

Principles of Extended Runs/CSIP

1. Will not reduce the level of safety.

2. Will enhance transit time and reduce initial and final terminal time.
3. Employees will be provided accurate line-ups to allow sufficient rest prior to starting an extended run.
4. Employees will arrange to report for duty prepared to complete the assignment for which called.
5. At the crew ordering time extended run trains will be ready for the outbound crew to commence their duties to the extent possible with power on train, brake test completed, train coupled, etc.
6. Extended run trains will normally operate as hook and haul, however will perform customer services when other train service is not practicable i.e.:
 - pick up a bad order
 - service a plant when a switcher is not practical
 - set out or pick up when another method would delay traffic or disrupt the service plan
7. Both employees would be properly trained to operate a locomotive.
8. Cab conditions of locomotives will be improved within defined time frames to provide a more suitable ergonomic environment.
9. Marshalling and customer service activity in extended run territory to be primarily performed by road switchers and wayfreights that will not be operated as extended runs.

It was agreed for these principles to be used to provide maximum value, a set of measures and standards needed to be developed which tracked adherence to these principles. The measurement would be provided to the union and the company at regular intervals (monthly) and jointly reviewed on a regular basis. Both parties are committed to action when unacceptable deviation occurs.

The parties agreed to the following committee structure for implementation and ongoing monitoring of extended runs:

Regional Steering Committee - Permanent

Consisting of:

- 2 CCROU General Chairmen

- 2 Senior Company Officers such as the Regional Director Operations and 1 District Manager.

Frequency:

- Must meet or conference call quarterly or more frequently if performance dictates.

Mandate:

- Review standards/measures
- Ensure acceptable performance
- Resolve performance issues.

Regional Implementation Committee - Temporary

Consisting of:

- 2 appointees by the CCROU General Chairmen
- 2 Senior Company Officers

Frequency:

- Full time until extended runs are implemented.

Mandate:

- Determine standards and measures
- Establish detailed implementation plans for Eastern Canada including points covered in **Attachment A**.

District Committee - Permanent

Consisting of:

- 2 appointees by the CCROU General Chairmen
- The District Superintendent Transportation
- One other Company committee appointee.

Frequency:

- Must meet or conference call quarterly or more frequently if performance dictates.

Mandate:

- Review district measures and standards
- Ensure acceptable performance
- Resolve performance issues
- Elevate to regional level performance issues that can not be resolved at a District level.

Extended run standards and measures will be distributed regularly to all employees involved with extended runs. Standards will be adjusted jointly on a needs basis (i.e., as cab conditions improve, higher level of standard will be established, and in no case will the amount of line work increase to exceed conductor only criteria).

Prompt implementation would be jointly co-ordinated within defined time frames as defined in **Attachment B**.

Prior to the implementation, the parties agree that each affected terminal will be visited to explain to employees that CSIP and extended runs.

It is agreed that the appropriate Local Chairpersons will be assembled on each Region to explain the introduction of extended runs.

The parties agreed that employees will not be adversely affected by extended runs. However, in the unlikely event that there is an impact number of employees on the spareboard/furlough boards/laid off which can be attributed to the introduction of extended runs, the Regional Steering Committee will address the matter and determine what remedial action, including any benefits covered by the Material Change provisions of the Agreements.

Extended runs, crew sequencing and booking rest en route standards will be adjusted from time to time in keeping with extended run principles through the agreement of the Regional Steering Committee.

For the purposes of payment these committee meetings will be considered company initiated.

The overriding objective of the foregoing is to have extended runs function consist with the least possible exceptions against the principles we have established.

If the aforementioned accurately reflects the parties conversation, please sign where indicated.

K.L. Heller

Chief of Transportation

I Concur:

W.G. Scarrow C.C.R.O.U.

C. Hamilton C.C.R.O.U.

M.P. Gregotski C.C.R.O.U.

B.E. Wood C.C.R.O.U.

R. LeBel C.C.R.O.U.

-

Attachment A

Examine and implement crewing, scheduling, and cycling of assignments.

Determine appropriate accommodation arrangements, including travelling to and from accommodations.

Predetermined criteria for reaching the objective terminal

- i. dangerous commodities

- ii. sufficient power
- iii. dimensional loads
- iv. restricted equipment
- v. etc.

Minimize / eliminate the need for relocation of employees

Ensure both employees are trained and familiarized/qualified prior to the implementation of extended runs.

Provide for work sharing initially recognizing the present terminal work (pro-rated)

Attachment B

Implementation schedule extended runs / Eastern Canada

- Details to be determined by Regional Implementation Committee
- Entire program must be completed by not later than April 1, 1996.

Appendix 10

May 5, 1995

CANADIAN NATIONAL RAILWAY COMPANY

Memorandum of Agreement between the Canadian National Railway Company and the Canadian Council of Railway Operating Unions establishing preference rights on the former Consolidated Eastern and Central Seniority Territories.

It is agreed that:

1. Locomotive Engineers with a seniority date on or prior to January 1, 1996 on the Central Seniority District shall have preference, in seniority order, for all service on the (former) Central Seniority District as described in paragraphs 43.3 to 43.5 of Article 43 of Agreement 1.1.
 2. Locomotive Engineers with a seniority date on or prior to January 1, 1996 on the Consolidated Eastern Seniority District shall have preference, in seniority order, for all service on the (former) Eastern Seniority District as described in paragraphs 43.1 and 43.2 of Article 43 of Agreement 1.1.
 3. The name of each employee who has a seniority date as a locomotive engineer on or prior to January 1, 1995 on the Consolidated Eastern Seniority District shall be placed, in seniority order, at the bottom of the Central Seniority District list with a seniority date of January 2, 1995.
 4. The name of each employee who has a seniority date as a locomotive engineer on or prior to January 1, 1995 on the Central Seniority District shall be placed, in seniority order, at the bottom of the Consolidated Eastern Seniority District list with a seniority date of January 2, 1995.
 5. Employees, who have applied and been accepted for locomotive engineer training and have not had the opportunity to become qualified as a locomotive engineer will be afforded preference rights and seniority in accordance with items one to four of this memorandum.
 6. The name of each employee who acquires a seniority date after those employees outlined in items one to five hereof will not have preference rights and shall be placed on both lists in accordance with paragraph 45.3 of Article 45 of Agreement 1.1.
 7. In the application of paragraph 58.12 of Article 58, Agreement 1.1, a shortage of locomotive engineers will be filled in the following sequence:
 - (i) the junior locomotive engineer not working as such on the same (former) seniority district as the vacancy.
 - (ii) there being none, the junior locomotive engineer not working as such on the other (former) seniority district.
- Locomotive engineers who hold preference rights pursuant to this Memorandum of Agreement will not be required to protect shortages outside their (former) seniority district while working in their (former) seniority district.
8. Notwithstanding the provisions of Article 21 of Agreement 1.1, locomotive engineers who hold preference rights pursuant to this Memorandum of Agreement who:
 - (i) are awarded a position on a permanent vacancy in accordance with Articles 47 or 48 at a home station on a former district where they do not hold such rights; or

(ii) protect service in accordance with paragraph 58.4 of Article 58 at a home station on a former district where they do not hold such preference rights;

and who, as a result thereof, are required to learn the road will be paid for actual mileage or time consumed at the rate applicable to the class of train on which they travel; not more than two round trips will be paid for. In all other instances, the provisions of Article 21, where applicable, will apply.

9. Preference or homestead rights, mileage equalization and trackage rights established under previous agreements between the parties will not be affected by this Memorandum of Agreement.

10. The application of other agreements, if any, signed prior to the effective date of this Memorandum of Agreement and referring specifically to a certain seniority district as described in Article 43 of Agreement 1.1 will continue but only on the specific district described in each such agreement until otherwise changed or cancelled.

Signed at Toronto, Ontario this 5th day of May, 1995

FOR THE CANADIAN NATIONAL RAILWAY COMPANY
FOR CANADIAN COUNCIL
OF RAILWAY OPERATING UNIONS

For: Assistant Vice-President General Chairman
Labour Relations

General Chairman

Appendix 10B

May 5, 1995

**CANADIAN NATIONAL RAILWAY COMPANY
GREAT LAKES ST. LAWRENCE AND ATLANTIC REGIONS**

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the Canadian Council of Railway Operating Unions to provide for the consolidation of 1st Seniority District and the 17th Seniority District.

IT IS AGREED THAT:

1. Effective May 5, 1995, the 20th (Eastern) Seniority District shall be established which shall be comprised of the 1st and the 17th Seniority Districts.
2. The seniority list for road and where applicable, on the 17th Seniority District, yard service employees shall be prepared as follows:
 - (a) the name of each employee on the 1st Seniority District who has a seniority date prior to April 18, 1993, shall be placed in the same order as their standing on the 1st Seniority District on the 17th Seniority District lists, with a seniority date of April 18, 1993.
 - (b) the name of each employee on the 17th Seniority District shall be placed in the same order as their standing on the yard 17th Seniority District lists, on the bottom of 1st Seniority District list with a seniority date of April 18, 1993.
3. Employees with a seniority date on or prior to April 18, 1993, and whose names appeared on the seniority list of the former 17th Seniority District will have preference in seniority order over other employees in the filling of vacancies in all service on the territory described by sub-paragraphs 46.14 to 46.15 and 46.16 inclusive, of Article 46 of Agreement 4.16.
4. Employees with a seniority date on or prior to April 18, 1993, and whose names appeared on the seniority list of the former First Seniority Districts will have preference in seniority order over other employees in the filling of vacancies in all service on the territory described by paragraphs 46.1 to 46.13, of Article 46 of Agreement 4.16.
5. Unless otherwise arranged between the designated Officer of the Company and the General Chairperson, runs in road service extending over more than one of the former seniority districts described by Item 3 hereof, which existed on or before the effective date of this Memorandum, will be operated by employees from each of the former seniority districts involved, proportionately as nearly as possible, on a mileage basis.
6. Preference rights established under previous agreements, including the Memorandum of Agreement dated February 16, 1982, concerning the 17th Seniority district, the Memorandum of Agreement dated June 12, 1991 concerning the establishment of interchangeable seniority rights on the former 11th Seniority District, the Memorandum of Agreement dated June 12, 1991 concerning the 18th Seniority District, and the Memorandum of Agreement dated September 19, 1991 concerning the 19th Seniority District and the Memorandum of Agreement dated October 25, 1992 concerning the establishment of the First Seniority District, will not be affected by this Memorandum of Agreement nor that any other preference

rights established under previous agreements will be affected by this Memorandum of Agreement.

7. Employees who are "protected freight employees" as designated by Clause 1 of the Memorandum of Agreement dated March 29, 1992 (Conductor Only Agreement Eastern Region) will retain such status on their former seniority districts, but such status will not be transferable from their former seniority district to the 17th Seniority District.

8. Employees who are "protected freight employees" as designated by Clause 1 of the Memorandum of Agreement dated July 12, 1991 (Conductor Only Agreement 17th Seniority District) will retain such status on their former seniority districts, but such status will not be transferable from their former seniority district to the 1st Seniority District.

9. Notwithstanding the provisions of paragraph 47.12 of Article 47 (Interchangeable Seniority Rights - Road and Yard Service), the "change of service date" on the 20th (Eastern) Seniority District shall be the Spring and Fall Change of Timetables and bulletins shall be issued to the Seniority district.

10. An employee's former seniority district will be indicated on the seniority list by placement of the appropriate number next to his or her name. For example, employees from the former 17th Seniority District will have the number "17" placed next to their name. Similarly, employees on the former First Seniority district will have the number 1 placed next to their name.

11. The revised seniority list will be published as required by paragraph 46.17 of Article 46 of Agreement 4.16; and, in conjunction therewith, a separate list will be published for each former seniority district listing, in seniority order, the names of each employee who holds preference rights on such territory.

12. The application of other agreements, signed prior to the effective date of this Memorandum of Agreement and referring specifically to a certain seniority district as described by Item 4 hereof, will continue only on the specific territory described in each such agreement until otherwise changed or cancelled.

Signed at Toronto, Ontario this 5th day of May, 1995.

FOR THE CANADIAN NATIONAL FOR THE CANADIAN COUNCIL

RAILWAY COMPANY OF RAILWAY OPERATING UNIONS:

For: Assistant Vice-President General Chairperson

Labour Relations

General Chairperson

General Chairperson

Appendix 11

May 5, 1995

Mr. C. Hamilton Mr. B. Wood

General Chairman General Chairman

Canadian Council of Railway Canadian Council of Railway

Operating Unions Operating Unions

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Scarborough, Ontario Bedford, Nova Scotia

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Mr. R. LeBel Mr. M. Gregotski

General Chairman General Chairman

Canadian Council of Railway Canadian Council of Railway

Operating Union Operating Union

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G1R 1R7 Fort Erie, Ontario

L2A 1N2

Mr. W.G. Scarrow

General Chairman

Canadian Council of Railway

Operating Unions

486 N. Christina Street

Upper Level

Sarnia, Ontario

N7T 5W4

Gentlemen:

During the current round of negotiations, the Union expressed concern about Road Crews not being given the opportunity to have a meal at a reasonable hour. It was emphasized that the revisions to the eating rules were not to jeopardize nor take away the rights for employees to have a meal in other than through freight service.

The Union raised different instances where employees were being denied the opportunity to eat at a reasonable time or at locations where there were suitable eating facilities during a specific time.

It is agreed that if there are suitable eating facilities at a location, employees would be allowed a reasonable opportunity to eat at this location rather than being told to leave the area to go to a location where it was known there were not suitable facilities. Employees are to arrange their work accordingly to ensure that eating does not disrupt customer service.

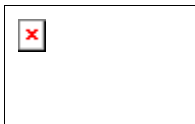
The Company commits to ensure that line officers are apprised of this directive of permitting employees to consume meals at a reasonable hour.

Yours truly,

K. L. Heller

Chief of Transportation

Appendix 12



Transportation

Transport

Canadian National

Canadien National

Box 8100

C.P. 8100

Montreal,
Canada

Quebec,

Montréal
Canada

(Québec)

H3C 3N4

H3C 3N4

May 5, 1995

Mr. R. LeBel

Mr. B. Wood

General Chairman

General Chairman

Canadian Council of Railway
Operating Unions

Canadian Council of Railway
Operating Unions

1026 St. Jean Street, Suite 200

2 Dartmouth Road, Suite 210

Quebec, Quebec

Bedford, Nova Scotia

G1R 1R7

B4A 2K7

Gentlemen:

This is in reference to our discussions concerning the new and critical Ultramar contract operating between St. Romuald and Montreal. As you are aware, this contract has the opportunity of new markets with this and other customers allowing rail to operate in this short distance market. However, the economics of such an operation dictated that a conductor only operation without any restrictions with respect to the duties which may be performed was a prerequisite. As well, the operation, due to the length of the run would also require an extended day of 11 hours before rest could be booked.

Both parties agreed this was a unique opportunity for the Company and employees to improve the Eastern Canada operation by acquiring new business and accordingly agreed the aforementioned would apply. It was hoped that co-operative ventures of this nature would lead to additional business opportunities.

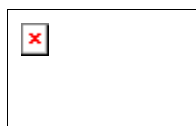
K.L. Heller

Chief of Transportation

B.E. Wood C.C.R.O.U.

R. LeBel C.C.R.O.U.

Appendix 13



Human Resources

Ressources humaines

Canadian National

Canadien National

Box 8100

C.P. 8100

Montreal, Quebec, Canada

Montréal (Québec) Canada

H3C 3N4

H3C 3N4

May 5, 1995

Mr. C. Hamilton

Mr. B. Wood

General Chairman

General Chairman

Canadian Council of Railway Operating
Unions

Canadian Council of Railway Operating
Unions

2855 Kingston Road

2 Dartmouth Road, Suite 210

Scarborough, Ontario

Bedford, Nova Scotia

M1M 1N3

B4A 2K7

Mr. R. LeBel

Mr. M. Gregotski

General Chairman

General Chairman

Canadian Council of Railway Operating
Unions

Canadian Council of Railway Operating
Unions

1026 St. Jean Street, Suite 200

Country Square

Quebec, Quebec

516 Garrison Road, Unit 5

G1R 1R7

Fort Erie, Ontario

L2A 1N2

Mr. W.G. Scarrow

General Chairman

Canadian Council of Railway Operating
Unions

486 N. Christina Street

Upper Level

Sarnia, Ontario

N7T 5W4

Gentlemen

During the mediation/arbitration process the Company and Union, discussed the impact of consolidation of the Eastern Seniority District and Central Seniority District into one amalgamated seniority district.

It was agreed at that time, that subsequent to the finalization of these seniority districts, the parties would meet to determine a mechanism that would afford employees a fair and equitable method of applying and qualifying as Locomotive Engineers. The following principles were agreed to in this determination:

1. An initial bulletin requesting applicant to train and qualify as Locomotive Engineers will be issued to the 20th seniority district.
2. Employees desiring such training must apply on the initial bulletin, to ensure they do not suffer a loss of seniority.
3. Employees on the initial list shall establish their seniority ranking on the Eastern Seniority District in conjunction with their relative standings on the amalgamated 20th seniority district, which shall establish a master list for the purpose of training.
4. The Company shall train employees on the established Master List for terminal/locations which Locomotive Engineers are required, regardless of their standing on such list.

This order of training shall not prejudice the seniority of the applicants, as although upon completion is when employees are afforded seniority, they shall be placed on the Locomotive Engineers' list in conjunction with their ranking on the aforementioned master seniority list.

Employees who are on the master list, but who are not required at the time, shall retain their seniority standing, provided they attend the first available training course.

Subsequent to the training and qualifying of employees, the original bulletin, the Company will issue another bulletin, which shall request further applications from those employees desiring training/qualification as Locomotive Engineers.

The parties recognize, and agree, that if something arises which does not properly protect the vested seniority rights of employees, then necessary modifications can be made.

Copies of all bulletins will be provided along with successful applicants to the appropriate General Chairman.

for: Assistant Vice-President

Labour Relations

Appendix 14

May 5, 1995

Mr. B. Wood Mr. R. LeBel

General Chairman General Chairman

Canadian Council of Railway Canadian Council of Railway

Operating Unions Operating Unions

2 Dartmouth Road, Suite 210 1026 St. Jean Street, Suite 200

Bedford, N.S. Quebec, Que.

B4A 2K7 G1R 1R7

Gentlemen:

During the mediation/arbitration process pursuant to the Railway Commission Bill C-77, we had several discussions concerning the need to deal with the mitigation of adverse effects for employees in Atlantic Canada (east of Joffre).

In resolution of the aforementioned, within 60 days of signing this letter, the parties will meet to negotiate measures to mitigate adverse effects with the exception of the weekly layoff benefits.

If agreement cannot be reached by July 15, 1995 any outstanding issues between the parties will be submitted to final and binding arbitration to the arbitrator occupying the Canadian Railway Office of Arbitration. If the aforementioned accurately reflects our discussion, please sign where indicated in the space provided below.

Yours truly,

Assistant Vice-President

Labour Relations

I concur: I concur:

General Chairperson General Chairman