



Teamsters Canada Rail Conference

Conférence ferroviaire de Teamsters Canada

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June 13, 2006

TO: ALL LOCAL CHAIRMEN AND MEMBERS – CN – CENTRAL REGION

RE: CN PENSION PLAN – POSITION LETTER DATED JUNE 8, 2006

Brothers/Sisters,

On June 8, 2006 CN issued a letter to all active employees referenced as “Termination Prior to Earliest Retirement Date – Employer Consent”, this with respect to the CN Pension Plan.

This office did not participate or have any prior knowledge that CN would take such outrageous and confrontational action against our members. When I received the letter I called the company officers I deal with in Labour Relations to ask questions about the letter. They did not know what I was talking about and asked me to fax the letter to them.

It is my understanding and opinion that the following will apply under CN’s new position:

1. Members who sever from CN prior to age 55 and who desire to take a “deferred pension” (85 points – combination service and age) will be deducted .5% of their pension for each month up to age 65. Employees could lose in excess of 60% of their pension as a result of CN’s unilateral action.

The sole purpose is to force people to remain working until age 65. This could be retaliation, for not agreeing with CN’s request to allow retirees to come back to work at CN with no benefits on a part-time basis. Who knows?

2. CN states that its actions would not apply to employees who retire between the ages of 55 and 65 (and have 85 points) provided they receive “**Company consent**”. If CN does not give consent, the reduction in pension is, .5% for each month up to the age of 65. The former head of labour relations for CN sent letters to both transportation unions concerning retirement at 55 (85 points) with no penalty. Will CN abide by the terms and conditions of this letter? Who knows?

3. Employees who sever from CN prior to age 55 and opt for the lump sum payment will have such payment reduced by .5% for each month up to the age of 65 (including those employees who sever due to medical reasons or are dismissed).

All TCRC General Chairmen have advised our President Gilles Halle that we are opposed to the changes introduced by CN to the pension plan. We are reviewing all our options to address this issue. These options should include working with other unions in a united effort to fight these changes as well as the many others CN has planned.

Fraternally yours,



Paul Vickers
TCRC General Chairman
Central Region